

## **BOARD POLICIES ADOPTED AUGUST 14, 2012**

### ***Conflict of Interest Policy***

The Paul Sawyer Public Library Board believes that it is fundamentally important that the public perceives that all policies and decisions of the Board are fairly and impartially determined, and that the personal financial interests of the Board members do not conflict with the interests of the Library. To that end, the Board has adopted the following policy:

- A Board member shall not participate, directly or indirectly, in the making of any contract on behalf of the Library in which he or she has a personal financial interest; nor shall a Board Member participate in any decision or recommendation involving the Library in which they have a personal financial interest.
- Any Board member aware of a personal conflict of interest regarding a matter coming before the Board shall bring this to the attention of the Board. The voting Board shall rule as to whether the situation constitutes a conflict. If a conflict exists, the Board member shall abstain from voting and excuse him/herself from any discussion regarding the matter by leaving the room, and shall not be counted in determining the quorum if that has not already been established for the meeting. These points shall be recorded in the Minutes of such meetings.
- A Board member shall not participate in any way in deciding whether to hire any person related to him/her by blood or marriage closer than a second cousin, as an employee of the Library.
- The Board, in accordance with this policy and applicable law, shall deal with any conflict of interest brought to its attention.

## ***Fiscal Responsibility Policy***

### **GENERAL PURPOSE**

It is the policy of the Paul Sawyer Public Library that public office not be used for personal gain, and that Board members and the Director are to remain objective in their duties and responsive to the needs of the public they serve. Accordingly, the Director and Board members must maintain the highest commitment to their responsibilities as stewards of the Library.

### **DISTRICT FUNDS**

The Paul Sawyer Public Library Board defines all district funds as "Public Funds." This includes, but is not limited to, all sums actually received in cash or negotiable instruments from all sources, whether or not the money has ever been deposited into a Library account. Any money controlled by the Library, including gifts, fines, fees and all funds received from any source, are considered "public funds" and are governed by this policy.

### **PERSONAL USE OF DISTRICT ASSETS**

Neither the Director nor any Board member will use or permit the use of Library funds, vehicles, equipment, telephones, materials or property for their own personal benefit or profit. Neither the Director nor a Board member will ask or require a Library employee to perform services for the personal benefit or profit of a Board member or the Director. The Director and all Board members will safeguard Library property, equipment, moneys and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

### **SEGREGATION OF FISCAL DUTIES AND INTERNAL CONTROLS**

No one person should control or perform all key aspects of a transaction or financial event. Segregation of duties is an important internal control activity that helps detect errors in a timely manner and deters improper activities. Internal controls instituted by the Library will assist the board in maintaining adequate fiscal oversight of the expenditure of funds.

The Paul Sawyer Public Library has reviewed the 32 guidelines outlined in the *Kentucky Auditor of Public Accounts - Recommendations for Public and Nonprofit Boards* (March 2010 revision). The adequacy of the library's compliance efforts shall be reviewed after each audit and as otherwise needed.

### **POLICY ENFORCEMENT**

All Library employees, the Director and Board members are bound by this policy.

Any alleged violation of this policy by Library staff shall be investigated by the Director. If actual violation is determined, the Director shall impose sanction appropriate to the degree of violation, up to and including termination. Any employee affected by an action under this policy may appeal to the Board, as allowed by the district's general employee policy.

Any alleged violation of this policy by the Director shall be investigated by the Board, or by a committee appointed by the Board for this purpose. If actual violation is determined, the Board shall impose sanction appropriate to the degree of violation, up to and including termination.

Any alleged violation by a Board member shall be investigated by the remaining Board members. If actual violation is determined, the Board may impose sanction as warranted, up to and including requesting the resignation of the Board member. At the option of the Board, and in accordance

with KRS 65.007, the fiscal court may be requested to instigate removal proceedings for any Board member found in violation.

The Library District reserves the option of reporting any significant violation of this policy to appropriate law enforcement agencies for investigation and possible prosecution.

## ***Investment Policy***

### **GENERAL POLICY**

It is the policy of the Paul Sawyer Public Library to invest funds in a manner that will provide a reasonable return consistent with security of principle while meeting the Library's daily cash flow demands and conforming to all state statutes and the Library's regulations governing the investment of funds.

### **SCOPE**

This investment policy applies to all financial assets held directly by the Library. These financial assets are accounted for in the Library's annual financial report and include all moneys in investment fund accounts.

### **INVESTMENT OBJECTIVES**

The Library's primary investment objectives, in order of priority, are the following:

- A. **Safety.** Safety of principle is the foremost objective of the Library's investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital.
- B. **Liquidity.** The Library's investment portfolio shall remain sufficiently liquid to enable the Library to meet all operating requirements which might be reasonably anticipated.
- C. **Return on Investment.** The Library's investment portfolio shall be designed with the objective of attaining a reasonable rate of return throughout the budgetary and economic cycles, taking into account the Library's investment risk constraints and the cash flow characteristics of the portfolio.

### **INVESTMENT AUTHORITY**

Investments shall be made and managed only upon a vote of the board. The board may delegate authority to the Library Director or the Board Treasurer to execute board investment decisions.

### **AUTHORIZED INVESTMENTS**

The funds of the Library available for investment shall be invested in accordance with this policy and all applicable state statutes only in the following type of investment instruments:

#### **A. Authorized Investment Instruments**

1. Obligations of the United States and its agencies and instrumentalities, including obligations subject to repurchase agreements, provided that delivery of these obligations subject to repurchase agreements is taken either directly or through an authorized custodian.
2. Obligations and contracts for future delivery or purchase of obligations backed by the full faith credit of the United States or a United States government agency and/or obligations of any corporation of the United States government as per KRS 41.240.
3. Certificates of deposit insured by or other interest-bearing accounts of any bank or savings and loan institution which are insured by the Federal Deposit Insurance Corporation or similar entity or which are collateralized, to the extent uninsured, by any obligations permitted by KRS 41.240(4).

#### **B. Limitation on Investment Transactions**

With regard to the investments authorized in this section, the following limitation shall apply:

No investments shall be purchased for the Library on a margin basis or through the use of any similar leveraging technique.

