

ONTARIO COUNTY INDUSTRIAL DEVELOPMENT
AGENCY

POLICIES AND PROCEDURES MANUAL
(As Amended May 23, 2016)

The effective date of all policies described in this manual is March 25, 2013. If a policy is added or modified subsequent to this date, the effective date of the new/revised policy will be indicated parenthetically immediately following the policy heading.

Ontario County Industrial Development Agency

“Creative Minds Creating Wealth”

Pursuant to its enacting legislation, New York State General Municipal Law (GML) Article 18-A, the Ontario County Industrial Development Agency defines its Mission as follows:

We help companies and entrepreneurs create wealth and grow and retain jobs in Ontario County.

In exercising the powers and performing the duties enumerated in Section 1411 of the New York Not-For-Profit Corporation Law, our goals are as follows:

The Ontario County Industrial Development Agency seeks to accomplish its mission by:

- Supporting entrepreneurship and innovation in all sectors of the economy by providing a world-class environment for technology-led development;
- Providing technical assistance, incentives and other forms of direct support to enable all companies to succeed in the global economy;
- Working with a variety of public and private organizations to ensure that Ontario County's workforce has world-class technical skills;
- Actively participating in efforts that maintain and improve the County's quality of life so that it can continue to attract and retain world-class talent and enterprises; and
- Continually monitoring the County's business climate to ensure that it remains a premium location for technology-led development.

Note:

Statutes cited throughout this manual are subject to revision from time to time. To the extent that revisions cause this manual to be inconsistent with these statutes, the statutes, as amended, shall control.

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General Information and Governance

Introduction

The Ontario County Industrial Development Agency (OCIDA) was established June 17, 1971 through actions of the NYS Legislature and the Ontario County Board of Supervisors. OCIDA was created by and is governed by NYS General Municipal Law Article 18-A and other state and local laws. OCIDA is a public benefit corporation organized to promote and assist with the economic development of Ontario County. OCIDA is a separate and distinct entity from Ontario County, which does not exercise direct management or fiscal oversight over the agency, although the members of OCIDA's board of directors are appointed by, and serve at the pleasure of, the County Board of Supervisors. All the functions carried out by OCIDA are its sole responsibility.

Industrial Development Agency Functions

As set out fully in General Municipal Law section 858, to achieve their economic development mandate, IDAs have the ability to buy, sell and lease property and issue debt. Private companies may apply to IDAs for a variety of financial and other assistance, which may include issuance of low interest Industrial Development Revenue Bonds, as well as exemptions from real property tax, mortgage recording tax and sales and use tax. As part of these transactions, OCIDA may take title to the project's real property, which renders that property largely tax exempt. Some or all of the local real property tax exemptions are recaptured in the form of payments in lieu of taxes (PILOT), paid by the company to the local taxing jurisdictions. OCIDA's Uniform Tax Exemption Policy (UTEPP) sets forth its policies regarding tax exemptions, PILOTs, deviations and recapture of benefits.

Board Members

All local development agencies in New York State have between three and seven members appointed by the governing municipality. In the case of OCIDA, this is the Ontario County Board of Supervisors. OCIDA has seven members who function as its board of directors. Members of the OCIDA Board serve at the pleasure of the Board of Supervisors without pay. The composition of the seven-member board has historically included one member of the Board of Supervisors, with the remaining six members chosen from the community. The Board of Supervisors member has a two-year term and the other members have six-year terms. The Public Authorities Accountability Act of 2005 (PAAA) defines board member responsibilities to include:

- Executing direct oversight of the Executive Director and other senior management in the effective and ethical management of OCIDA;
- Understanding, reviewing and monitoring the implementation of fundamental financial and management controls and operational decisions of OCIDA;
- Adopting and reviewing the OCIDA code of ethics;
- Establishing written policies and procedures including policies protecting staff from retaliation, investments, travel, the acquisition and disposition of real property and the procurement of goods and services; and
- Adopting a defense and indemnification policy and disclosing such policy to all prospective board members.

Officers

The bylaws of OCIDA call for four officer positions, an Executive Director and other support staff. The four officers; chair, vice-chair, secretary and treasurer, are elected to one year terms.

Fiduciary Responsibility

Board members are required to: i) perform duties in good faith with due diligence and care, and ii) apply judgment in the best interest of the authority, its mission and the public. Each Board member is expected to sign an acknowledgement of their role and fiduciary duties upon taking the oath of office. These acknowledgements will be filed with the ABO and copies will be maintained by OCIDA for the duration of the Board member's term.

Compensation and Attendance

Board Members

The members of the Board of the Agency shall be available as required to perform the operations of the Agency as set forth in the Agency's By-Laws.

It is in the best interest of OCIDA that board members attend all meetings. If a board member misses more than six regularly scheduled meetings in one calendar year or three consecutive meetings, the Chair shall discuss with the board member whether the member shall continue on the board, and then report back to the board. None of the foregoing limits the Board of Supervisors' ability to appoint or remove a member of the board. Board members shall be paid for reasonable travel expenses to attend board meetings.

Officers, Employees and Agents

The officers, employees and agents of the Agency shall serve at the pleasure of the Agency at such compensation levels as may be approved by the Board from time to time and may be reimbursed for reasonable expenses incurred in the performance of Agency duties subject to Board approval.

Officers, employees and agents of the Agency shall be available as required to perform the operations of the Agency as set forth in the Agency's By-Laws and shall put forth their best efforts to perform their respective duties as outlined in the By-Laws of the Agency and any other directives of the Board.

Independence

The PAAA requires that the majority of board members be "independent". According to PAAA, an independent board member is one who:

- Is not currently and has not been employed by OCIDA, or an affiliate, in an executive capacity within the last two years;
- Has not been employed by an entity that received remuneration valued at more than \$15,000 in goods, services or other financial assistance provided by OCIDA in the past two years;
- Is not a relative of an executive officer or employee in an executive position of OCIDA;
- Is not/has not been a lobbyist registered under state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of OCIDA in the past two years; and
- Is not simultaneously serving on the board and as OCIDA's Executive Director, chief financial officer, or any other equivalent position.

Board Committees

In accordance with PAAA and the Public Authorities Reform Act of 2009 (PARA), and as authorized by the OCIDA corporate Bylaws, the OCIDA Board of Directors has established an Audit and Finance Committee, and Governance Committee. The purpose, membership, and authority of these committees have been provided for in their respective charters.

Board Member Training

New Board Members

PAAA requires that new OCIDA Board members attend State-approved training regarding their responsibilities as directors within one year of appointment. Free seminars are offered by the Authority Budget Office (ABO) on a regular basis.

Existing Board Members

PAAA requires that existing Board members participate in training as needed to remain informed of best practices and regulatory and statutory changes relating to effective oversight of management and financial activities of the OCIDA. Additional training is required upon beginning each new term.

