



Conflict of Interest Policy

Any director, officer, member of a committee with board delegated powers or key employee who has a direct or indirect financial interest in a contract or other transaction presented to the Board or a committee thereof for authorization, approval, or ratification shall make a prompt and full disclosure of the material facts of the proposed contract or other transaction and his or her interest or relationship therein to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts known to such person about the contract or transaction which might reasonably be construed to be adverse to the Corporation's interest.

The body to which such disclosure is made shall thereupon determine, in good faith and with ordinary care, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist, and whether the contract or other transaction is authorized, approved or ratified. Such authorization, approval or ratification shall require an affirmative vote of a majority of the disinterested votes entitled to vote. If a conflict is deemed to exist, or reasonably be construed to exist, such interested person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in, the discussions or deliberations with respect to such contract or transaction. Such person may be counted in determining whether a quorum is present, but may NOT be counted when the Board of Directors or a committee of the Board takes action on such contract or transaction. The minutes of the meeting shall reflect the disclosure made, the vote thereon, and where applicable, the abstention from voting and participation, and whether a quorum was present.

For purposes of this policy, a director, officer, member of a committee with board delegated powers or key employee is "indirectly" a party to a transaction if the other party to the transaction is an entity in which the director, officer, member of a committee with board delegated powers or key employee has a financial interest or of which the director, officer, member of a committee with board delegated powers or key employee is a managerial official or a member.

Each director, officer, member of a committee with board delegated powers and key employee shall annually sign a statement which affirms that such person -

- a) has received a copy of the Corporation's conflict of interest policy;
- b) has read and understands the conflict of interest policy;
- c) has agreed to comply with the conflict of interest policy;
- d) understands that the Corporation is a tax-exempt organization and that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes; and
- e) has disclosed all matters requiring disclosure pursuant to the conflict of interest policy.

- f) To ensure that this organization, as an exempt organization, operates in a manner consistent with its purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the Finance Committee.

2017 Annual Board Member Conflict of Interest Statement

I, the undersigned, being duly elected to the board of directors of the Flathead County Library Foundation, Inc., (FCLF) hereby state that I have read and understand the FCLF's Conflict of Interest Policy ("the Policy") and that to the best of my knowledge (except as noted below):

- 1) I, as an individual, don't transact any business, directly or indirectly, with FCLF;
- 2) I don't have a significant ownership interest, serve as an officer, director, employee, partner proprietor or owner of 10 percent or more of the stock, in any corporation, partnership, or association that transacts business with FCLF;
- 3) I don't have a business (including voluntary board and committee service) relationship with any corporation, partnership or association that transacts business with FCLF;
- 4) I don't have any other professional relationship with any other organization, nonprofit or for profit, which might benefit from information learned during my board service with FCLF;
- 5) No member of my family is in the employ of FCLF, or would come within the meaning of preceding items 1-4; and
- 6) Neither I nor any member of my family has any other relationships or interests that would reasonably be considered an actual, apparent or potential conflict of interest with FCLF.

My exceptions to the above statements are as follows:

I agree that if any situations arise, of which I am currently unaware, I will immediately notify the president of any conflict, actual, apparent or potential. I will fully disclose any such conflict and remove myself from any deliberation or vote concerning the issue. I agree to answer any questions the board may have with respect to any actual, apparent or potential conflict of interest, and I understand that all such information will be held in confidence by the members of the board, unless the best interests of FCLF dictate otherwise.

Name: _____

Signature: _____ Date: _____