### **DIVERSIFICATION OF INVESTMENTS**

The Library recognizes that some level of risk is inherent in any investment transaction. Losses may be incurred due to market price changes or closing investments prior to maturity due to unanticipated cash flow needs. Diversification of the Library's investment portfolio by type of investment instrument and term to maturity is the primary method to minimize investment risk.

To the extent possible, the Library will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow need, the Library's funds should not, in general, be invested in securities maturing more than 1 year from the date of the purchase. However, the Library may collateralize its repurchase agreements using longer-dated investments not to exceed 30 years, if maturities of the investments are made to coincide as nearly as practical with the expected use of the funds. Reserve funds may be invested in securities exceeding 1 year, if maturities of the investments are made to coincide as nearly as practical with the expected use of the funds.

### **SAFEKEEPING AND CUSTODY**

To protect against potential fraud and embezzlement, investment assets shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party institutions. Any officer or employee of the Library authorized to engage in investment transactions shall be bonded in an amount established by the Board. The safekeeping procedures utilized in the Library's investment program shall be reviewed by an independent auditor in accordance with KRS 65.065.

### **COLLATERAL**

It is the policy of the Library to require that all cash and investments in excess of the amount insured by the FDIC maintained in any financial institution named as a depository be collateralized. In order to anticipate market changes and provide a level of security for all funds, the collateralization level shall be 100% of the market value of principal, plus accrued interest. Collateral shall be limited to the types of instruments authorized as collateral for state funds in KRS 41.240.

Collateral shall always be held by an independent third-party custodian with whom the Library has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the Library and retained by the Board.

### **INVESTMENT REPORTING**

The designated official shall prepare and submit to the Library Board a monthly report regarding the status of the Library's investment program. As to each investment, the report shall include the following information:

- A. Name of financial institution from which the investment was purchased or in which assets are deposited.
- B. Type of investment.
- C. Certificate or other reference number, if applicable.
- D. Percentage yield on an annualized basis.

- E. Purchase price, and maturity date.
- F. Current market value of the investment.

In addition, the report shall explain the month's total investment return and compare the return with the budgetary expectations.

#### **AUDIT**

In connection with the audit of Library's funds conducted by an independent certified public accountant, the auditor shall conduct a review of the Library's investment program, including internal controls and procedures, and the results of the review, including recommended changes, shall be included in the Library's audit.

#### **INVESTMENT POLICY ADOPTION**

The Library's investment policy shall be adopted by order of the Library Board and shall become effective on the date set forth in the order. The policy shall be reviewed annually and revised, as appropriate. Any amendments to this policy must be made by order of the Board.

At maturity or liquidation, the monies previously invested, if reinvested, shall be invested only in accordance with this policy. The Board may take a reasonable period of time to adjust the existing portfolio to the provisions of this policy in order to avoid the premature liquidation of any current investment.

## ***Procurement Policy***

### **PROCUREMENT POLICY - MODEL PROCUREMENT CODE ADOPTED**

The Paul Sawyer Public Library Board of Trustees desires to make all purchases and contracts in a transparent and competitive manner that represents the interests of the library and the taxpayer. To achieve this, and to the extent practicable, the Board will follow the Kentucky Local Government Model Procurement Code, KRS 45A.345–460. Where the Board determines it is not feasible to follow the Model Procurement Code, or otherwise elects not to do so, all purchases and leases shall be made in accordance with the following:

#### **PURCHASING AUTHORITY**

Unless otherwise provided for in this policy, the Director, or designee, shall have the authority to purchase or lease products or services within the budget adopted, and may sign contracts and other instruments of the Board when authorized to do so by the Board. All procurement expenditures are subject to audit. Even where not required by law or this policy to be bid, the Director or designee shall use his or her best efforts to obtain two or more bids for any purchase, lease, or procurement for which multiple sources are reasonably available.

Any purchase, lease or procurement of \$10,000 or more shall be brought before the Board for approval. Purchases, leases or procurements may not be parceled, split, or scheduled over a period of time in order to subvert the intent of this requirement.

#### **PURCHASES OVER TWENTY THOUSAND DOLLARS**

As required under KRS 424.260, all purchase orders or contracts for products or services in excess of twenty thousand dollars (\$20,000), except those exempted below, must be advertised for bid. Purchases may not be parceled, split, or scheduled over a period of time in order to subvert the intent of this requirement.

All such bid processes shall be conducted according to the provisions of KRS 424.130 and 424.140.

#### **STATE OR FEDERAL [GSA] CONTRACT PRICING**

As authorized under KRS 45A.050, KRS 45A.420 and KRS 66.470, the Library may purchase products and services outside of the bidding process if those products and services meet the specifications of price contracts awarded by the state Finance and Administration Cabinet or the Federal Government.

#### **COMPETITIVE BIDDING EXEMPTIONS**

The following purchases are exempt by law or Finance and Administration policy from competitive bidding. However, the Board may elect at any time to solicit bids or proposals for purchase of exempt products and services in order to obtain the best value for the Library.

Contractual services where no competition exists, such as electrical energy, telephone service, and other public utility services. KRS 45A.095 45A.380(2)

Contractual Services of a licensed professional, such as attorney, physician, psychiatrist, psychologist, certified public accountant, registered nurse, or educational specialist; a technician such as a plumber, electrician, carpenter, or mechanic; or an artist such as a sculptor, aesthetic painter, or musician, provided, however, that this provision shall not apply to architects or engineers providing construction management services rather than professional

architect or engineer services, when a written determination has been made that competition is not feasible. KRS 45A.380

Subscriptions for the purchase of periodicals in either paper or electronic format. A subscription may include a professional journal, newspaper, or other required publication. KRS 45A.050 45A.380(1)

Copyrighted material in either paper or electronic format for which only one source of supply is available. Items commonly covered under this section include:

Library books. KRS 45A.095 45A.380(1)

Published books, maps, periodicals, and technical pamphlets. KRS 45A.050 45A.380(1)

Works of art for museum and public display. KRS 45A.050 45A.380(1)

Services of a visiting speaker, professor, expert witness, or performing artist. KRS 45A.095 45A.380(3)

Rates fixed by law or ordinance. KRS 45A.09

Cooperative purchases made between state agencies, political subdivisions, state universities, agencies of other states, or agencies of the federal government. KRS 45A.300 45A.420

