

STEUBEN AREA ECONOMIC DEVELOPMENT CORPORATION
EXPENDITURE POLICY & PROCEDURE
(including Travel and Discretionary Funds)

SECTION I

The purpose of this Section is to establish a general policy with regard to expenditure of budgeted items. This policy also implements a provision of the Public Authorities Accountability Act requiring the adoption of a travel policy and adheres to the recommended practices of the NYS Authorities Budget Office to protect against the use of discretionary funds for purposes that do not advance the Agency's mission and public purposes:

1. **Contracted Services/Consultants** – Fee established annually by the Agency and supported by contract.
2. **Wages/Salaries** – Amounts established annually by the Agency.
3. **Accounting** – This expenditure is established annually to cover cost of monthly accounting and annual audit.
4. **Legal** – A retainer amount is established annually for the Agency's Attorney. These items also provide additional legal fees which must be approved by the Agency.
5. **Vehicle Lease & Maintenance** – This account covers lease of automobile as well as gas, oil and maintenance.
6. **Dues and Memberships** – This item is approved on an annual basis by the Agency for specified dues and memberships to organizations recommended by the Executive Director. All dues and memberships must be approved by the Audit Committee.
7. **Meals & Entertainment** – This item is specifically for events held by or participated in by the Agency for the purpose of entertaining, existing or potential clients, honoring specific individuals determined by the Agency or participating in community affairs by Agency employees or members. The Executive Director has the authority to spend up to \$2,500 without further Agency approval. Agency approval is needed for amounts over \$2,500.
8. **Travel** – This item is meant to cover travel, lodging, entertainment, and miscellaneous costs incurred by the Executive Director or member of the Agency while exercising the duties in carrying out the policy and purpose of the Agency as described in Section 852 of the General Municipal Law of the State of New York. The Executive Director will present to the Agency at their monthly meeting, any scheduled trips or meeting which he is aware of for their approval. In the event a special unanticipated trip or meeting arises, the Executive Director shall notify the Chairman of the Agency or in his absence, the Treasurer. These expenditures will only be reimbursed when submitted monthly with supporting documents indicating the nature of the expenditures, date and amount, and names of persons and their affiliates whom were entertained. In the event the names are

confidential, such unnamed clients, it shall be noted in the minutes of the next meeting of the Agency. These monies shall be designated as monies received from private sources through approved Agency activities.

9. **Equipment Rental** – This item shall cover necessary rentals of office or miscellaneous equipment necessary for the operation of the Agency. New rental agreements shall be approved by the Agency.
10. **Equipment** – This item shall cover estimated cost of purchase of equipment necessary for the operation of the Agency either approved for specific items in the budget or as needed and approved by the Agency for amounts exceeding \$2,500.
11. **Telephone** – This item covers Agency’s net cost of phone service including equipment, line charges and long-distance calls, as well as fax line. These bills are prorated and submitted monthly.
12. **Insurance/General** – This item covers auto, property, office liability as approved annually. Any additional insurance must be approved by the Agency.
13. **Contingency** – This account is for overruns or items which are extraordinary in nature and approved by the Agency.
14. **Postage** – This item is to cover cost of postage incurred by the Agency.
15. **Repair & Maintenance/Property** – This item is for repair and maintenance of property owned by the SAEDC. Emergency expenditures not to exceed \$500 may be approved by the Executive Director and reported to the Agency at next monthly meeting. Any expenditure over \$2,500 must be approved by the Agency or in an emergency by any two members.
16. **Repair & Maintenance/Equipment** – This item is for office equipment and may be used at the discretion of the Finance and Compliance Manager with approval of Executive Director.
17. **Office Expense/Cleaning** – Any amount not to exceed \$2,500 may be approved by the Executive Director. Amount over \$2,500 needs Agency approval.
18. **Outside Services** – This item refers to special services such as surveying, engineering, etc. when approved by Executive Director up to \$2,500 each.
19. **Promotion** – This item is to cover expenditures for special promotional efforts participated by the Agency. The Executive Director may approve expenditures up to \$2,500. Expenditures over \$2,500 must be approved by the Agency.
20. **Mileage Reimbursements** – Staff and members shall be reimbursed at applicable IRS mileage rates for use of personal vehicles to attend and return from SAEDC meetings, hearings, committee meetings, or other business functions ordinary and necessarily applicable to or for the benefit of SAEDC matters. Reimbursement will be from the Staff or Member’s home or normal place of business. Reimbursement requests shall be submitted on a standard form that states the name, date(s) of travel, purpose of function, start and destination locations and the combined mileage for one trip to/from the destination. Multiple reimbursement requests may be submitted on one form.
21. **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.

A. APPROVAL – All expenditures of discretionary funds shall be approved by the Executive Director prior to such expenditure and fall within Annual Budget Allocations. Provided, however, in the instance where the Executive Director will seek an expenditure of discretionary funds, such expenditure shall be pre-authorized by the Chairman or Treasurer of the Agency. The Executive Director or the Chairman or 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.

B. APPROPRIATE EXPENDITURE GUIDENCE

- (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) Charitable Contributions & Sponsorships – 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 core mission and public purposes.
- (iii) 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, expenditure for food and beverages purchased 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.
- (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 are to prospects and relations with existing industries and businesses and supporting partners in the furtherance of our mission may be an appropriate expenditure of Agency discretionary funds.

SECTION II

The purpose of this Section is to set forth a policy regarding payment procedures:

- I. Method by which bills will be processed and paid.
 - A. The bills will be received by the agency and date stamped before being submitted to the Executive Director with detailed notations on the following:
 - 1. Purpose
 - 2. Person involved
 - 3. Date
 - 4. Amount to be paid
 - B. The Executive Director will review and submit the approved invoices to the administrative assistant who will scan and upload the approved invoices to the Local Government Support Services (LGSS) portal for processing.
 - C. The Administrative Assistant will place the scanned invoices into a master file at the Agency.
 - D. LGSS reviews the scanned invoices and will process payment bi-weekly with individual vouchers and master abstract for payments processed.
 - E. Once the payment, vouchers and abstract are prepared they are emailed back to the Executive Director and the Administrative Assistant.
 - F. The Administrative Assistant will prepare checks and vouchers for signature by the executive director or an approved board signatory.
 - G. The signed payments and vouchers are then submitted to the Agency treasurer or a second approved signatory for final approval. Vouchers should be reviewed prior to payment whenever possible, except in the case of “accelerated payment” situations noted hereafter.
 - H. Checks must have two signatures, one being the Treasurer and/or authorized board member and the other being either the Executive Director, Chief Financial Officer or authorized board member.

- I. Abstracts are reviewed by the treasurer at least monthly
 - J. Once signatures are received the signed Vouchers and Abstracts are then scanned and uploaded to the LGSS Portal before being filed in a master final at the Agency.
- II. Method of which accelerated payment of vouchers will be accomplished:
- A. All of the above procedures will be followed including approval by at least two authorized signatories except checks that may be sent prior to formal approval by the treasurer.
 - B. The Executive Director will be prepared to justify special conditions.
 - C. The Administrative Assistant will note accelerated payment on master transcript by words post-audit.

III. SECTION III

Record keeping and filing

- A. Recommend that a fireproof lockable file be obtained and placed in SAEDC office. All unissued check stock, vouchers, etc. shall be stored in a fireproof, lockable file, which shall remain locked and only opened as necessary.
- B. LGSS will keep books in accordance with the recommendations of the Treasurer and Accountant.
- C. LGSS prepares monthly statements from books at the SAEDC office.

Approved and adopted on this 26th day of February 2026.