

By-Laws of North Shelby Library District

ARTICLE I: Establishment, Funding and Mission

SECTION 1. State Law Creating the Library.

The North Shelby Library District, a Public Corporation, is a Public Corporation established pursuant to the provisions of Act No. 258 of the 1988 Regular Session of the Alabama Legislature, and Act 358 of the 2000 Regular Session of the Alabama Legislature.

SECTION 2. Principal Registered Office.

The address of the registered office of the corporation in Alabama shall be 5521 Cahaba Valley Road, Birmingham, Alabama 35242. The corporation may establish such other offices within Shelby County as the Board of Trustees may designate, or as the business of the corporation may require. The address of the registered office may be changed by action of the Board of Trustees.

SECTION 3. Funding of the Library.

The Library shall be funded from the proceeds of an annual service charge levied on property owners within geographical boundaries of the Library District as authorized by Acts of the Alabama Legislature and elections by the voters living within the geographical boundaries of the Library District.

SECTION 4. Policies and Mission Statement.

The North Shelby Library subscribes to the Library Bill of Rights as adopted by the American Library Association. The American Library Association and North Shelby Library affirm that all libraries are forums for information and ideas and that the following basic policies should guide their service.

1. Books and other library resources should be provided for interest, information, and enlightenment of all people of the community the library serves. Material should not be excluded because of the origin, background, or views of those contributing to their creation.
2. Libraries should provide materials and information presenting all points of view on current and historical issues. Materials should not be proscribed or removed because of partisan or doctrinal disapproval.
3. Libraries should challenge censorship in the fulfillment of their responsibility to provide information and enlightenment.
4. Libraries should cooperate with all persons and groups concerned with resisting abridgment of free expression and free access to ideas.
5. A person's right to use the library should not be denied or abridged because of origin, age, background, or views.
6. Libraries that make exhibit spaces and meeting rooms available to the public they serve should make such facilities available on an equitable basis, regardless of the beliefs or affiliations of individuals or groups requesting their use.

ARTICLE II: Board of Trustees

SECTION 1. Powers, Number, Qualification, Term, Quorum and Vacancies.

- (a) The property, affairs, and business of the corporation shall be managed, and its corporate powers exercised, by its Board of Trustees.
- (b) The number of Trustees shall be five (5) and, except as hereinafter provided, such number of Trustees shall be elected by the qualified electors of the district, such election to be held at the same time and conducted by the same election officials as regular general county elections.
- (c) No person shall be elected to said Board unless that person is a qualified elector residing within the boundaries of the district.
- (d) Subsequent to the election held on November 8, 1988, election to each position shall be for a time of four (4) years. To stagger the terms, Place No. 1 and Place No. 2 shall be elected on November 8, 1988 for an initial term of two (2) years, and Places 3, 4, and 5 shall be elected for a term of four (4) years.
- (e) In the event of a vacancy on the Library Board, it shall be filled by a majority vote of the remaining membership of the Library Board, and such election shall be for the unexpired term of the member creating vacancy. Candidate must be qualified as described in paragraph (c) above. Notification of the vacancy will be by public notice.
- (f) A majority of the elected members of the Board of Trustees (three of five) then acting shall constitute a quorum for the transaction of business, but if at any meeting of the Board there shall be less than a quorum for the transaction of business, those present may adjourn the meeting, without further notice, until a quorum shall have been convened.
- (g) Members of the Library Board shall not be entitled to any compensation for their services, but they shall be entitled to reimbursement for all reasonable expenses incurred by them in the performance of their official duties.
- (h) Trustees will conform to the requirements of the Code of Alabama (1975) regarding any conflicts of interest and will further follow the Conflict of Interest Policy attached hereto as Appendix A.

SECTION 2. Meetings of the Board

- (a) Meetings of the Board of Trustees, regular or special, may be held within or outside the State of Alabama.
- (b) Except as otherwise designated, regular meetings of the Board will be held at least four (4) times per year at the registered address of the Library.
- (c) The regular annual meeting of the Board of Trustees shall be held on the first Thursday after October 15th at 4:00 p.m. at the registered address of the Library.
- (d) Other regular meetings of the Board or any committee designated thereby shall be held on such date and at such time and place as may be specified by telegraphic, written, electronic, or oral notice duly served on, sent, mailed, or otherwise communicated to each trustee, not less than 48 hours before such regular meeting.