Advertisements, public media, public displays, billboards, signage, and booths. Dissemination of information and the purchase or rental of promotional related items for library use. (for clarification, see FAP 111-09-00 45A.380{2})

Equipment repair service and parts. (for clarification, see FAP 111-09-00 45A.380{5})

**A product or service for which there is only one (1) known capable supplier as occasioned by the unique nature of the requirement, supplier, or market condition. (for clarification, see FAP 111-10-00 45A.380{2})**

Contracts for group life insurance, group health and accident insurance, group professional liability insurance, worker's compensation insurance, and unemployment insurance. KRS 45A.380

- A product or service made necessary by an emergency which will cause public harm as a result of the delay in competitive procedures. KRS 45A.380

### **PURCHASES LESS THAN TWENTY THOUSAND DOLLARS**

Purchases of products and services less than twenty thousand dollars (\$20,000) but more than five thousand dollars (\$5,000) may be made in the open market, without newspaper advertisement. Such purchases shall, whenever possible, be based on at least three (3) competitive written proposals or ascertained from vendor's price lists or other quote information. Award shall be made to the supplier offering the best value. Purchases, leases or procurements may not be parceled, split, or scheduled over a period of time in order to subvert the intent of this requirement.

### **PURCHASES LESS THAN FIVE THOUSAND DOLLARS**

Purchases of products and services less than five thousand dollars (\$5,000.00) may be made without competitive proposals but shall be made with attention to the lowest possible cost, consistent with the needs of the Library with regard to durability, performance, delivery and service. Purchases, leases or procurements may not be parceled, split, or scheduled over a period of time in order to subvert the intent of this requirement.



### **TAX EXEMPTION**

As provided for by KRS 139.470(7), the Library is exempt from the Kentucky sales and use tax as applied to purchases of tangible personal property or services. This exemption applies only to purchases of property or services for use by the Library. The exemption cannot be claimed by a contractor purchasing property to be used in fulfilling a contract with the Library, or by a Library employee or Board member for their own personal purchases.

### **PAYMENT**

All invoices and pre-payments shall be paid promptly in accordance with generally accepted business and accounting practices.

The Director, in conjunction with the Treasurer, shall be the disbursing officer of the Board. In the absence or inability of the Director or Treasurer, these duties shall be performed by such other Board member(s) or staff members as the Board may designate.

Payments made by check shall be cosigned.

All disbursements shall be submitted for approval monthly by providing to the Board a copy of the Treasurer's report.

### **PURCHASING PROCEDURES**

The Executive Director and Bookkeeper shall develop and implement procedures for regular auditing of Library expenditures, and all other procedures necessary to carry out this policy.

## ***Open Records Policy***

### Open Records Requests and Records Retention

The Paul Sawyer Public Library is subject to the Kentucky Open Records Act (KRS 61.870-61.884) and certain requirements with regard to records retention.

### **RETAINED RECORDS**

The Paul Sawyer Public Library will maintain and retain its records in accordance with applicable laws and regulations. Unless otherwise provided by law, records may be retained or discarded according to the Records Retention Schedules as adopted by the State Archives and Records Commission.

### **PUBLIC RECORDS**

Not all records of the Paul Sawyer Public Library will necessarily be “public records” under the Open Records Act, and even some public records are exempt from operation of the Act. "Public record" generally means all books, papers, maps, photographs, cards, tapes, discs, diskettes, records, or other documentary materials prepared, owned, used, in the possession of, or retained by the Library. It does not include any records owned by a private person or corporation that are in the possession of the Library or one of its employees.

### **REQUESTS FOR RECORDS**

The Paul Sawyer Public Library Director (or designee) acts as Custodian for all of the Library’s public records. Any person may request to inspect or receive copies of the Library’s non-exempt public records. All requests to view or copy the Library’s public records pursuant to the Kentucky Open Records Act must be made in writing and must contain the requester’s name and signature. Requesters may use the Request to Inspect Public Records form, but are not required to do so. All Open Records Requests must be submitted via U.S. Mail, facsimile transmission, or hand delivery. Emailed Open Records Requests will not be honored. Open Records Requests should be directed to the attention of the Library’s Records Custodian. If a requester is requesting to be provided with copies of non-exempt public records, they must provide a sufficiently precise description of the documents they are seeking so as to allow the Records Custodian to readily identify them.

### **RESPONSE**

The Paul Sawyer Public Library has three business days in which to respond to an Open Records Request. This time begins to run the next business day after the request is received.

The response to an Open Record Request may: (1) grant the request, (2) deny the request, (3) explain that there will be a delay in responding to the request; or any combination thereof. To the extent a request is granted, the response will provide a timeframe when the requested non-exempt public documents may be inspected in person, or will inform the requester of the applicable copying charge and postage fee required to be paid before copies of the non-exempt public documents may be provided. To the extent a request is denied, the response will provide the legal cause for the denial. To the extent the full response to a request is delayed, the initial response will give a detailed explanation of the cause for any delay and an estimate of when a complete response may be expected.

## **COPIES**

To the extent a request is granted, copies of the responsive non-exempt public records requested may be provided at a cost of \$0.10 per page, along with any applicable postage costs, all of which must be pre-paid by the requester. Requests for specialized or non-standard copies (e.g. color or oversized copies) will be provided at the cost incurred by the Library to produce them. The Paul Sawyer Public Library may also recover costs associated with staff time expended in responding to a request made for a commercial purpose. Non-public or exempt information may be redacted as appropriate from copies of otherwise non-exempt public records provided.

## **ON-SITE EXAMINATION OF RECORDS**

To the extent a request is granted, individuals requesting to review records will be allowed to schedule a time to conduct on-site inspection of non-exempt public records during the regular hours of the Paul Sawyer Public Library. An on-site inspection may be required by the Library if the request is not precise in nature or if the requester resides or maintains his or her principle place of business within Franklin County. Public records must be inspected in the location established by the Library. During their inspection, a requester may copy non-exempt public records (at their own cost), but may not remove, alter or add to documents provided for review. The Library is responsible for protecting the security of public records in its custody, and may require that a staff member be present during any inspection or copying of its public records.