Self Evaluation

PARA requires that the Board conduct an annual evaluation of its performance. The evaluation provides an opportunity for board members to measure their individual and collective effectiveness, the Board's compliance with its own policies and procedures, and to identify areas for Board improvement. Annually, and within 60 days of year-end, board members will complete the form for evaluation and submit these to the Governance Committee who will compile and present to the full Board. The results of the self-evaluation are to be submitted to the ABO within 90 days of year-end. To the extent that the results of this evaluation demonstrate the need for the Board to improve its performance, amend its practices or procedures, or clarify its expectations of board members, the Board is expected to implement suitable corrective actions in a timely fashion. Board member comments are protected from disclosure under Article 6 of the

Public Officers Law, however the results of the assessment are to be provided to the Authorities Budget Office (ABO).

OCIDA Staff

Under a contract between OCIDA and Ontario County, Ontario County employees act as OCIDA staff, and as such are bound by the County's employment policies and procedures. The County's Economic Developer functions as Executive Director of OCIDA, and has been designated as OCIDA's CEO for purposes of compliance with PAAA. The County's Economic Development Specialist has been designated as the OCIDA's Deputy Director. The Senior Fiscal Manager has been designated as OCIDA's CFO, Procurement Office and Contracting Officer for purposes of PAAA. The responsibilities of OCIDA counsel will be to provide advice in general matters of OCIDA operations, provide assistance as needed to transaction or bond counsel, confer with OCIDA officers and staff regarding regulatory and statutory compliance, and other such legal services as needed.

Other helpful documents:

Office of the NYS Comptroller Accounting and Reporting Manual for IDAs

OCIDA Bylaws

OCIDA Certificate of Establishment

Public Authorities Accountability Act of 2005

Public Authorities Reform Act of 2009

Code of Ethics

Introduction

OCIDA was organized to benefit the people of Ontario County by attracting and retaining businesses in the county. Because OCIDA occupies a position of public trust, it is important to avoid conflicts of interest that may undermine the credibility of the OCIDA. The detail of ethical rules applying to OCIDA board and staff members is set out in the PAAA, General Municipal Law sections 800 to 805-a and 883, Ontario County's Policy on Ethics and Conflicts of Interest and the Public Officers Law. Questions about what constitutes a conflict of interest are often complex and should be addressed with the OCIDA or transaction counsel whenever any doubt or question arises.

Policy

OCIDA Board members and staff shall exercise their best judgment for the benefit of the OCIDA and shall refrain from being influenced by personal considerations in the performance of their duties.

Board members and staff may not engage in any business or professional activity on behalf of the OCIDA where that activity might result in financial benefit to the Board or staff member, their family or business associates.

No Board member or staff shall have an interest in any contract with OCIDA when the Board member or staff has the power or duty to:

- negotiate, prepare, authorize or approve the contract or authorize or approve payment thereunder;
- Audit bills or claims under the contract; or
- Appoint an officer or staff who has any of the powers or duties set forth above.

Board members and staff shall not accept gifts or entertainment of value exceeding twenty-five dollars (\$25.00), when such gift could be reasonably interpreted to be for influencing the Board or staff member's performance of their duties relative to OCIDA.

Board members and staff shall not deal preferentially with suppliers and others where personal gains accrue to the Board member or staff, or their families or business associates.

Board members and staff shall avoid employment, investments, and personal interests which may work to the disadvantage of the OCIDA.

Board members and staff shall not disclose confidential information acquired in the course of their OCIDA duties to further their own personal interests, or that of their families or business associates.

No OCIDA member shall have an "interest", as defined by GML, in a bank or trust company designated as a depository, paying agent, registration agent or for investment of funds by the OCIDA.

OCIDA is prohibited from extending or maintaining a personal loan, arranging for the extension of a personal loan, or renew a personal loan for any officer, board member or staff of the OCIDA.

OCIDA has adopted the Ontario County Annual Disclosure and Conflict of Interest Statement for the purpose of compliance with State and County disclosure rules. Board members and employees are required to complete and sign this statement and submit it to the County.

Penalties

In addition to any penalty contained in any other provision of law, any person who shall knowingly and intentionally violate any of the foregoing provisions may be fined, suspended or removed from office or employment, as the case may be in the manner provided by law. Willful or knowing violation of these rules may also result in criminal liability.

Other helpful documents:

Ontario County Policy on Conflict of Interest

Business Laws, Inc. Checklist for Preparing a Code of Legal and Ethical Conduct

Public Authorities Accountability Act of 2005

Defense and Indemnification Policy

OCIDA indemnifies and defends board members audit and governance committee members and OCIDA staff individually and as a group from claims arising from the good faith performance of their duties. OCIDA carries directors' and officers' liability and general liability insurance to provide coverage in the event of such action.

Other helpful documents:

Public Authorities Accountability Act of 2005

Policy Protecting Staff from Retaliation (Whistleblower)

(also known as Whistleblower Policy)

The OCIDA is committed to providing a work environment in which staff -- when they reasonably believe that acts of wrongdoing, misconduct, malfeasance, or other inappropriate behavior by a staff or board member have occurred -- can raise their concerns in good faith, free of discrimination, retaliation, adverse employment action or harassment. OCIDA strictly prohibits reprisal, discrimination, retaliation, firing, discharge, demotion, suspension, threats or harassment of any kind against any employee who, based on a reasonable belief that such conduct or practices have occurred or are occurring, reports that information to the individual(s) designated in this policy as having the authority to investigate, discover or terminate any such conduct or practice.

All reports will be taken seriously and will be promptly investigated. The specific action taken in any particular case will depend on the nature and gravity of the conduct or circumstances reported and the quality of the information provided.

Any complaint may be reported by contacting the Chair of the OCIDA Governance Committee or OCIDA Counsel if the conduct complained of involves the Chair of the Governance Committee, and must be made in writing. The complaint shall include the name of the reporter, whose identity shall be held in confidence to the extent consistent with law by the person(s) receiving it and those who investigate it. All complaints and concerns will receive the same level of attention and shall be promptly and thoroughly investigated by the Governance Committee. All OCIDA staff and board members are required to cooperate with the Governance Committee's investigation.

Upon completion of the Governance Committee's investigation, which shall be completed within sixty (60) days of receipt of the complaint, its factual findings, conclusions and recommendations shall be communicated to the OCIDA board in writing. Where the Governance Committee finds reason to believe that a crime may have been committed, the OCIDA Board shall refer the matter to the Ontario County Sheriff and District Attorney. If the Chair of the Governance Committee is involved in the alleged misconduct, he/she shall take no part in the investigation and shall not be provided with information regarding such investigation until such time as its conclusions are delivered to the OCIDA board.

If the complaint alleges misconduct on the part of County employees acting as staff to OCIDA, such complaint should also be communicated to that employee's direct supervisor, or to the County Administrator, for investigation pursuant to Ontario County's Whistleblower Policy and Procedures. A report of alleged misconduct by County employees to County officials shall not relieve OCIDA from conducting its own investigation as set out in this policy.

Open Meetings Policy

Introduction

The Ontario County Industrial Development Agency is subject to New York State's Open Meetings Law, as codified in NY Public Officers Law Article 7 (as amended from time to time). The Open Meetings Law is designed to provide public access to the deliberations and decisions of public bodies.

What Constitutes a Meeting

A "meeting" for the purposes of the Open Meetings Law is an official convening of the OCIDA board, or its Governance or Audit Committees, for the purpose of conducting OCIDA business, including videoconferencing. A quorum must be present for business to be transacted.

