

ST. LAWRENCE COUNTY INDUSTRIAL DEVELOPMENT AGENCY  
 CIVIC DEVELOPMENT CORPORATION  
 Resolution No. CDC-13-02-04  
 February 27, 2013

**Establishing a Policy Governing Use of Discretionary Funds**

**WHEREAS**, Directors and Management of the St. Lawrence County Industrial Development Agency Civic Development Corporation (“IDACDC”) have a fiduciary duty to safeguard the assets and resources of the IDACDC and to protect against the use of funds for purposes that do not related and support the IDACDC’s mission,

**WHEREAS**, the New York State Authorities Budget Office recommends that all State and Local authorities adopt written policies that specifically delineate the proper use of an authority’s discretionary funds, and

**WHEREAS**, the St. Lawrence County Industrial Development Agency has put into place a policy to provide for reimbursement of allowable travel expenses incurred when business is conducted away from the IDA’s official office, along with reimbursement of certain other, travel-related expenses,

**WHEREAS**, in furtherance of its objectives, the IDACDC recognizes that it must also outline those “non-travel related” expenses that are considered inappropriate use of IDACDC funds, and

**WHEREAS**, the attached policy has been reviewed by the IDACDC Governance Committee, which recommends approval by the IDACDC Board,

**NOW, THEREFORE BE IT RESOLVED** the St. Lawrence County Industrial Development Agency Civic Development Corporation hereby approves the attached policy, as recommended by its Governance Committee.

Move:	Hall			
Second:	McMahon			
<b>VOTE</b>	<b>AYE</b>	<b>NAY</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Blevins	X			
Hall	X			
LaBaff	X			
McMahon	X			
Peck	X			
Staples	X			
Weekes	X			

I HEREBY CERTIFY that I have compared this copy of this Resolution with the original record in this office, and that the same is a correct transcript thereof and of the whole of said original record.

/s/

Natalie A. Sweatland  
 February 27, 2013

**ST. LAWRENCE COUNTY. INDUSTRIAL DEVELOPMENT AGENCY CIVIC DEVELOPMENT CORPORATION**  
**POLICY GOVERNING USE OF DISCRETIONARY FUNDS**  
**GOVERNANCE REVIEW/APPROVAL: JANUARY 31, 2013**  
**BOARD REVIEW/APPROVAL: FEBRUARY 27, 2013**  
**RESOLUTION No. CDC-13-02-04**

A. Introduction

1. Scope: In accordance with Section 2824(1)(b) of Public Authorities Law, authority directors must understand, review and monitor the implementation of fundamental financial and management controls and the operation decisions of the authority.
2. Purpose: Pursuant to Public Authorities Law, the primary objective of this policy is to ensure that the assets and resources of the St. Lawrence County Industrial Development Agency Civic Development Corporation (the "IDACDC") are safeguarded and protected against the use of funds for purposes that do not advance the IDACDC's core purpose and objectives.
3. This policy, along with the SLCIDA's Travel and Miscellaneous Expense Reimbursement Policy, should provide reasonable guidance to ensure the responsible use of discretionary funds.

B. Discretionary Funds

1. **Use of Discretionary Funds:** The expenditure of IDACDC funds must relate to a power, duty or purpose of the IDACDC, and/or be necessary and convenient to carry out its powers, duties and purposes. Therefore, the use of discretionary funds shall be limited to expenditures that benefit the IDACDC in advancing its mission and public purposes. Discretionary funds shall not be used in a manner that primarily benefits individual board members, officers, or employees.
2. **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 Chief Executive Officer will seek an expenditure of discretionary funds, such expenditure shall be pre-authorized by the Chairman or Vice-Chairman of the IDACDC.

The Chief Executive Officer (or Chairman or Vice-Chairman) as the case may be, shall review the proposed use of funds and reasonably determine whether such use (i) primarily benefits the IDACDC as opposed to an individual board member, officer or employee and (ii) advances the mission and public purpose of the IDACDC. Scrutiny of all expenses shall be guided by judgment related to the relevance of such costs and the benefits which may accrue from such activities.

3. **Appropriate Expenditure Guidance:**
  - a. **Membership Dues:** Membership dues paid for the IDACDC to belong to a professional peer organization is a permissible use of IDACDC funds. Individual membership costs which enable board members, officers and employees to belong to a professional, social or fraternal organization and where the membership is of and the primary benefit is to, the individual rather than the IDACDC, shall not be an appropriate use of discretionary funds.

- b. **Charitable Contributions and Sponsorships:** Expenditures for sponsorships or charitable contributions shall be permissible when they relate to the powers, duty and purposes of the IDACDC, and whether such expenditure will advance the IDACDC's core mission and public purposes.
- c. **Food & Beverages:** With the exception of food and beverages purchased during business travel and under those circumstances outlined in the SLCIDA's **Travel and Miscellaneous Expense Reimbursement Policy**, expenditures for food and beverages for the personal consumption of board members, officers and employees shall not be considered an appropriate use of IDACDC discretionary funds.
- d. **Professional Training, Certification and Licensing:** Reasonable costs associated with attendance at training related to the acquisition and maintenance of certifications or licenses, or to attend professional conferences, may be appropriate expenditures of IDACDC discretionary funds, provided that the certifications and licenses clearly enable the IDACDC to more effectively exercise its powers, duties or purposes.
- e. **Marketing:** Expenses incurred in the course of marketing our area to prospects and relations with existing industries and businesses and supporting partners in furtherance of the IDACDC's mission will be an appropriate expenditure of IDACDC funds.
- f. **Other Examples of Inappropriate Use of IDACDC Discretionary Funds:**
  - i. Flowers and gifts for staff, directors or family members.
  - ii. Subsidized or free use of IDACDC services for the personal use of current or former board members, staff, or family members of staff.
  - iii. Celebrations for special occasions that do not directly relate to the purpose of the IDACDC, such as catering or decorations for summer picnics, office parties or holiday or retirement parties.
  - iv. Purchases of alcohol or tobacco products.
  - v. Personal use of IDACDC owned/leased vehicles.
  - vi. Costs to purchase or mail holiday cards or invitations or expressions of sympathy to staff or families of IDACDC staff.
  - vii. Assignment of cellular phones or vehicles to non-IDACDC officers or staff.