## **DENIAL OF REQUEST**

Certain public records are exempt from inspection under the Open Records Act. Circulation and Library use records for individual patrons are exempt from inspection, and requests to inspect or receive copies of these records will be denied, as will a request to inspect or receive copies of any other records which either are not public or which are exempt under the Act. Under certain circumstances, the Library may find that a request would create an unreasonable burden to comply with, and may deny such a request for that reason. Requests that the Library believes are intended to disrupt its essential functions will also be denied. Reasons that a request may be deemed unduly burdensome for compliance, or which may be disruptive to the Library may include time and expense involved in retrieving and duplicating the records, or in the type and nature of the request. To the extent a request is denied, the Library will provide the legal basis for the denial to the requester.

## **ADDITIONAL INFORMATION**

Your Duty Under the Law, published by the Office of the Attorney General, and other information regarding Open Records Requests may be found online at:

<http://ag.ky.gov/civil/orom/>.

**RULES**

The following template has been developed to assist agencies in discharging their duties under the Open Records Act.

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Sample Notice (Rules Governing Access to Agency Records)

NOTICE

ADMINISTRATIVE REGULATIONS GOVERNING INSPECTION OF THE  
PUBLIC RECORDS OF THE

Paul Sawyier Public Library

319 Wapping Street, Frankfort, Kentucky

Pursuant to KRS 61.870 to 61.884, the public is notified that, as provided herein, the public records of the above named Agency of the Commonwealth of Kentucky are open for inspection by any person on written application to \_\_\_\_\_ (name), \_\_\_\_\_ (title), official custodian of the public records of the Paul Sawyier Public Library whose address is 319 Wapping Street, Frankfort, Kentucky, 40601, during regular business hours. Application forms for the inspection of the public records of this agency will be furnished upon request to any person by an employee in this office. Assistance in completing the application form will be provided by an employee on request.

Applicants for the inspection of public records shall be advised of the availability of the records requested for inspection, and shall be notified in writing not later than three (3) working days after receipt of an application for inspection, of any reason the records requested are not available for public inspection.

Copies of written material in the public records of this agency shall be furnished to any person requesting them on payment of a fee of ten (10) cents a page; copies of non-written records (photographs, maps, material stored in computer files or libraries, etc.) shall be furnished on request, on payment of a charge equal to the actual cost of producing copies of such records by the most economic process not likely to damage or alter the record.

This the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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(Library Board President)

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Sample Records Request Form

OPEN RECORDS REQUEST TO INSPECT PUBLIC RECORDS

Date: \_\_\_\_\_

To the Library Director: \_\_\_\_\_

I request to inspect and/or receive copies of the following document(s):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(There is a \$0.10 fee for each photocopy received. If the items are to be mailed, the amount of postage will also be charged. If the records are in a non-written format, the charge will be equal to the actual cost of reproduction.)

Printed Name -- Company Name (if applicable) \_\_\_\_\_

Street Address City, State, Zip Code \_\_\_\_\_

Phone Number -- Fax Number \_\_\_\_\_

E-mail Address \_\_\_\_\_

Signature \_\_\_\_\_

THIS COMPLETED FORM SHOULD BE SUBMITTED TO THE LIBRARY DIRECTOR.

For office use:

The request is granted.

Total amount charged to applicant to fulfill request: \$\_\_\_\_\_

The request is denied based on the following exemption:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## ***Library Sponsorship Policy and Procedures***

The Paul Sawyer Public Library welcomes sponsorship from local business, corporations, families and individuals. The aim of sponsorship is to obtain funding or in-kind support to provide services and equipment that may not otherwise be available. The Board believes that libraries play an essential role in the quality of life of our citizens, and in this important function, the Library should be supported through public funding. Therefore, sponsorship revenue should only be used to fund additional, optional services or new, "start-up" services.

### **GUIDING PRINCIPLES**

The following principles will guide the Paul Sawyer Public Library in the solicitation and acceptance of gifts, grants or other support to enhance or develop library programs and services:

- All gifts, grants and/or support must further the Library's mission, goals, objectives and priorities. The library retains the right to decline any gift.
- All gifts, grants and/or support not compromise equity of access to Library services. Sponsorship agreements must not give unfair advantage to, or cause discrimination against, any sectors of the community.
- All gifts, grants and/or support must protect the principle of intellectual freedom. Sponsors may not require endorsement of any products or services.
- All gifts, grants and/or support must ensure the confidentiality of user records. The Library will not sell or provide access to Library records in exchange for gifts or support.
- All gifts, grants and/or support must leave open the opportunity for other actual or potential donors to have similar opportunities to provide support to the Library.
- Gifts of books or other Library materials will be accepted in accordance with the terms outlined in the Library's Collection Development Policy.

### **RECOGNITION AND ACKNOWLEDGEMENT**

The Library will ensure that each sponsor receives acknowledgement, and to the degree that the donor is willing, public recognition. The following guidelines will be used in providing acknowledgement to and recognition of sponsors:

- A. A letter of acknowledgement for gifts of money and in-kind support will be sent to all sponsors and a copy will be placed on file.
- B. Any special recognition agreements will be stipulated in the letter.
- C. Public acknowledgement of sponsorship in the Library's promotional materials will normally be restricted to a statement of the sponsor's name and a display of logo. Standards controlling the size format and location of such acknowledgment will be developed by the appropriate staff person to ensure both consistency and quality of appearance. Such acknowledgement will not take precedence or have prominence over the library's own logo or promotional material.
- D. For gifts and/or sponsorships valued at over \$500, the Library may submit a press release to local newspapers and/or publish an article regarding the sponsorship in their own newsletter if the sponsor is willing.
- E. Acknowledgement of sponsorship may also take the following forms at the Library's discretion:

- Launch of a special program or media campaign to announce the gift.
- Include sponsor's name on promotional materials.
- Small standardized plaques may be placed on donated furniture or equipment.
- Library bookplates will be placed on donated items.
- In all cases, the type and scope of donor recognition required by the donor will be weighed against the benefit to the Library.

### **APPROVAL**

All gifts, grants or in-kind support given with special requirements must be approved by the Director and the Board. The solicitation of gifts, grants or in-kind support by library staff or Friends of the Library and valued at over \$ 1500 must receive prior approval of the Director and the Board.