Responsibilities under the Law

If a meeting is scheduled at least a week in advance, notice must be given to the public not less than 72 hours prior to the meeting. Notice to the public shall be accomplished by posting in one or more designated public locations. In the case of OCIDA, these locations are the street level doors to 20 Ontario Street, or such other place as shall be designated. All meeting notifications are also posted on the County's website in various locations.

When a meeting is scheduled less than a week in advance, notice must be given to the public "to the extent practicable" at a reasonable time prior to the meeting. As above, notice to the public must be given by posting.

Executive Session

An executive session can be called during an opening meeting to discuss certain subjects, as detailed in Public Officers Law Section 105. Those most applicable to OCIDA are:

- Discussions regarding proposed, pending or current litigation;
- Financial, employment or credit history of a person or corporation; or
- Proposed acquisition, sale or lease of real property, but only when publicity would substantially affect the value thereof.

To close a meeting for executive session, a motion must be made, seconded and carried during an open meeting. The motion must identify the general subject matter to be considered. The motion must be carried by a majority vote of the total membership of the board present. Attendance at an executive session shall be permitted to any member of the OCIDA board and any other persons authorized by said board.

A motion to end the executive session must be carried by a majority vote as above. With only certain exceptions, stated in Article 6 of the Public Officers Law, all action based upon discussions during executive session must be taken during public session of the board and must be reflected in the minutes of the board.

Meeting Minutes

Minutes shall be taken at all meetings of the OCIDA Board and its Governance, Audit and Finance committees, and shall include a record or summary of all motions, proposals,

resolutions or other matters formally voted upon and the vote thereon. Minutes of executive sessions shall consist of a record of any final vote or determination of any action, but not including information protected from disclosure under Article 6 of the Public Officers Law. As a practical matter, the OCIDA board exits Executive Session before action is taken. Minutes shall be available to the public within two (2) weeks from the date of such meeting, but minutes of executive sessions shall be available within one (1) week from the date of the executive session.

Other helpful documents:

New York State Dept. of State Committee on Open Government web site-
<http://www.dos.ny.gov/coog/index.html>

Freedom of Information Law Policy

Introduction

The Ontario County Industrial Development Agency is subject to New York State's Freedom of Information Law (FOIL). The purpose of this law is to allow the public access to records used in establishing public policy or decision-making.

What is a 'Record'

A record is any information kept by the OCIDA in any physical form whatever. In addition to paper records, this includes:

- CDs, computer discs and other electronic media;
- Audio and video tape recordings; and
- Emails, charts, maps and photographs.

While the OCIDA is not required to prepare new records to comply with this law, the OCIDA is required to provide information from its existing records in the form requested if it has the ability to do so.

What Records are Accessible under FOIL

As a practical matter, records are accessible unless they fall under one of the exclusions set out in Public Officers Law Article 6. Those most applicable to OCIDA are:

- Disclosure would result in an unwarranted invasion of personal privacy (unless deletion of identifying information is possible, the person involved consents or the person involved seeks records relating to him/herself);
- Disclosure of trade secrets would cause substantial injury to the competitive position of the involved company; or
- Intra-agency memoranda (other than instructions to staff that affect the public) and draft/non-final determinations of the OCIDA.

OCIDA is required to maintain the following records:

- A record of any abstention or "No" vote for an action item at each meeting. As a practical matter, this should be included in the minutes to each board and committee meeting.
- A list of the names, public office address, title and salary (at the present time not applicable) of every officer and staff member of the OCIDA.
- A detailed list of the subject matter of all records in the possession of the OCIDA.

Records Access Officer

OCIDA has designated its Agency Counsel as the records access officer for the purposes of FOIL. The records access officer has the duty of coordinating the OCIDA's response to public request for records.

Requests for Access to OCIDA Records

Requests for OCIDA records shall be made to OCIDA Agency Counsel c/o Ontario County Office of Economic Development, 20 Ontario St., Canandaigua, NY 14424. Unless copies are requested in the written request, records shall be made available for inspection pursuant to FOIL during the regular office hours of the Ontario County Office of Economic Development. Copies of OCIDA documents produced pursuant to a FOIL

request shall be provided upon pre-payment of \$.25 per page copied for up to 9 x 14 inch documents, or the actual cost of reproducing any other record, except when a different fee is otherwise prescribed by statute.

OCIDA must respond in writing to requests for information within five business days of receipt by either:

- Making the record available;
- Denying access, writing giving the reason(s) for the denial; or
- Acknowledge the request and state the approximate date when the request will be granted (normally within 20 days from the date of acknowledgement unless otherwise stated in writing).

Other helpful documents:

New York State Dept. of State Committee on Open Government web site-
<http://www.dos.state.ny.us/coog/coogwww.html>

New York State Archives System Manual

WEB SITE POLICY

Introduction

The New York Public Authorities Law, as amended in 2005 by PAAA, and in 2009 by PARA requires OCIDA to make available on its web site specific financial and budgetary information, as well as additional information regarding its operations. OCIDA is committed to the principles of public disclosure and the transparent reporting of its financial and management information. The ABO has issued Guidance No. 10-03 “Posting and Maintaining Reports on Public Authority Web Sites” to assist state and local authorities in their reporting and disclosure obligations.

Policy

The Executive Director is responsible for ensuring that all required information is posted on the web site, that the information is current and accurate, and that information is made available in a manner that enables the public to easily find and navigate through it.

Permanent Disclosures

The following information will be posted permanently on the OCIDA web site in their most current form:

- OCIDA Policy and Procedures manual, to include: mission statement; enabling statute; code of ethics; procurement policy; property acquisition and disposition policy; and the investment policy,
- Uniform Tax Exemption Policy,
- OCIDA Bylaws,
- Organizational Chart,
- Subsidiary report submitted to legislature, including required information.
- A list of OCIDA Board Members and Executive Management whose compensation exceeds \$100,000, if any.
- Any other document required by the ABO

Annual Disclosures

The following reports will be prepared annually and posted to the web site within 90 days of year-end, and will be maintained on the web site for a minimum of two years:

- Report on Operations and Accomplishments,
- Schedule of Debt,
- Personal and Real Property Transactions,
- Management’s Assessment of Internal Controls and Procedures.

Other Reports

The following reports will be posted to the web site when available, and maintained on the web site for a minimum of two years:

- Annual Budget Report (4-year plan)

- Certified Financial Audit, including management letter and report on internal controls,
- Official Statements for all Debt Issuances.

Board Reporting

The names of Board members as well as the committees on which they serve will be posted on the web site, along with the adopted schedule of meetings for the current fiscal year. Meeting notices, agendas, and minutes of the Board and its committees shall be posted on the web site in accordance with the time frames specified in the OCIDA Open Meetings Policy. Minutes will remain on the web site for no less than two years following the date on which the meeting was held.

INVESTMENT POLICY

Introduction

The purpose of establishing an investment policy is to develop operating principles within the guidelines of current legislation governing investment activity. The Executive Director, CFO and Treasurer will be guided by this Investment Policy in managing the short and long-term investment of the OCIDA's available cash.