(e) Special meetings may be held upon the call of any Trustee. Notice of any special meetings shall be given at least 48 hours previously thereto by written notice delivered personally or sent electronically with a personal acknowledgement from the Trustee of receipt of the electronic notice. Any trustee may waive notice at any meeting.

(f) Regular meetings of the Board of Trustees are open to the public in accordance with laws of the State of Alabama. At the regular meeting of the Board of Trustees, the meeting will be conducted in accordance with the agenda prepared prior to each meeting.

(g) Members of the Library Board shall not be entitled to any compensation for their services, but they shall be entitled to reimbursement for all reasonable expenses incurred by them in the performance of their official duties.

(h) Trustees will conform to the requirements of the Code of Alabama (1975) regarding any conflicts of interest and will further follow the Conflict of Interest Policy attached hereto as Appendix A.

SECTION 3. Election of Board President, Vice President, Secretary and Treasurer.

At its annual meeting the Board shall elect one of its members to serve as President for a period of one (1) year. The President is empowered to preside over all Board meetings and sign resolutions as directed by the Board. The President shall be elected by a majority of the total number of Board members present at the time of the election. The Board shall also elect a Vice President to preside at meetings, in the absence of the President, a Secretary to keep all records, correspondence, and meeting minutes and a Treasurer to keep financial records of the Library District in order and secured at the Library Districts Offices. The Secretary shall keep complete and correct minutes of the proceedings of the Board of Trustees and committees of the Board of Trustees.

SECTION 4. Committees of the Board.

The Board of Trustees, by resolution passed by a majority of the Board, may designate one or more committees, each committee to consist of one or more of the Trustees of the corporation. The Board may designate one or more Trustees as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided by the resolution, shall have and may exercise the powers of the Board of Trustees in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; provided, however, further that no such committee shall have the power of authority in reference to amending the by-laws of the corporation.

ARTICLE III: Managers

SECTION 1. Managers of the Corporation.

The Board of Trustees shall appoint a Library Director and a Business Manager. The Library Director may be assigned additional managerial roles/duties as the Trustees may see fit.

SECTION 2. The Library Director.

The Library Director shall have general charge of and control over the operations of the Library, shall be responsible for planning and directing all operational and related activities of the Library. The Library Director shall be responsible for initiating and directing those actions essential to its growth and development of the North Shelby Library. The Library Director shall carry into effect the resolutions and other directives of the Board, and shall perform such other duties as may be assigned by the Board of Trustees.

SECTION 3. The Library Business Manager.

(A) Powers relating to capital acquisitions or divestment and borrowing or lending of funds are reserved to the Board of Trustees.

(B) The Library Business Manager shall, at the direction of the Board of Trustees, act as Finance Director, and as such will:

- Account for all monies of the corporation received or disbursed,
- Promptly deposit all monies in the name of and to the credit of the corporation in such banks and depositories as may be designated in writing by the Board of Trustees,
- Safely care for all properties of value of the corporation, and shall
- Keep correct and complete books and records of account, as well as all complete records of all financial transactions of the corporation.

SECTION 4. Term and Removal of Managers of the Corporation.

All Managers shall serve at the pleasure of the Board of Trustees. Any officer may be removed by the Board of Trustees whenever, in its judgment, the best interests of the corporation will be served thereby, either with or without cause. Election or appointment of a manager shall not of itself create contract rights.

ARTICLE IV: General

SECTION 1. Fiscal Year.

The fiscal year of the corporation shall begin on the 1st day of October in each year and shall end on the 30th day of September next following.

SECTION 2. Corporate Seal.

The corporate seal of the corporation shall have inscribed thereon the name of the corporation, "North Shelby County Library District", the words "A public corporation" and the words "State of Alabama".

SECTION 3. Robert's Rule of Order.