### **AUTHORITY FOR IMPLEMENTATION**

The library reserves the right to make decisions regarding the implementation of each grant, gift, or offer of in-kind support. Purchasing decisions, including type of equipment, materials, furnishings, and other components of a gift will reside with Library management. All details as to design of programs and allocation of resources will also reside with Library management. The Library reserves the right to deny partnerships or sponsorships for any reason and to end these arrangements at any time if, in the opinion of the Director, the services or image of the Library warrant such action.

## ***Whistle Blower Policy***

The Paul Sawyer Public Library is committed to operating in compliance with all applicable laws, rules and regulations, and it prohibits unlawful retaliatory practices against its employees by any of its board members, officers, employees, or agents. This policy outlines a procedure for employees to report any actual or suspected violations of law or policy, or any facts or information relative to actual or suspected mismanagement, waste, fraud, abuse of authority, or substantial and specific danger to public health or safety to any public body with apparent authority to remedy or report such actions. This policy applies to any matter which is related to the Library's business and does not relate to private acts of an individual not connected to the business of the Library.

The Paul Sawyer Public Library will not subject any employee to reprisal, either directly or indirectly, for having made a good faith report of suspected wrongdoing of the type set-forth above, either internally to the Board or Director, or externally to any public body with apparent authority to remedy or report such wrongdoing, nor will the Library take any such retaliatory action against any person who supports, aids, or substantiates such an employee in having done so.

In addition, the Paul Sawyer Public Library will not, with the intent to retaliate, take any action harmful to any employee who has provided to law enforcement personnel, or a to court, truthful information relating to the possible commission by any of its employees, officers, Board members or other agents, of any wrongdoing of the type set-forth above.

If a Paul Sawyer Public Library employee has a reasonable belief that any of the Library's officers, employees or Board members has engaged in any wrongdoing of the type set-forth above, that employee is encouraged to immediately internally report such information to the employee's supervisor, Library Director or to the Board of Trustees.

Suspected wrongdoing of the type set-forth above may be internally reported by the employee confidentially or anonymously. Reports of suspected wrongdoing will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

All internal reports of suspected wrongdoing of the type set-forth above will be promptly investigated as appropriate. In conducting its investigations, the Paul Sawyer Public Library will strive to keep the identity of the reporting employee(s) as confidential as possible.

The Paul Sawyer Public Library may take disciplinary action (up to and including termination) against any employee who: (1) has engaged in unlawful retaliatory conduct in violation of this policy; or (2) discloses false information he knows to be false or which he discloses with reckless disregard of the truth or falsity of the false information disclosed; or (3) discloses information in violation of any applicable law.



**XXVIII. FRANKLIN COUNTY CODE OF ETHICS**  
Adopted by the Board of Trustees November 12, 2013



FRANKLIN COUNTY ETHICS COMMISSION  
P.O. BOX 1603 - FRANKFORT, KY 40601

Commission Members:

Larry L. Arnett, Chairman  
Wilbur Harrison  
Rev. K.L. Moore

MEMORANDUM

TO: Employees of Franklin County Government

FROM: Larry L. Arnett, Chairman  
Franklin County Ethics Commission

DATE: September 6, 1995

SUBJECT: Ordinance No. 5

Effective January 1, 1995, elected officials, appointed officers and employees of Franklin County Government became subject to the provisions of Ordinance No. 5, as amended, which deals with the establishment of a Code of Ethics. This document provides you with certain standards of ethical conduct that must be adhered to during the performance of your public duties.

I have attached a copy of this Ordinance for your information and suggest that you retain it in your personal files for reference. While the Commission is in the process of developing implementing practices, any questions you may have can be addressed by mailing your inquiry to Franklin County Ethics Commission, P. O. Box 1603, Frankfort, Kentucky 40601. Should you require more immediate assistance, please call Ms. Connie Thornton at 502/875-8701 between the hours 8:00 a.m.-4:30p.m., and she will make the appropriate referral.

The Commission stands ready to assist you in the implementation of this Ordinance. Please insure that you fully understand its provisions and request clarification where needed. Thank you in advance for your cooperation with this important matter.

Attachment

ORDINANCE NO. 5, as amended  
1994 Series

FRANKLIN COUNTY  
CODE OF ETHICS AS AMENDED

AN ORDINANCE RELATING TO THE ESTABLISHMENT OF A CODE OF ETHICS FOR ELECTED AND APPOINTED COUNTY OFFICIALS AND EMPLOYEES OR CANDIDATES FOR PUBLIC OFFICE IN FRANKLIN COUNTY, KENTUCKY.

BE IT ORDAINED BY THE FISCAL COURT OF COUNTY OF FRANKLIN, COMMONWEALTH OF KENTUCKY

WHEREAS, the Franklin County Fiscal Court has the authority pursuant to KRS Chapter 65, to enact an ordinance establishing a code of ethics to guide the conduct of elected and appointed officers and employees of Franklin County Government, including members of the Fiscal Court, Sheriff, County Attorney, County Clerk, Jailer, Coroner, Surveyor, Constable; and,

WHEREAS, public office and employment are a public trust and government has a duty both to provide their citizens with standards by which they may determine whether public duties are being faithfully performed, and to apprise their officers and employees of the behavior which is expected of them while conducting their public duties; and,

WHEREAS, it is the purpose of this ordinance to provide a method of assuring that standards of ethical conduct for local government officers and employees shall be clear, consistent, and uniform in their application, and to provide local officers and employees with advice and information concerning possible conflicts of interest which might arise in the conduct of their public duties.

I. Definitions:

A. "Business associate" includes the following:

1. a private employer;
2. a general or limited partnership, or a general or limited partner within the partnership;
3. a corporation that is family-owned or in which all shares of stock are closely-held, and the shareholders, owners, and officers of such a corporation;
4. a corporation, business association, or other business entity in which the county government officer or employee serves as a compensated agent or representative.

B. "Business organization" means any corporation, partnership, sole proprietorship, firm, enterprise, franchise, association, organization, self-employed individual, holding company, joint stock company, receivership, trust, professional service corporation, or any legal entity through which business is conducted for profit;

C. "Candidate" means an individual who seeks nomination or election to a county government office. An individual is a candidate when the individual:

1. files a notification and declaration for nomination for office with a county clerk or the Secretary of State; or

2. is nominated for office by a political party under KRS 118.105, 118.115, 118.325, or 118.760.