Permitted Investments

OCIDA's investment policies are governed by state statutes. Primarily, OCIDA monies must be deposited in FDIC insured commercial banks or trust companies operating a branch within Ontario County. FDIC insured demand accounts and certificates of deposit are permissible investments, as are obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and obligations of New York State or its localities.

Designation of Depositories

OCIDA authorizes the following banks for the deposit of moneys up to the maximum amounts:

<u>Depository Name</u>	<u>Maximum Amount</u>
Canandaigua National Bank	\$ 2,000,000
Five Star Bank	\$ 2,000,000
Lyon National Bank	\$ 2,000,000

The OCIDA will review the Designation of Depositories on an annual basis.

Purchase of Investments

Investment decisions are made by the Executive Director, CFO and Treasurer, with board approval, considering permitted investments, rates of return, financial institution strength, product offerings and available OCIDA cash flow.

Collateralization

Occasionally, the amount on deposit with one bank may exceed the FDIC insurance limit. In accordance with the provisions of General Municipal Law Section 10, all deposits of the OCIDA (including certificates of deposit and special time deposits) in excess of the amount insured under the provision of the Federal Deposit Insurance Act shall be secured by:

- A pledge of "eligible securities" with an aggregate "market value" equal to the aggregate amount of all deposits;

- An eligible “irrevocable letter of credit” issued by a qualified bank other than the bank with the deposits in favor of the Ontario County Industrial Development Agency for a term not to exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any; or
- An eligible surety bond payable to OCIDA for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category of at least two nationally recognized statistical rating organizations.

Eligible securities used for collateralizing deposits shall be held by the depository bank, and/or a third party bank or trust company, subject to security and custodial agreements at the discretion of the OCIDA. A security agreement shall be provided that indicates eligible securities are being pledged to secure the OCIDA’s deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the OCIDA, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the bank’s backing for any other deposit or liabilities.

INTERNAL CONTROL POLICY

Introduction

Management continually reviews and updates the Policies and Procedures Manual which includes the organization's internal controls over financial reporting, which effectively documents the systems of internal controls presently in place. Reviews and updates to the manual are performed either as a result of an audit report or to adopt best practices.

Annually, to support the activities of the Board of Directors, the CFO, acting under the direction of the Audit Committee, examines the procedures in place for effective design and operation of internal controls. The CFO reports to the Audit Committee the results of their examination including an overall conclusion regarding the effectiveness of the internal control environment, and suggests possible improvements.

Additionally, in performing their annual audit of financial statements, OCIDA's independent auditors consider OCIDA's internal control over financial reporting in planning and performing their audit. Management is expected to develop and implement corrective action, in a timely manner, for any deficiencies identified and brought to their attention by independent auditors.

Accounting and Reporting

Introduction

Accounting and reporting form the public face of the OCIDA's financial management function. Through properly recording OCIDA's transactions and reporting them using the appropriate accounting guidelines, OCIDA communicates about the OCIDA's fiscal affairs with many stakeholders.

Accounting Systems

OCIDA's accounting records are maintained on QuickBooks accounting software. Entries are made throughout each month to record transactions that have occurred. The agency maintains two funds: one for the airport and another for general operations. A 'Due to/due from other fund' account is used to balance interfund transactions. These funds are combined as one proprietary fund for external audit reports. A backup is made of all data in the accounting software program and is stored off-site.

Voucher System

The OCIDA has implemented a voucher system such that all entries are recorded on a voucher form and reviewed and signed before entry in the accounting software. Entries made by the Finance Clerk are reviewed by the CFO. Entries made by the CFO are reviewed by the Executive Director or in their absence, the Deputy Director.

Basis of Reporting

Financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned, not received, and expenses when incurred, not paid. Generally accepted accounting principles and governmental accounting standards are followed.

Internal Reports

Internal financial/budgetary reports are prepared quarterly by the CFO for board meetings. Additional reports may be available periodically as appropriate.

Budgets

In addition to the monthly reports, the CFO prepares an annual budget for the board members' review in September or October as well as projections for four additional years and an actual vs. estimated budget with an analysis and measurement of financial and operating performance, so as to comply with the New York State Authorities Budget Office annual reporting requirements. Following comments and revisions by OCIDA's board, the budget is submitted for approval at the October board meeting. The budget must be submitted to the Ontario County Clerk and the Authorities Budget Office not more than 90 days and no less than 60 days before the beginning of the new fiscal year. The budget is then made available for public inspection and comment. The budget is also required to be published on OCIDA's web site.

Financial Statement Audits

Each OCIDA is required by the General Municipal Law to have an annual audit of its financial statements (as defined in Section 2 (11) of State Finance Law) performed by an

independent certified public accountant. The purpose of the audit is to provide independent verification that the financial statements of the OCIDA are substantially accurate. The annual audit must be completed in a timely fashion and are expected to be filed within 90 days of the end of the OCIDA's fiscal year, but no later than within 30 days of the completion of the fiscal year. In addition, a Federal Single Audit (A-133) is required if the OCIDA receives in excess of \$750,000 in federal awards in any fiscal year and a DOT Single Audit is required if the OCIDA receives in excess of \$750,000 in federal awards and over \$100,000 in state awards in a any fiscal year..

An engagement letter is received annually from the independent auditor setting forth the scope of the audit engagement and fee. Currently, OCIDA's auditor is Raymond Wager, CPA, P.C. The PAAA requires that the audit partner on the OCIDA engagement be rotated every five years. The CPA firm performing the audit may not perform any non-audit services for the OCIDA unless prior approval is given by OCIDA's audit committee.

An important part of the annual audit is the preparation by the independent auditor of a management letter. This letter reports on any areas of improvement that the auditors encountered during their engagement. OCIDA responds to the management letter with a plan for improvement.

In addition to an audit of its financial statements, OCIDA is required to submit supplemental information to the NYS Comptroller's Office and Authorities Budget Office annually. This information includes job creation and retention figures, as well as PILOT payment and tax exemption amounts. This information is compiled by the CFO from responses received from client companies. The NYS Comptroller's Office and Authorities Budget Office have authority to review all aspects of OCIDA operations and issue reports on their audit findings. These audits occur at irregular intervals.

Other helpful documents:

Office of the NYS Comptroller Local Government Management Guide: Fiscal Oversight Responsibilities

Office of the NYS Comptroller Accounting and Reporting Manual for IDAs

Public Authorities Accountability Act of 2005

Public Authorities Reform Act of 2009

Cash Management/Treasury

Introduction

Safeguarding cash is one of the most basic responsibilities of OCIDA's staff and board of directors. Cash, because of its nature, is the asset most susceptible to theft. Beyond that, market and interest rate fluctuations can jeopardize principle and earnings unless a conservative investment policy is followed. OCIDA endeavors to safeguard cash through segregation of duties whenever possible, given the OCIDA's small number of staff. OCIDA endeavors to comply with all governing state law, generally accepted accounting principles and generally accepted government accounting standards.

To this end, all participants in OCIDA's investment process shall seek to act responsibly as custodians of the OCIDA's funds and shall avoid any transaction that places OCIDA funds at unreasonable risk. All participants involved in the investment process shall also refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.