All meetings of the Board of Trustees and of committees of the Board of Trustees shall be conducted in accordance with procedures stated in Robert's Rules of Order (published originally under the copyright of Henry M. Robert, III, Trustee for Robert's Rules Association) as such rules exist on the date of any such meeting.

SECTION 4. Amendments of By-Laws.

By-Laws may be amended by vote of a majority of the total number of Trustees, acting in a regular meeting of the Board. Complete and current records pertaining to such amendments shall be kept and maintained by the Secretary/Treasurer.

SECTION 5. Non-Discrimination Policy.

The North Shelby Library is an equal-opportunity employer, and does not discriminate according to race, creed, gender, religion, age, or sexual orientation.

DATE OF ADOPTION OF THESE BY-LAWS February 2022

signed original on file in District Offices

Kay Kelley, President Board of Trustees

By-Laws Appendix A: Conflict of Interest Policy

ARTICLE I: Purpose

The purpose of the conflict of interest policy is to protect the North Shelby Library District, Inc.'s. (Organization) tax-exemption status interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Trustee of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

ARTICLE II: Definitions

1. Interested Person

Any Trustee, or any Director or principal officer Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through personal, business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, or membership in, or as a member of a board, of any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the Board of Trustees decides that a conflict of interest exists.

ARTICLE III: Procedures

1. Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Trustees.

2. Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Trustees shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The President of the Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the Board shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested Trustees whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

A. 1. If the Board has reasonable cause to believe a Trustee has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

2. If, after hearing the Trustee's response and after making further investigation as warranted by the circumstances, the Board or committee determines the Trustee failed to disclose an actual or possible conflict of interest, or voted on an arrangement or transaction in which the Trustee had a conflict of interest, it shall take the following corrective action:

(a) In the event of a failure to disclose an actual or possible conflict of interest the Board may void any transactions or arrangements involving the conflict of interest.

(b) In the event that a deciding vote for an arrangement or transaction was cast by a Trustee in violation of the Conflicts of Interest Policy all such arrangements or transactions are void.

Such voiding of an arrangement or transaction may result in damages, costs, fees, expenses, or other liabilities to be incurred by the North Shelby Library District, Inc. Such damages, costs, fees, expenses, or any other liabilities caused by voidance as a result of a violation of the Conflicts of Interest Policy will be borne solely and individually by the Trustees found to have violated the Conflicts of Interest Policy.

B. 1. If the Board has reasonable cause to believe an interested person other than a Trustee has failed to disclose actual or possible conflicts of interest, it shall inform the person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

2. If, after hearing the interested person, other than a Trustee's response and after making further investigation as warranted by the circumstances, the Board or committee determines the interested person other than a Trustee failed to disclose an actual or possible conflict of interest it shall take corrective action.

ARTICLE IV: Records of Proceedings

The minutes of the Board shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

ARTICLE V: Annual Statements

Each Trustee and Director shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- e. Has no Conflicts of Interest that have not been disclosed to the Board.

ARTICLE VI: Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

ARTICLE VII: Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

By-Laws Appendix B: Trustee Calendar

This calendar will be given to every Trustee at the annual meeting.

Trustee meetings shall be held in the following months to review the following:

October	1 st Thursday after October 15 at 4 p.m. Annual Meeting.
November	Director reports on Oct. APLS Directors Meeting.
January	Review Fiscal Year District billings and formally adopt FY Capital Budget. Revise operating budget if billings vary from projections. File Form 990 or extension to IRS
February	Annual Review/Approval of Long-Range Plan In 5th year (2024, 2029, 2034) review goals and objectives, assign specific tasks to Committee, Director, or staff, if necessary, with completion dates.
March	Annual Review Disaster Recovery Plan. Director reports on Feb. APLS Directors meeting. State Ethics forms due.
May	Director reports on April APLS Directors Meeting. IRS Conflict of Interest forms delivered to Director
June	Election forms due in Columbiana July 15 every even year
July	Approve Long Range Plan in 2024, 2029, 2034
August	Review State Aid rule changes, if any. Director reports on July APLS Directors meeting
September	Approve annual operating budget for next FY.