D. "County government" means Franklin County, Kentucky, and its elected county officials except the Circuit Clerk and Property Valuation Administrator.

E. "County government agency" means any board, commission, authority, special taxing or nontaxing districts, nonstock corporation, or other entity formed by the county government or a combination of local governments.

F. "County government employee" means any person, ~~whether compensated or not by the Franklin County Fiscal Court,~~ whether full-time or part-time, employed by or serving the county government but shall not mean any employee of a county government agency or special district who is not a county government officer nor any employee of a school district or school board.

G. "County government officer" means any person, whether compensated or not, whether full-time or part-time, who is elected to any county government office. ~~or any person who serves as a member of the governing body of any county government agency or special taxing or nontaxing district.~~

H. "Family member" means a spouse, parent, child, brother, sister, grandparent, grandchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, daughter-in-law, son-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister.

I. "Member of immediate family" means a spouse, an unemancipated child residing in an individual's household, or a person claimed by the individual or individual's spouse as a dependent for tax purposes.

## II. STANDARDS OF CONDUCT

A. No county government officer or employee or member of his immediate family shall have an interest in a business organization or engage in any business, transaction, or professional activity, which is in substantial conflict with the proper discharge of his duties in the public interest;

B. No county government officer or employee shall act in his official capacity in any matter where he, a member of his immediate family, or a business organization in which he has an interest, has a direct or indirect financial or personal involvement that might reasonably be expected to impair his objectivity or independence of judgment;

C. No county government officer or employee shall undertake any employment or service, compensated or not, which might reasonably be expected to prejudice his independence of judgement in the exercise of his official duties;

D. No county government officer or employee, member of his immediate family, or business organization in which he has an interest, shall solicit or accept any gift, favor, loan, political contribution, service, promise of future employment, or other thing of value based upon an understanding that the gift, favor, loan, political contribution, service, promise, or other thing of value was given or offered for the purpose of influencing him, directly or indirectly, in the discharge of his official duties. This provision shall not apply to the solicitation or acceptance of contributions to the campaign of an announced candidate for elective public office as governed by the Kentucky Revised Statutes.

E. No county government officer or employee shall be prohibited from giving or receiving an award publicly presented in recognition of public service, commercially reasonable loans made in the ordinary course of the lender's business, or reasonable hosting, including travel and expenses, entertainment, meals or refreshments furnished in connection with public events, appearances, ceremonies.

F. No county government officer or employee shall be prohibited from accepting a gratuity for solemnizing a marriage.

G. No county government officer or employee shall use, or allow to be used, his public office or employment, or any information, not generally available to the members of the public, which he receives or acquires in the course of and by reason of his office or employment, for the purpose of securing financial gain for himself, any member of his immediate family, or any business organization with which he is associated or anyone else;

H. No county government officer or employee or business organization in which he has an interest shall represent any person or party other than ~~the local~~ Franklin County government in connection with any cause, proceeding, application or other matter pending before any agency in the ~~local~~ Franklin County government in which he serves. Nothing in this section shall prohibit anyone from representing any person or party in connection with any cause, proceeding, application or other matter pending before Franklin County government or any county government agency if he is not an officer or employee of that county government agency.

I. No county government officer shall be deemed in conflict with these provisions if, by reason of his participation in the enactment of any ordinance, resolution or other matter required to be voted upon or which is subject to executive approval or veto, no material or monetary gain accrues to him as a member of any business, profession, occupation or group, to any greater extent than any gain

could reasonably be expected to accrue to any other member of such business, profession, occupation or group;

J. No elected county government officer shall be prohibited from making an inquiry for information or providing assistance on behalf of a constituent, if no fee, reward or other thing of value is promised to, given to or accepted by the officer or a member of his immediate family, whether directly or indirectly, in return therefore; and

K. Nothing shall prohibit any county government officer or employee, or members of his immediate family, from representing himself, or themselves, in negotiations or proceedings concerning his, or their, own interests.

### III. NEPOTISM

After the effective date of this ordinance, a family member of a county officer shall not be initially employed or appointed to a position in a county governmental office agency in the same county in which the officer serves. This provision shall not apply to a public officer's family members who, on the date of the officer's election or appointment, has been employed for at least six months in the same county in which the officer serves. This provision shall not apply to a county government agency.

### IV. FINANCIAL DISCLOSURE

A. The following individuals shall be required to file a financial disclosure statement:

1. Elected officers;
2. Candidates for elected office;
3. Management personnel such as chief deputies, department heads of Franklin County Government;
4. Officers and employees of Franklin County Government with procurement authority exceeding five hundred dollars (\$500) per purchase;

B. The financial disclosure statement should include the following information:

1. name of filer;

2. current business address, business telephone number and home address of filer;
3. title of the filer's public office or office sought;
4. occupations of filer and spouse;
5. positions held by the filer and any member of the filer's immediate family in any business organization or nonprofit entity from which the filer or any member of the filer's immediate family received compensation in excess of \$5,000 during the preceding calendar year, and the name, address, and telephone number of the business organization or nonprofit entity;
6. name, address, and telephone number of each source of income of the filer and spouse from within the Commonwealth of Kentucky which exceeded \$5,000 during the preceding calendar year;
7. name, address, and telephone number of each business organization located within the Commonwealth in which the filer or any member of the filer's immediate family had an interest of five thousand dollars (\$5,000) at fair market value or five percent (5%) ownership interest or more during the preceding year;
8. the location and type (commercial, residential, agricultural) of all real property within the county, other than the filer's primary residence, in which the filer or any member of the filer's immediate family had an interest of five thousand dollars (\$5,000) or more during the past year;
9. any officer or employee, or any member of his immediate family, of Franklin County Government, ~~the county government~~ who shall have any private financial interest, directly or indirectly, in any contract or matter pending before or within any department or agency of the county government shall disclose such private interest to the fiscal court or the local ethics commission.
10. any county judge/executive, magistrate or commissioner, sheriff, jailer, coroner, constable, surveyor, county attorney, county clerk, or a member of his immediate family, who has a private interest in any matter pending before the court shall disclose such private interest on the records of the court and shall disqualify himself from participating in any decision or vote relating thereto.
11. ~~any officer or employee, or their family members, of an independent agency or special district who shall have any private financial interest, directly or indirectly, in any contract or matter pending before or within such independent agency or special district shall disclose such private interest to the governing body of such agency or district and file a financial disclosure statement with the Commission and County Clerk and, further same shall be noted in the minutes of the agency or district.~~

11. No officer or employee or member of immediate family of said officer or employee of a county government agency shall file a financial disclosure statement unless they have a private financial interest, directly or indirectly, in any contract, or matter pending before or within such county government agency, they shall disclose such private interest to the governing body of such agency and file a financial disclosure statement with the commission and county clerk and further same shall be noted in the minutes of the county government agency.