Existing Accounts

As of the date of this document, OCIDA has demand deposit accounts at Canandaigua National Bank (CNB) and Five Star Bank (FSB). The FSB account is a basic checking account used for airport receipts and limited to airport disbursements. There are a savings account and checking account at CNB. The checking account is used for general OCIDA receipts and disbursements and the savings account is used to maintain an interest earning account without having to restrict the availability of the funds. Certificates of deposit and money market accounts are held periodically, depending on the necessity of funds availability and interest rates, at CNB.

Investments

The Treasurer shall provide a quarterly investment review to the Board, noting the inventory of existing investments, new investments and the selection of investment bankers, brokers, agents, dealers or auditors. The investments of OCIDA will be subject to independent audit at the time independent auditors conduct the annual financial audit of OCIDA.

Debt

The Audit and Finance Committee will be consulted regarding any proposed issuance of debt and will provide recommendations to be followed by management. Management will submit to the ABO a statement of intent which will allow the ABO to provide guidance regarding the issuance of debt and the Authority's overall indebtedness.

Cash Receipts

Cash receipts are typically received after a sale-leaseback or bond transaction has closed, in the form of OCIDA's transaction fee. This fee is normally paid in a check delivered at closing or received OCIDA's transaction counsel. The finance/administrative support

staff is given this check and completes the appropriate bank deposit slip. All bank deposit slips are maintained in a locked location, separate from any blank checks. Cash receipts are deposited with a bank within four business days of receipt.

In some cases, the transaction fee is wire transferred to the appropriate agency account at closing. OCIDA's transaction counsel provides the agency's account information and informs OCIDA's CFO that the fee has been wire transferred. The CFO receives a receipt for the wire transfer from the bank.

Airport cash receipts include payments from the fixed base operator (FBO) and grant drawdowns from Federal Aviation Administration (FAA) and the New York State Department of Transportation (NYS DOT). In the case of FBO receipts, the check is received at OCIDA offices and deposited in the appropriate account by the finance/administrative support staff in the same manner as agency receipts.

FAA grant drawdowns are requested through a web-based, password-protected system. OCIDA's CFO or authorized representative draws down funds once grants are authorized and made available for OCIDA use. Draw down amounts are based on a percentage of land purchase, construction and consultant invoices received on the project to date. Once these costs are approved by the board of directors through the process for cash disbursements they are eligible for reimbursement through the draw down process.

Prior to making the online draw down request, the individual drawing down funds completes a Delphi e-Invoicing Form which gives agency contact information, the current draw down request and a cumulative total of draw downs on the grant. Once a draw down has been successfully requested, the individual prints a receipt from the website showing the dollar amount and date of the request. The funds are deposited in the FSB account through Automated Clearing House (ACH), a form of e-payment. FSB e-mails the CFO an acknowledgement within one day of receipt of the ACH credit transaction.

The CFO or authorized representative prepares a Federal Cash Disbursement Report on an annual basis (10/1 – 9/30) summarizing cumulative grant drawdowns.

NYS DOT grant drawdowns are made on approximately a quarterly basis. OCIDA's CFO or authorized representative prepares a Sponsor Application for Payment and attaches a spreadsheet showing cumulative detail on the grant to-date. This application is signed by the director and mailed to NYS DOT. A check is received usually within a month of the request unless it is a final billing in which case it could take up to a year to process.

Cash Disbursements

When a vendor invoice arrives, the finance/administrative support staff places it in a folder for the CFO. The CFO or his designee gives all invoices to the Director who reviews and signs them. The CFO or his designee identifies bills to be paid based on due

date and confirmation that the product was received or service rendered and checks are cut the day of the IDA Board meeting. The CFO prepares a report entitled “Invoices Presented for Payment” on a monthly basis. At the board meeting, the Treasurer presents the Invoices Presented for Payment report. Following questions, the board may approve payment of all or some of the bills.

Upon board approval, checks are signed. Checks require two authorized signatures and are typically signed by the Treasurer and the Chair. Authorized signers include the Chair, Vice Chair, Secretary of the Board, CFO, Deputy Director and Executive Officer. Once paid, the check stub or a copy of the check containing payment information is detached and stapled to the invoice to prevent duplicate payments. The check and remaining stub are mailed to the vendor. Paid invoices are filed numerically by month of payment. Pre-numbered check stock is kept in a locked area where access is limited to the CFO or his designee.

Intra-bank or Inter-bank transfers

Transfers may be necessary due to investment decisions as discussed above, collateral coverage at a particular investment institution and/or the availability of OCIDA cash flow. Although it is often necessary to perform transfers without prior board approval in order ensure to timely management of resources, said transfers are reviewed and approval requested by the board of directors via inclusion on the Invoices Presented for Payment report submitted at the next board meeting. If approval is denied at the time of the meeting, the transfer will be reversed the following business day.

Bank Reconciliations

Statements are received from the banks on a monthly basis by the finance/administrative support staff and placed in a folder for the CFO. Bank reconciliations are prepared by the CFO within ten business days of receipt of the statements. The Treasurer reviews the bank statements at the ensuing board meeting and signs off on them. Completed bank reconciliations are filed chronologically by bank.

Reporting

In addition to the Invoices Presented for Payment report, the CFO also prepares and e-mails or mails to board members a quarterly Balance Sheet and Income Statement. The Treasurer/CFO presents this report to the board members at each meeting.

On a quarterly basis, the CFO prepares and e-mails or mails to the board of directors a Bank Balance Report. The amount, interest rate and maturity of investments as well as the amount in demand deposit accounts is reported. The total balances maintained at each bank are reflected.

Petty Cash

The finance/administrative support staff keeps a petty cash fund (currently \$400) in a locked area. Receipts are submitted by the staff for reimbursable business related expenses. Travel advances are allowed from the fund upon completion of a Petty Cash Voucher and approval by the Executive Director. When a staff member returns from a

business related trip, any remaining cash and receipts itemizing spending are submitted to the finance/administrative support staff for processing.

The CFO counts the petty cash box each month, on or about the date of the OCIDA board of directors meeting, and reconciles the remaining cash and receipts to the impressed balance (currently \$400). A detailed accounting of expenses is prepared that shows all currency and receipts by expense classification. A check for the balance of cash needed to bring the account to its impressed balance is made out to the Executive Director and included in the Invoices Presented for Payment for approval by the board of directors. After approval, the Executive Director cashes the check and replenishes the account.

The CFO performs an off-cycle audit of the petty cash fund at least quarterly each year and completes a Petty Cash Audit Worksheet which is then signed by the custodian of the petty cash, a finance/administrative support staff member.

Other helpful documents:

Ontario County Cash Management and Investment Policy

Office of the NYS Comptroller Technical Assistance Bulletin: Bank Reconciliations

Office of the NYS Comptroller Investment Guideline for Public Authorities

Accounts Receivable

Introduction

OCIDA's balance sheet includes amounts due from others, typically from fees. These amounts can include receivables from federal and state agency grants and amounts due from the airport's Fixed Base Operator (FBO).

