

TOWN OF PLATTSBURGH
LOCAL DEVELOPMENT CORPORATION, INC.

DISCRETIONARY FUNDS POLICY

[Adopted 6-7-16]

The purpose of this policy is to adhere to the recommended practices of the New York State Authorities Budget Office (the “ABO”) to protect against the use of discretionary funds for purposes that do not advance the Town of Plattsburgh Local Development Corporation, Inc.’s (the “Corporation”) mission. ABO Recommendation Practice entitled, “Written Policies Governing the Use of Authority Discretionary Funds,” specifically recommends, adoption by the Corporation, of a policy on the proper use of discretionary funds that incorporates the legal principals set forth in New York State Attorney General Opinion #2007-F4.

Section 2. DISCRETIONARY FUNDS

A. Use of Discretionary Funds

The expenditure of Corporation funds must relate to an enumerated power, duty, or purpose of the Corporation. Therefore, the use of discretionary funds shall be limited to expenditures that benefit the Corporation 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. Approval of Use of Discretionary Funds

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 Treasurer of the Corporation. The Chief Executive Officer 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 Corporation as opposed to an individual board member, officer, or employee and (ii) advances the mission and public purpose of the Corporation. 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 Corporation to belong to a professional peer organization is a permissible use of Corporation 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 Corporation, should not be an Corporation 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 Corporation and whether such expenditure will advance the Corporation's mission and

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

(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 Corporation discretionary funds.

(v) Marketing: Expenses incurred in the course of marketing to (1) businesses located within the Town of Plattsburgh and (2) support partners in furtherance of the mission of assisting with the creation of new or the expansion of existing businesses may be an appropriate expenditure of Corporation discretionary funds.

Approved and adopted this 7th day of June, 2016