12. Nothing in this section shall be construed to require any officer or employee to disclose any specific dollar amounts nor the names of individual clients or customers of businesses listed as sources of income.

C. The financial disclosure statement shall be on a form setting forth the above (a sample attached hereto). The financial disclosure statement shall be filed annually by officers and employees no later than July 1. Candidates shall be required to file the statement no later than twenty-one (21) days after the filing date. Newly-appointed officers and employees should be required to file their initial statement no later than twenty-one (21) days after the date of appointment.

D. Each statement shall be signed and dated by the individual filing the statement of financial interest. Signing a fraudulent statement shall be a Class A misdemeanor.

E. All pay and benefits shall be withheld until a non-complying officer or employee is in compliance with the filing requirements. Candidates and nominees who fail to comply with these filing requirements shall be fined \$25 for each day they are in non-compliance.

F. All financial disclosure statements shall be open records. Each individual or organization requesting to view financial disclosure statements shall complete a form giving full name, address, telephone number and organization/individual represented if other than individual making request. One copy of this form shall be attached to the statement so requested and shall become a part of the record.

G. The financial disclosure statements shall be filed with the Franklin County Clerk.

#### V. COUNTY ETHICS COMMISSION

A. The county ethics commission shall consist of three (3) members; not more than one (1) member may be a public official. The commission member selected as chairperson shall be a citizen member. The members shall be appointed by the county judge/executive with the approval of the fiscal court. Members shall receive no compensation

but may be reimbursed all necessary expenses. The terms of members shall be staggered and no longer than four (4) years.

B. Powers and Duties.

1. The commission shall have jurisdiction over the administration of this code and enforcement of the civil penalties prescribed by this code.

2. The commission may receive and initiate complaints; initiate investigations on its own motion; and conduct investigations, inquiries, and hearings concerning any matter covered by this code.

3. The commission may administer oaths; issue subpoenas; compel the attendance of witnesses and the production of papers, books, accounts, documents, and testimony; and have the deposition of witnesses taken in the manner prescribed by the Kentucky Rules of Civil Procedure for taking depositions in civil actions.

4. The commission may render advisory opinions whether or not a given set of facts and circumstances constitute a violation of any provision of this code.

5. The commission shall prescribe and provide forms for reports, statements, notices, and other documents required by this code.

6. The commission shall determine whether the required statements and reports have been filed and, if filed, whether they conform with the requirements of this code. The commission shall promptly give notice to the filer to correct or explain any omission or deficiency.

7. The commission may retain private counsel at the expense of the county if the county attorney has an actual or potential conflict.

C. Complaint procedure; preliminary investigations.

1. (a) Upon a complaint signed under penalty of perjury by any person, or upon its own motion, the commission shall investigate any alleged violation of this code.

(b) Not later than ten (10) days after the commission receives the complaint, the commission shall initiate a preliminary inquiry into any alleged violation of this code.

(c) Within thirty (30) days of the commencement of the inquiry, the commission shall forward a copy of the complaint and a general statement of the applicable law to the person alleged to have committed a violation.

2. All commission proceedings and records relating to a preliminary investigation shall be confidential until a final determination is made by the commission, except:

(a) The commission may turn over to the Commonwealth's attorney or county attorney of the jurisdiction in which the offense allegedly occurred, evidence which may be used in criminal proceedings; and

3. The complainant or alleged violator shall not publicly disclose the existence of a preliminary investigation, the commission



shall not publicly confirm the existence of the inquiry nor make public any documents which were issued to either party.

4. The commission shall afford a person who is the subject of a preliminary investigation an opportunity to respond to the allegations in the complaint. The person shall have the right to be represented by counsel, to appear and be heard under oath, and to offer evidence in response to the allegations in the complaint.

5. If the commission determines in the preliminary investigation that the complaint does not allege facts sufficient to constitute a violation of this code, the commission shall immediately terminate the inquiry and notify in writing the complainant and the person alleged to have committed a violation. The commission may confidentially inform the alleged violator of potential violations and provide information to ensure future compliance with the law.

6. If the commission, during the course of the preliminary investigation, finds probable cause to believe that a violation of this code has occurred, the commission shall notify the alleged violator of the finding, and the commission may, upon majority vote:

(a) Due to mitigating circumstances such as lack of significant economic advantage or gain by the alleged violator, lack of significant economic loss to the county, or lack of significant impact on public confidence in government, confidentially reprimand, in writing, the alleged violator for potential violations of the law and provide a copy of the reprimand to the county judge.

(b) Initiate an adjudicatory proceeding to determine whether there has been a violation.

7. Any person who knowingly files with the commission a false complaint of misconduct on the part of any elected or appointed official or other person shall be guilty of a Class A misdemeanor.

D. Adjudicatory proceedings; action by commission; appeal.

1. The Kentucky Rules of Civil Procedure and the Kentucky Rules of Evidence shall apply to all commission adjudicatory hearings. All testimony in a commission adjudicatory proceeding shall be under oath. All parties shall have the right to call and examine witnesses, to introduce exhibits, to cross-examine witnesses, to submit evidence, and to be represented by counsel and any other due process rights, privileges, and responsibilities of a witness appearing before the courts of the Commonwealth of Kentucky. All witnesses shall be entitled to be represented by counsel.

2. Any person whose name is mentioned during adjudicatory proceedings of the commission and who may be adversely affected thereby may appear personally before the commission on the person's own behalf, with or without attorney, to give a statement in opposition to such adverse mention or file a written statement of that opposition for incorporation into the record of proceeding.