Recordkeeping

OCIDA's main source of revenue is fees it collects from transactions involving benefited projects with county companies, generally 1% of the total project cost. The CFO or Finance Clerk prepares an invoice for these amounts for payment by the benefit recipient at the closing. These fees are most often paid at the closing (see Cash Receipts section). All accounts receivable are recorded in separate accounts receivable accounts and the CFO prepares an aging of these balances from time to time to aid in their collection. On a monthly basis, the total of the individual accounts receivable are compared to the total in the general ledger and differences are reconciled.

Collection

Collection efforts may include written reminders, telephone calls and other communications to the entity from which the funds are owed. Continued failure to pay, despite these efforts, results in reporting to the OCIDA board for its guidance regarding possible collection action.

Reserve for Doubtful Accounts

It is the policy of OCIDA to maintain a reserve for uncollectible accounts receivable. At the end of each fiscal year, the allowance for doubtful accounts is adjusted based on the following factors:

1. An analysis of outstanding, aged accounts receivable;
2. Historical collection and bad debt experience;
3. Evaluations of specific accounts based on discussions with the staff member(s) that originated the transaction resulting in the receivable.

This reserve account is used in the following year to write off those items that are deemed uncollectible from the prior year if further collection efforts have been abandoned. The recommendation to reserve an account and/or subsequently to write it off is made by the CFO working with the Independent Auditors with final approval by the OCIDA Board of Directors.

Reporting

On a quarterly basis, the board receives a Balance Sheet report that shows the balance in accounts receivable. The CFO and Treasurer will report on any delinquent balances (those with balances 30 days past due or more) as needed.

Capital Assets

Introduction

Capital assets comprise the vast majority of OCIDA's assets. Protecting this large investment and ascertaining that an appropriate return on assets is achieved are two of the mainstays of the Agency's Capital Asset Policy.

Capital Assets Composition

Substantially all of the Agency's capital assets are located at the Ontario County Airport, which is owned by OCIDA. The vast majority of these assets have been purchased or constructed under Federal Aviation Administration (FAA) and/or New York State Department of Transportation (NYSDOT) grants. Because of this, there are restrictions on the use of airport capital assets. (Please refer to FAA order 5190.6B, Airport Compliance Requirements.) Additionally, OCIDA must comply with grant-related and statutory rules regarding the purchase and construction of these assets.

Acquisition

Assets are purchased using guidelines established under the OCIDA's procurement policy. The decision of what FAA and NYSDOT funded airport assets to purchase is made in conjunction with the preparation of the Airport Master Plan and the Airport Capital Improvement Plan. Assets with a purchase price of \$1,000 or more and an expected life of more than one year are capitalized and depreciated by the OCIDA.

Recordkeeping

The vast majority of capital asset invoices are maintained in file cabinets by FAA grant number. Invoices for airport equipment purchased directly by the agency are maintained separately in this file cabinet. The CFO maintains a spreadsheet to track capital assets by category. This spreadsheet is also utilized for the purposes of calculating depreciation of the assets. A physical inventory of all assets should be conducted on a yearly basis.

Depreciation Guidelines

Depreciation is computed using the straight-line method over the estimated useful life of the capital asset. Land is not depreciated. Estimated useful lives for the following asset classifications have been established based upon depreciation guidance provided by the office of the New York State Comptroller:

- Deferred Acquisition Costs (interest, legal, design fees) - 20 years
- Runway and Taxiways – 50 Years
- Building– 20-40 years
- Lights, weather system & fencing- 20 years
- Building Improvements – 10 years
- Equipment – 3-7 years

Risk Assessment

OCIDA will periodically perform a risk assessment of all OCIDA assets. This assessment may involve the work of an outside insurance consultant or may be performed by staff. The goal of this risk assessment is to determine whether assets are adequately safeguarded and insured to prevent loss to the OCIDA.

Disposal

In general, disposition of airport assets funded by FAA and NYSDOT require sale of the asset at its current fair market value and reimbursement to the granting agency. An exception to this is any tangible personal property (equipment) with a fair market value of less than \$5,000 at the date of disposition. The agency has discretion on the disposition although the FAA must still be informed. (FAA Order 5190.6B) Due to the complex nature of airport asset disposition, the airport consulting engineer should be contacted for guidance before airport assets are sold.

The Public Authorities Accountability Act (PAAA) of 2005 requires that OCIDA name a 'Contracting Officer' to supervise and direct the disposition of property. As stated in the OCIDA staff section of this manual, OCIDA's CFO has been designated as the Contracting Officer for purposes of PAAA compliance.

Real property owned by the OCIDA must be appraised before disposal. Property whose value is not readily determinable against similar property due to its unique nature or circumstances must be appraised before disposal. PARA requires that property may be: (1) disposed of at market value or (2) for an amount less than fair market value only if certain criteria are met (these exceptions are detailed below). Generally, all disposals of property will be done through a publicly advertised bid. All bids must be publicly disclosed. Price and other factors may be considered, and the award must be made with reasonable promptness, or all bids will be rejected. Additionally, all dispositions must be evidenced by a deed, bill of sale, lease or other instrument.

Exceptions to Disposal Rules

Property may be disposed of through negotiation or auction without public bidding -only if the disposition:

- is less than \$15,000 or,
- will be to the state or any political subdivision thereof, or,
- is intend to further the public health, safety, welfare or economic development of the County, and,
- A board resolution authorizing the transaction is duly approved by the OCIDA board, and,
- If the disposition is of personal property with an estimated fair market value in excess of \$15,000, or is real property with an estimated fair market value in excess of \$100,000 (by lease if the annual rent over the term of the lease is in excess of \$15,000), or any property disposed of by exchange, no less than 90 days prior to the disposition a written explanation is filed with the New York State:
 - State Comptroller;
 - Director of the Budget;
 - Commissioner of General Services; and
 - Legislature.

Property may be disposed of for less than fair market value only if the disposition:

- Is to a government or other public entity, and that the terms and conditions of the transfer require that the assets remain with the government or other entity, or,
- The purpose of the transfer is within the purpose, mission, or governing statute of OCIDA, or,
- With written notification to the County Executive and County Legislature to be subject to denial by either body within 60 days of receiving such notification

When the disposal of property for less than its fair market value has been proposed, the Executive Director will provide the following information to the ABO, and to the public via the OCIDA web site:

- A full description of the asset;
- An appraisal of the fair market value of the asset
- A description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer;
- A statement of the value to be received compared to the fair market value;
- The names of any private parties participating in the transfer;
- The names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought;

The OCIDA Board must authorize all disposals of property for less than fair market value and will evidence their consideration of the above factors by a written determination documenting that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer.

Other helpful documents:

Office of the NYS Comptroller Local Government Management Guide: Capital Assets
Public Authorities Accountability Act of 2005
Public Authorities Reform Act of 2009

Accounts Payable & Procurement

Introduction

Buying the right goods or services at the right price not only keeps OCIDA operating effectively, but also insures the proper use of OCIDA funds and guards against allegations of favoritism and fraud. OCIDA works to ensure compliance with New York State Municipal Law and endeavors to purchase the best products and services at a fair price.

Sales Tax Status

As a public benefit corporation, OCIDA is exempt from payment of New York State Sales Tax on purchases made for OCIDA usage. Proof of the OCIDA's status may be required at the time a purchase is made. A copy of the OCIDA's Certificate of Establishment (see Appendix) should be made and given to each OCIDA vendor. If, for whatever reason, a vendor refuses this documentation, the sales tax should be paid at the time of purchase and a refund claim should be submitted New York State Tax Department, Sales Tax Audit Bureau on New York State Sales Tax Form AU-11.

