

# COUNTY OF CLINTON INDUSTRIAL DEVELOPMENT AGENCY

## DISCRETIONARY FUNDS POLICY

### **Section 1. PURPOSE**

The purpose of this policy is 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 Clinton County Industrial Development Agency’s (the “Agency”) mission. ABO Recommendation 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 opinion #2007-F4.

### **Section 2. DISCRETIONARY FUNDS**

#### **A. Use of Discretionary Funds**

The expenditure of Agency funds must relate to an enumerated power, duty or purposed 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, office or employee.

#### **B. Approval of Use of Discretionary Funds**

All expenditures of discretionary funds shall be approved by the Board and fall within the annual budget allocations. Provided, however, in the instances where the Executive Director and/or Board and will seek an expenditure of discretionary funds, such expenditure shall be authorized the Board. The Board shall review the proposed use of funds and reasonably determine whether such use (1) primarily benefits the Agency as opposed to an individual board member, office or employee and (ii) advances the mission and public purpose of the Agency. Scrutiny of all expenses will be guided by the 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 dies paid for the Agency to belong to a professional peer organization is a permissible use of Agency discretionary funds. However, individual memberships 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) Charitable Contributions & Sponsorship: The appropriateness of such sponsorship or charitable contribution will depend on whether it relates to the powers, duty and purposes of the Agency and whether such expenditure will advance the Agency’s mission and public purpose.

(iii) Food & Beverages: With the exception of food and beverages purchased during business travel as provided in the Agency's Travel Policy, expenditures of food and beverages for 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, may be an appropriate expenditure of Agency discretionary funds, provided that the expense is reasonable in light of the circumstances surrounding Agency activity.

(iv) Professional Training, Certificate 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 business and support partners in furtherance of the mission may be an appropriate expenditure of Agency discretionary funds.

Adopted: 5/13/13