



Policy 1-3	<b>Powers and Duties of the Board</b>	Created: 7/1/2019 Approved: 7/11/2019
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**I. Statutory Powers and Authorities**

Unlike cities, special districts have only the powers that are expressly provided for or necessarily implied in the Oregon Revised Statutes (ORS). For the Jackson County Library District (“District”), these powers and authorities can be found generally in ORS Chapter 198 (Special Districts) and within the District’s principal act, ORS Chapter 357 (Libraries; State Archivist; Poet Laureate).

Within ORS Chapter 357, “Library Districts” are covered in ORS 357.216 to 357.286.

Excerpted below are two sections of that statute. The first section enumerates the Library District’s powers; the second section authorizes the Board, as the governing body, to exercise the powers of the District.

**357.261 District powers.** A library district has the power:

- (1) To have and use a common seal.
- (2) To sue and be sued in its name.
- (3) To make and accept any and all contracts, deeds, leases, releases and documents of any kind which, in the judgment of the board, are necessary or proper to the exercise of any power of the district, and to direct the payment of all lawful claims or demands.
- (4) To assess, levy and collect taxes to pay the cost of acquiring sites for and constructing, reconstructing, altering, operating and maintaining a library or any lawful claims against the district, and the operating expenses of the district.
- (5) To employ all necessary agents and assistants.
- (6) To call elections after the formation of the district.
- (7) To enlarge the boundaries of the district as provided by ORS 198.705 to 198.955.
- (8) Generally to do and perform any and all acts necessary and proper to the complete exercise and effect of any of its powers or the purposes for which it was formed.
- (9) Whenever authorized by the electors, to issue general obligation bonds of the district. However, the aggregate amount of general obligation bonds issued and outstanding at any one time shall not exceed two and one-half percent of the real market value of all taxable property of the district, computed in accordance with ORS 308.207.
- (10) To exercise those powers granted to local government units for public libraries under ORS 357.410.

**357.256 Board as district governing body; selection of president.** (1) The district board shall be the governing body of the district and shall exercise all powers thereof. (2) At its

first meeting or as soon thereafter as may be practicable, the board shall choose one of its members as president.

Board members should be aware that other Oregon statutes also apply to the District. Those applicable statutes include, but are not limited to, the following:

- ORS Chapter 174.116 (“Local government” and “local service district” defined)
- ORS Chapter 192 (Public meetings and records law; OAR 166 retention schedule)
- ORS Chapter 279 (Public contracting)
- ORS Chapter 287A (Local government borrowing)
- ORS Chapter 293 (Administration of public funds)
- ORS Chapter 294 (Municipal financial administration; Oregon local budget law)
- ORS Chapter 297 (Audits of public funds and financial records)
- ORS Chapter 308 (Assessment of property for taxation)
- ORS Chapter 357.410 (Authority of local government units for public libraries)
- ORS Chapter 478.355 to 478.370 (Employee retirement system)

Library Districts are subject to local and federal laws, as well. Questions pertaining to the statutory powers and authorities that impact the District should be directed to the Board President, who will then communicate the question, request or concern to legal counsel.

## **II. Fiduciary Duties of Governing Boards**

Governing Boards have both legal and fiduciary responsibilities and this is true for the Jackson County Library District’s Board of Directors. The Board’s primary fiduciary duties are the duty of care and the duty of loyalty. The duty of care requires that individual Board members inform themselves, prior to making a decision, of all material information reasonably available to them. Requirements for acting with due care include, but are not limited to, the following:

- Adopting policies and procedures that provide for effective oversight of management
- Attending Board and Committee meetings to obtain the information necessary to make informed decisions
- Acting in an independent manner and exercising independent judgment in matters affecting the District
- Ensuring that the District acts in accordance with its mission
- Ensuring that the District’s budget is well spent and fully in accordance with its mission
- Ensuring that the District operates within the law

The duty of loyalty requires that individual Board members always act in the best interest of the District and never in their own best interest.

### **III. Formulation and Interpretation of District Policy**

It is the responsibility and right of Board members to participate in Board meetings and vote on District matters as part of the Board. The most important activity of the Board in performing this responsibility is the formulation and interpretation of District policies because policies are the tools that the Board uses to fulfill its legal and fiduciary responsibilities. To this end, the Board shall establish policy, reserving to itself all authority and responsibility not directly assigned to other District officers and personnel.

### **IV. Management and Communication between Board and Staff**

Adopting policies that provide for effective oversight of management is a primary responsibility of the Board. Management of the daily operations and management of the staff is the responsibility of the Library Director. Unless otherwise authorized by a quorum of the Board, no individual Board member may direct or order a staff member on any matter that relates to the daily operations or administrative activities of the District. Moreover, unless otherwise authorized by the Board, no individual Board member may order, direct, or conduct any review of personnel records of any staff member or any other record that is exempt under Public Records Law. Any communications relative to District business must be directed to the Board President, who will then communicate the question, request or concern to the Library Director.

### **V. Board Members Authorized by Official Board Action Only**

Board members have no individual powers separate from the powers of the Board and have no authority to act individually without delegation of authority from a quorum of the Board. Likewise, no individual Board member may speak for or on behalf of the Board or District, except as authorized to do so by official Board action as recorded in the official minutes, guidelines, or policies of the District. If a Board member acts without authority from the Board, the individual can be exposed to personal and District liability.

### **VI. Ethical Standards; Conflict of Interest**

Board members act as representatives of the citizens of the District. Board members shall adhere to the highest ethical standards in the conduct of District business. The duty of loyalty that extends from the Board's fiduciary responsibilities requires that individual Board members always act in the best interest of the District and never in their own best interest. Because of the importance of this obligation, Board members shall be required to sign conflict of interest and ethics statements contained in the District's *Conflict of Interest* and *Ethics* policies.

### **VII. Board Member Education**

In order to effectively carry out their duties, Board members must be adequately informed. Members are encouraged to attend such conferences and other training programs as the Board may authorize.