Purchasing Guidelines

The OCIDA uses the following purchasing guidelines to insure compliance with New York State Law and to secure competitive prices.

Purchase Contracts	Verbal Quote	Written Quote	Bid Required
Under \$2,000	One needed		
\$2,000 to \$19,999		<ul style="list-style-type: none"> • Three needed • Review and recommendation to Board by CFO or Director • Final approval by Board 	
\$20,000 and up			<ul style="list-style-type: none"> • Publicly advertised bidding process (follow Ontario County bidding procedures)
			<ul style="list-style-type: none"> •

Verbal and written quotes need to be documented by the staff member purchasing the service or product (written quotes need CFO or Director review and recommendation to the Board for approval of the chosen vendor). This documentation should be maintained in the vendor file and compared to invoice(s) received from this vendor.

The selection of airport consultants is subject to procedures established by the FAA (see Advisory Circular 150/5100-14D)

Exceptions

In certain situations, solicitation of alternative proposals or quotes may not be practical. These situations include:

Professional Services

Professional services are services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, knowledge, absence of conflict of interests, reputation, education and training, judgment, integrity, continuity of service, experience, and moral worth. Furthermore, certain professional services to be provided to the OCIDA (e.g., legal and accounting services) impact potential liability of the OCIDA and its members. These qualifications and the liability concerns of the OCIDA are not necessarily found or addressed in the individual, company or firm that offers the lowest price. The natures of these services are such that they do not readily lend themselves to competitive procurement procedures. The circumstances involving the need for a particular vendor should be documented including such information as specialized knowledge and/or experience.

Sole Source

A sole source can be a manufacturer or service provider for which there are no other sources offering an equal or equivalent product. Prior to a vendor being considered a sole source, a letter on the vendor's letterhead must be on file detailing its sole source status.

Emergency Purchase

An emergency is an urgent need which requires immediate action and cannot reasonably wait until the next scheduled board meeting. These goods or services must be purchased immediately; a delay in order to seek alternate proposals may threaten the life, health, safety, economic well-being or welfare of the public or the OCIDA. This section does not preclude alternate proposals if time permits. The occurrence or condition is unforeseen, should happen rarely and the circumstances shall be well documented.

In case of an emergency as defined above, the Executive Director, or in their absence, the Deputy Director is authorized to commit OCIDA resources if circumstances require his or her action before a scheduled board meeting as follows:

1. The Executive Director, or in their absence, the Deputy Director, may commit funds at his or her sole discretion up to \$1,000.
2. The Executive Director, or in their absence, the Deputy Director, with the Chair's approval, may commit up to \$5,000.

In addition, the Chair of the Board may commit OCIDA resources if circumstances require his or her action before a scheduled board meeting and if said action necessitates the exclusion of involvement of the Executive Director (i.e. conflicts of interest exist) as follows:

1. The Chair may commit funds at his or her sole discretion up to \$1,000.
2. The Chair, with another board officer's approval, may commit up to \$5,000.

All such commitments by the Executive Director or the Chair of the Board will be presented to the board at the next scheduled meeting for ratification.

Compliance with Procurement Lobbying Law

OCIDA is required to comply with the law which governs contacts between the OCIDA and individuals/entities during the bidding process. The law establishes a restricted period, essentially the time between when the earliest notice of the Request for Proposal (RFP) is given and when the final contact is awarded, during which time contact between bidders and the OCIDA are restricted to a person designated by the OCIDA.

The OCIDA is required to:

- Designate a person to be contacted by bidders. For OCIDA this person is the CFO;
- Maintain records of contacts (including name, address, telephone number, place of employment and occupation) with bidders during the restricted period;
- Include copies of this policy in the OCIDA's RFP documents;
- Receive affirmation from all bidders of their understanding of the provisions of this law and their agreement to comply;
- Include a certification in the contract that all information provided to OCIDA is complete, true and accurate. This language must allow the OCIDA to terminate the contract if it is found that the certification is intentionally false or incomplete; and
- OCIDA staff must notify OCIDA counsel in the event they become aware of a violation of this policy.

Impermissible Contact

If the OCEDC (staff or any Board member) is contacted by a vendor or potential vendor in such a manner as to attempt to unduly influence a solicitation procurement, the chair of the Governance Committee will be immediately notified by the Procurement Officer to discuss the severity of the action and determine if further action is required. If it is determined that there is no cause to believe the allegation is true then the matter is documented and given to the Procurement Officer to file away. If there is cause to determine that an impermissible contact was made then the vendor or potential vendor shall be notified in writing that an investigation is being held. Results of the investigation may include a 'no wrong doing' finding or a willful violation of State Finance Law 139-j(3) resulting in a non-responsible candidate for services. In either case the Offerer shall be notified in writing of the determination. All documents are held in the Procurement Officer's files.

Credit Card Policy

General Policy:

- The Ontario County Industrial Development Agency (the "Agency"), at the

discretion of the Board of Directors, shall maintain a corporate credit card account for use by its employees or employees of Ontario County whom have been designated to work for the Agency by contract agreement.

- A corporate credit card will be issued to personnel and/or contracted personnel from Ontario County at the discretion of and upon written approval of the Executive Director. In the instance that the Executive Director should receive a corporate credit card then the written approval shall come from the Chair of the Agency's Board of Directors.
- The staff member whose name appears on the corporate credit card (the "Cardholder") shall complete and sign the statement attached to the 'Corporate Credit Card Usage Policy' and submit it to the Chief Financial Officer ("CFO") prior to use of the corporate credit card.
- The corporate credit card shall be paid in full monthly by the Agency. No balances except for current charges shall be carried on the card.
- The corporate credit card account shall maintain a five thousand dollar (\$5,000) credit limit. Changes in limit can only be authorized by the Board of Directors.
- All uses of the corporate credit card are subject to the purchasing guidelines outlined in the Agency's Policy and Procedures Manual.
- The credit card may not be used to procure cash advances nor for any illegal purchases.

Usage of Card:

- A corporate credit card shall be issued to an employee of the Ontario County Industrial Development Agency (the "Agency"), or employees of Ontario County whom have been designated to work for the Agency by contract agreement, at the discretion of and upon written approval of the Executive Director. In the instance that the Executive Director should receive a corporate credit card then the written approval shall come from the Chair of the Agency's Board of Directors.
- The staff member whose name appears on the corporate credit card (the "Cardholder") shall complete and sign the statement attached to this Policy and submit it to the Chief Financial Officer ("CFO") prior to use of the corporate credit card.
- The Cardholder will sign the credit card immediately upon receipt.
- Acceptance of the credit card by the Cardholder implies acceptance and agreement with the policies and procedures set forth in the credit card agreement.