3. All adjudicatory proceedings of the commission carried out pursuant to the provisions of this section shall be public, unless the members vote to go into executive session in accordance with KRS 61.810.

4. Within thirty (30) days after the end of an adjudicatory proceeding pursuant to the provisions of this section, the commission shall meet in executive session for the purpose of reviewing the

evidence before it. Within thirty (30) days after completion of deliberations, the commission shall publish a written report of its findings and conclusions.

5. The commission, upon a finding pursuant to an adjudicatory proceeding that there has been clear and convincing proof of a violation of this code, may:

(a) Issue an order requiring the violator to cease and desist the violation;

(b) Issue an order requiring the violator to file any report, statement, or other information as required by this code;

(c) In writing, publicly reprimand the violator for potential violations of the law and provide a copy of the reprimand to the county judge.

(d) Issue an order requiring the violator to pay a civil penalty of not more than five hundred dollars (\$500).

6. The commission may refer to the county attorney, or Commonwealth's attorney for prosecution evidence of criminal violations of this code.

7. Findings of fact or final determinations by the commission that a violation of this code has been committed, or any testimony related to the commission's findings of fact or final determinations, shall not be admissible in criminal proceedings in the courts of the Commonwealth of Kentucky. Evidence collected by the commission may be used in a criminal proceeding if otherwise relevant.

8. Any person found by the commission to have committed a violation of this code may appeal the action to the Franklin Circuit Court. The appeal shall be initiated within thirty (30) days after the date of the final action of the commission by filing a petition with the court against the commission. The commission shall transmit to the clerk of the court all evidence considered by the commission at the public hearing. The court shall hear the appeal upon the record as certified by the commission.

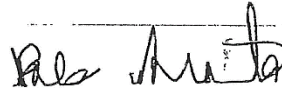
9. Except when the period of limitation is otherwise established by state law, an action for a violation of this ordinance must be brought within one (1) year after the violation.

10. If any provision of this ordinance is deemed by a court of competent jurisdiction to be unenforceable or unconstitutional, the remaining provision of this ordinance shall continue in full force and effect.

INTRODUCED AND GIVEN FIRST READING IN SUMMARY at a duly convened meeting of the Fiscal Court of Franklin County, Kentucky, held on the 21st day of November, 1994.

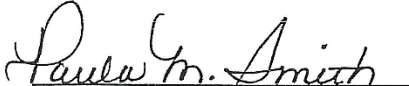
GIVEN SECOND READING AND ADOPTED at a duly convened meeting of the Fiscal Court of Franklin County, Kentucky, held on the 19th day of December, 1994, and of record in Fiscal Court Order Book 16, Page 295.

THIS ORDINANCE NO. 5, as amended, shall become effective on the 1st day of January, 1995.



BOB ARNOLD  
Franklin County Judge/Executive

ATTESTED TO:



CLERK

Pursuant to 2013 HB1, and effective November 12, 2013, the Franklin County Public Library District adopts the Franklin County Code of Ethics As Amended (Adopted the 19th day of December 1994 and of record in Fiscal Court Order Book 16, Page 295. Ordinance No. 5) as applicable, and substitutes the term *Franklin County Public Library District* for the terms

*County Government, Franklin Fiscal Court and Franklin County.* The Franklin County Public Library District will delete the present Code of Ethics found in the Policy Manual.

## **Board of Trustees and Library Employee Ethics Policy**

The Paul Sawyer Public Library depends on the trust of the community to successfully achieve its mission. Therefore, it is crucial that all Board members and employees conduct business on behalf of the Library with the highest level of integrity and avoid the appearance of any impropriety.

### **Guiding Principles:**

- Board members and employees shall uphold the integrity of the Library and shall perform their duties impartially and diligently.
- Board members and employees shall not engage in discrimination of any kind, including that based on: race, gender, age, country of origin, class, ethnicity, religion, sexual orientation, or belief system.
- Board members and employees shall protect and uphold library patrons' right to privacy in their use of the Library's resources.
- Board members shall immediately disclose to the Board, any conflict of interest they may have with regard to any official action or business before the Board, and abstain from any discussion of or decision-making on said issue.
- Board members shall abstain from any official action in which their personal interest could reasonably be perceived as compromising their ability to act in a fair, impartial and objective manner.
- Board members shall not use Library resources, or allow Library resources to be used, for their own personal use or benefit.
- Board members and employees shall not use or attempt to use their position with the Library to obtain personal privileges or advantages for themselves, their friends, or their families.
- In the performance of their duties as trustees, Board members shall act in the best interest of the library, its patrons and staff without regard to partisan interests or unfounded criticism.
- Board members and employees shall strive to uphold the integrity of the Library and be respectful to their fellow Board members and Library employees in public settings.

### **Therefore:**

To preserve and uphold the Paul Sawyer Public Library's reputation as an organization of unimpeachable integrity, each Board member and employee will sign a statement acknowledging receipt and understanding of the "Conflict of Interest" and "Ethics" policies at the beginning of each calendar year (and at the commencement of his/her service) during his or her tenure with the Paul Sawyer Public Library.

### **Compliance:**

Knowing violation of the Board of Trustees and Employees Ethics Policy by a board member or director shall be reviewed by the remaining members of the board. The subject board member or director shall be afforded an opportunity to address the board with respect to the issue. Upon determination by the board that a violation has occurred the board may take such action as provided by law. Employees who violate the Board of Trustees and Employees Ethics Policy will meet with the Director who will make a determination as to discipline or termination based on his or her findings.

**Acknowledgement:**

The following statement must be completed and signed annually by each employee and Board member. This requirement does not absolve any employees or Board members of their independent obligation to disclose any conflict of interest as it arises on an ongoing basis. Completed forms shall be reviewed by the Library's attorney and retained as a part of the Library's financial records:

I, \_\_\_\_\_, acknowledge my review of the Library's Ethics Policy. As a part of my commitment to the transparent administration of the Library's business and finances, I affirm as follows:

- I have no affiliations to business, political, or other interests which would influence the decisions that I make in regards to the Library's business and finance.
- I disclose the following affiliations that may influence my decisions or that should be a consideration when actions are made by the Board:

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Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Adopted by the Paul Sawyer Public Library Board of Trustees this 11<sup>th</sup> day of September, 2012.