

**Indemnification and Insurance Policy**

*Effective Date: 09/23*  
*Reviewed & Revised:*

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*Policy No. 1.8*

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**Indemnification**

The Ela Area Public Library District shall indemnify any Library official, employee, or volunteer who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action, lawsuit, or proceeding, whether civil or administrative, when damages are sought for wrongful acts alleged to have been committed in the scope of his or her employment and/or his or her duties as an officer, employee, or volunteer of the Library. Under these circumstances, the officer, employee, or volunteer shall be indemnified against expenses including the cost of a judgment or settlement based on such a claim; reasonable attorneys' fees; and court costs. The cost of any settlement of a claim may only be indemnified or paid by the Library when such settlement amount is approved by the Library Board.

If any officer, employee, or volunteer of the Library is named as a defendant in any criminal action alleged to have arisen out of or been incidental to the performance of his or her duties, the Library shall not provide representation for the officer, employee, or volunteer in that criminal action. However, the Library may reimburse the officer, employee, or volunteer for reasonable defense costs only if the criminal action was instituted against that officer, employee, or volunteer arising out of and directly related to the lawful exercise of his or her official duties or under color of his or her authority and that action is dismissed or results in a final disposition of "not guilty."

Indemnification shall not apply in the following circumstances:

- For the costs associated with actions that the Board of Trustees, or a court of competent jurisdiction, finds are based on acts not committed in the scope of the officer's, employee's, or volunteer's duties or under the color of their authority.
- For the costs associated with actions that the Board of Library Trustees, or a court of competent jurisdiction, finds are based on malicious, willful, or criminal misconduct.
- For the cost of independent legal representation where the officer, employee, or volunteer has sought independent legal representation apart from that offered or provided by the Library.
- For the portion of any judgment constituting an award of punitive or exemplary damages.
- For the cost of any settlement which is not approved by the Library Board.

**Insurance**

The Library may purchase and maintain insurance on behalf of any officer, employee, or volunteer of the Library against any liability asserted against such person and incurred by such person arising out of his or her status as such and related to acts committed by the person within the scope of his or her duties or under the color of his or her authority. The Library may purchase such insurance

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whether or not the Library would have the power to indemnify such officer, employee, or volunteer against such liability under the provisions of this Policy.

**Terms & Interpretation**

For the purposes of this Policy, the term “officer” shall include both elected and appointed Library officers and trustees. The terms “officer”, “employee”, and “volunteer” shall include former officers, trustees, employees and volunteers.

For the purposes of this Policy, references to “the Library” shall include, in addition to the surviving library, any merging library absorbed in a merger which, if the separate existence had continued, would have had the power and authority to indemnify its officers, employees, and volunteers so that any person who was an officer, employee, or volunteer of such merging library shall stand in the same position under this Policy with respect to the surviving library as such person would have with respect to such merging library if its separate existence had continued.