

# **SCHOHARIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

## **TRAVEL AND DISCRETIONARY FUNDS POLICY**

### **Section 1. PURPOSE**

The purpose of this policy is to implement a provision of the Public Authorities Accountability Act requiring the adoption of certain policies and to adhere to the recommended practices of the NYS Authorities Budget Office (the “ABO”) to protect against the use of discretionary funds for purposes that do not advance the Schoharie County Industrial Development Agency’s (the “Agency”) mission and public purposes. Public Authorities Law §2824 requires the Agency to adopt a policy to govern business travel and ABO Recommended Practice entitled, Written Policies Governing the Use of Authority Discretionary Funds, specifically recommends adoption by the Agency of a policy on the proper use of discretionary funds that incorporates the legal principals set forth in NYS Attorney General in opinion #2007-F4.

### **Section 2. TRAVEL**

#### **A. APPROVAL of TRAVEL**

The Chief Executive Officer and/or employee(s) are approved to travel within Schoharie County and New York State as long as it is official SCIDA business. A travel sheet will be submitted and reviewed by the CEO in the case of employee travel expenses, or the Chairman or Treasurer in the case of CEO travel expenses, and the Treasurer in the case of another Board member’s travel expenses to approve them before such expenses are reimbursed. Prior approval will be necessary for any travel outside of New York State.

#### **B. PAYMENT OF TRAVEL**

The Agency will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Agency. It is the traveler’s responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

#### **C. TRAVEL EXPENSES**

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at the IRS standard mileage reimbursement rate.

Valid meal and/or refreshment expenses must be properly documented and submitted for approval. Care and consideration should be taken before incurring meal and/or refreshment expenses in that, if not approved, such expenses will be considered a personal expense of the person incurring such expense. Costs of individual meals should generally not exceed \$20.00 per person for breakfast/lunch and \$35.00 for dinners.

Documentation to support a valid meal and/or refreshment expense must include:

- an itemized receipt detailing the meal and/or refreshment costs incurred,
- the date and time of day that such costs were incurred,
- any gratuity paid (limited to no more than 20%),

Reimbursement for miscellaneous expenses shall be determined on a case-by-case basis. Mileage rates will default to the IRS approved rate unless otherwise determined by the Board. All expense reimbursement

determinations made pursuant to this paragraph C shall be made by the Treasurer or Chairman. In the instance where such determinations regard the travel of the Treasurer, the Chairman shall make such determinations.

#### **Section 4. DISCRETIONARY FUNDS**

##### **A. USE OF DISCRETIONARY FUNDS**

The expenditure of Agency funds must relate to an enumerated power, duty or purpose of the Agency. Therefore, the use of discretionary funds shall be limited to expenditures that benefit the Agency in advancing its mission and public purposes. Discretionary funds shall not be used in a manner that primarily benefits the individual board member, officer or employee.

##### **B. PRIOR APPROVAL**

All expenditures of discretionary funds shall be approved by the Chief Executive Officer prior to such expenditure and fall within Annual Budget Allocations. Provided, however, in the instance where the CEO will seek an expenditure of discretionary funds, such expenditure shall be pre-authorized by the Chairman or Treasurer of the Agency. The CEO or the Chairman or the Treasurer, as the case may be, shall review the proposed use of funds and reasonably determine whether such use (i) primarily benefits the Agency as opposed to an individual board member, officer or employee and (ii) advances the mission and public purpose of the Agency. Scrutiny of all expenses will be guided by judgment relating to the relevance of such costs and the benefits which may accrue from such activities.

##### **C. APPROPRIATE EXPENDITURE GUIDANCE**

(i) Membership Dues – Membership dues paid for the Agency to belong to a professional peer organization is a permissible use of Agency funds. However, individual membership costs for board members, officers and employees to belong to a professional, social or fraternal organization whereby the membership is of and the primary benefit is to, the individual rather than the Agency, should not be an Agency expenditure.

(ii) Food & Beverages – With the exception of food and beverages purchased during business travel as provided herein, expenditures of food and beverages for the personal consumption of board members, officers and employees should not be considered an appropriate use of Agency discretionary funds. Provided, however, expenditures for food and beverages purchased for or during the conduct of Agency business with persons that do business with the Agency may be an appropriate expenditure of Agency discretionary funds, provided that the expense is reasonable in light of the circumstances surrounding the Agency activity and is pre-approved as set forth herein. Purchases of alcohol or tobacco products are prohibited.

(iv) Professional Training, Certification and Licensing – Paying the costs to attend training to maintain certifications or licenses or to attend professional conferences may be an appropriate expenditure of Agency discretionary funds.

(v) Marketing – expenses incurred in the course of marketing our area to prospects and relations with existing industries and businesses and supporting partners in the furtherance of our mission.

(vi) Miscellaneous – Flowers or gifts for staff, directors, or family members are considered ineligible expenses. Additional ineligible expenses include holiday cards, charitable contributions associated with the authority's mission and office, holiday, or retirement parties.

Approved and adopted this 19th day of February 2013