

**CONFLICT OF INTEREST:**  
**A Statement of Policy for ALA and ALA-APA Executive Board Members**

Conflict of Interest: a term, the legal significance of which is confined to representation of the interest, as where a real estate broker is representing both buyer and seller, and an attorney of law attempts to act for his client and for one whose interest is adverse to or conflicting with that of his client in the same general matter.

...Ballentine's Law Dictionary, 3<sup>rd</sup> ed., p.246

The ethical and moral attributes and the requisites of qualification for positions as members of a board of directors are integrity, independence in judgement, courage, conscientiousness, and a good faith. Such general attributes coincide with the specific criteria inherent in the nature of a fiduciary relationship. Since it is apparent that each member of the American Library Association cannot participate in the day-to-day management of the Association's affairs, the members of its Executive Board, who also serve as the Board of Directors of the ALA-Allied Professional Association (ALA-APA), must occupy positions of trust; acting diligently with good faith and reasonable care to safeguard the Associations' funds and to obtain the best possible results from their use in the Associations' operations and activities.

Therefore, in their dealings with the business or property of the Associations, members of the Boards may not use their relation to the Associations for their own personal gain. Full disclosure by a member of any potential conflict between his or her personal interest and the interests of the Associations is required by the standard of good faith. Likewise, Board members are not privileged to use inside information for their own personal advantage or fail to disclose relevant information or misrepresent facts to the American Library Association's members.

In order to ensure that any conflict of interest on the part of any member of the ALA and ALA-APA Executive Boards shall be made a matter of record, the following statement shall serve as a guide to Board members in reporting conflict of interest.

When any such interest becomes relevant to any subject requiring action by the ALA or the ALA-APA Executive Board or any of its committees, the Board member having a conflict shall call it to the attention of the Board or committee, and the Board member shall not vote on the subject which he has a conflict of interest, shall not use personal influence, and in those cases where the quorum of the meeting called for the purpose of voting on the subject has not yet been established, the Board member shall not be counted.

If excluded from voting because of a conflict of interest, a Board member will be required to briefly state the nature of the conflict and may be requested to answer pertinent questions of other Board members when that Board member's knowledge of the subject will assist the Board or any of its committees. The

Board may request that a Board member thus excluded from voting on a subject leave the meeting temporarily while the subject is debated and voted upon.

The minutes of the meeting shall reflect that a disclosure was made, that the Board member who stated the conflict of interest did abstain from voting, and, in those cases where the quorum was not already established, that the Board member was not counted in determining the quorum.

In addition, if any Board member, who by reason of his or her institutional affiliation or any other pertinent matter, anticipates that in the future certain issues to be placed before the Board may place him or her in a position of conflict of interest, the Board member shall disclose such conflict in writing to the Board and make it a matter of record.

***I have read and understand the above statement on ALA policy regarding Conflict of Interest. As a member of the ALA and ALA-APA Executive Boards, I agree to abide by this policy.***

**SIGNED:** \_\_\_\_\_

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

**Board Member Name:** \_\_\_\_\_  
(Please Print)

**SOURCES:**

George G. Bogert, *Trusts and Trustees*. St. Paul, MN: West, 1978, pp. 471-510.

M.S. Nicholson, *Duties and Liabilities of Corporate Officers and Directors*. Englewood Cliffs, NJ: Prentice-Hall, 1972, pp. 182ff.

*Submitted by the Ad Hoc Committee on Legal Implications of Conflict of Interest: Connie Dunlap, Donald Trottier, R. Kathleen Molz, chair.*

Approved by the ALA Executive Board, April 30, 1980

Adopted as policy by ALA Council, June 1980

Amended, June 2002