- The Cardholder will ensure that use of the credit card is within the purchasing guidelines outlined in the Agency's Policy and Procedures Manual.
- The credit card may not be used to procure cash advances and any illegal purchases.
- The Cardholder is responsible at all times for the physical security of the credit card.
- The Cardholder will immediately notify both the credit card services company and the Chief Financial Officer if the card is lost or stolen.
- The Cardholder shall retain all receipts, and will provide them for reconciliation purposes to the CFO at the first available opportunity.
- The credit card must be returned immediately to the Agency if:
 - Requested by the CFO;
 - The Cardholder is no longer employed by the Agency and/or Ontario County.
- The Cardholder agrees to cooperate fully with the Agency if an incorrect charge is identified on the Cardholder's statement.
- No purchases of a personal nature shall be made with the corporate credit card.

Conferences and Training

Conferences and training opportunities are beneficial to OCIDA since they provide a forum for board members and staff to gain new skills and keep up-to-date on the most current trends in economic development and board governance. Any staff or board member attending conferences or training shall submit to the Executive Director a Conference and Training Voucher with a brief description of the event including cost and benefits for review and approval before enrolling in the conference if said conference or training will require payments be made by OCIDA either in the form of registrations fees, lodging, travel or meal reimbursements. The Executive Director's attendance requires pre-approval by one of the officers of the board of directors.

Reimbursable Business Expenses

OCIDA will reimburse all reasonable, business-related expenses incurred by the board or staff member. In many cases, Ontario County provides a partial reimbursement for these items if the expense also benefits the Revolving Loan Fund or Office of Economic Development. Such determination is made by the CFO in conjunction with the Executive Director and subject to approval by the OCIDA board. If Ontario County is providing some reimbursement, the expenses should be submitted on Ontario County forms. These will be accepted by the OCIDA to process the OCIDA's portion of the reimbursement. In some cases, see Conferences and Training, these expenses will require prior approval.

Business expenses incurred by the board or staff member must be documented on a Conference and Training Voucher and submitted within one month of the expenditure. The business purpose of each expense must be fully documented. The Executive Director reviews and signs each voucher. The Executive Director's vouchers shall be reviewed and signed by an officer of the board of directors. Some common business expenses are discussed below. As a general rule, board or staff members should choose the most reasonably economical option available to them when incurring business expenses.

Mileage

Mileage is reimbursed at the current Internal Revenue Service published rate in effect at the time of travel. Mileage is only reimbursed for use of staff or board member-owned vehicles. Commuting mileage for staff members is not reimbursable.

Air, Bus or Train Travel

The OCIDA will pay for the cost of coach or economy rates using the most reasonably cost-effective routing available when air, bus or train travel is necessary. Staff and board members are encouraged to book transportation as early as possible in order to get the most economical rates.

Lodging

Lodging is reimbursed if travel takes the staff or board member 75 miles or more away from home and reasonably requires an overnight stay. Room sharing, if appropriate, is encouraged. Expenses incurred related to a spouse or companion are not reimbursable. Expenses submitted for reimbursement by OCIDA staff or board member(s) cannot be more than if the staff or board member had traveled alone. Items such as maid, valet or laundry service, in-room movies, alcoholic beverages and personal items are not reimbursable.

Meals

OCIDA staff and board members may incur meal and other related expenses such as tips during day training or daily OCIDA business, if these expenses are directly related to activities of the OCIDA and reasonable in amount. Items such as alcoholic beverages and personal items are not reimbursable. Attendees and business purpose must be fully documented when submitting for reimbursement.

If an employee is traveling to an overnight conference with prior approval, then the use of per diem rates for meals and incidental expenses is required and no receipts are necessary.

Meals and Incidental Expenses include meals, tips and fees for food, and luggage handling.

Meal and Incidental Expense reimbursement shall be in accordance with the rate set forth by the Internal Revenue Service.

Some areas of the country may have different per diem reimbursement rates. Staff should consult with the CFO to obtain these rates. For example the meal per diem per the US General Services Administration's web site (www.GSA.gov) for 2013 in the Albany area is \$61.

Staff and board members will not be entitled to reimbursement for the cost of meals that are included in the costs of the conference.

Tips

Tips, when appropriate are reimbursable. Tips should be limited to 20% of the total bill in the case of meals and as reasonable and customary amounts in other cases.

Telephone

Ontario County provided cellular telephones should be used whenever possible for business calls by OCIDA staff. In the event that use of a cell phone is impractical, reasonably necessary business calls will be reimbursed when the board or staff member is at an OCIDA-approved overnight conference or training. Personal phone calls will be reimbursed up to a \$5.00 daily maximum.

Recording of Accounts Payable

All valid accounts payable transactions, properly supported with the required documentation, shall be recorded as accounts payable in a timely manner.

Accounts payable are processed on a daily basis. Information is entered into the accounting software system from approved invoices (See Cash Disbursements section) with appropriate documentation attached.

It is the policy of OCIDA that only original invoices will be processed for payment unless duplicated copies have been verified as unpaid by researching the vendor records. No vendor statements shall be processed for payment.

On a monthly basis, the detailed trial balance of open accounts payable is reconciled to the general ledger.

Other helpful documents:

Ontario County Purchasing Policy and Procedures

Ontario County Policy Conference, Training and Travel

Ontario County Policy Travel Vouchers

Ontario County Policy Employee Mileage Reimbursement

Public Authorities Accountability Act of 2005

Public Authorities Reform Act of 2009

Harris Beach Public Authorities Training Program (presented at 2013 IDA Section Conference in Albany, New York)

Security

Introduction

The security of the paper and electronic files is an important function of OCIDA's staff. Accounting records are maintained in a secured area in the CFO's office. Blank checks and petty cash are secured as discussed in the Cash Management/Treasury section, above.

Access to Electronically Stored Accounting Data

The CFO and Finance Clerk shall utilize passwords to restrict access to accounting software and data. Only the CFO and Finance Clerk will be assigned passwords that allow access to the system.

Accounting personnel are expected to keep their passwords secret and to change their passwords on a regular basis, no less frequently than annually.

Record Retention

Record Retention

OCIDA staff shall follow Ontario County's record retention and storage rules, as well as the County's computer usage policies.

Storage of Back-Up Files

OCIDA maintains its electronic data files on Ontario County server. Ontario County backs up this information on a regular basis.

Timeline

January

- Authorized signers cards and board approval for new check signers as necessary- *CFO*
- Schedule of Investments- *CFO*
- Board review & approval of Mission Statement and performance measures- *CEO/CFO/Board*
- Board review & approval of Investment Guidelines- *CEO/CFO/Board*
- Board review & approval of Whistleblower Policy- *CEO/CFO/Board*
- 1099 preparation- *CFO*
- Distribute Annual Disclosure Statement-Conflict of Interest- *BOS Administrative support staff*
- Follow up letter sent to OCIDA projects that have not responded to monitoring letter-*CFO & Executive Director*
- Property Use and Disposition Guidelines – Annual Review - *CFO*
- Procurement Guidelines – Annual Review - *CFO*

February

- Annual financial statements are prepared and audited- *CFO/Public Accounting firm*
- Federal Single Audit is prepared if required – *CFO/Public Accounting Firm*
- Annual NYS Comptrollers Report are prepared and audited- *CFO/Public Accounting firm*

March

- The following are filed with the Ontario County clerk and Ontario County's Finance Director by month end and posted on the OCIDA web-site as soon as practical (those items noted are included in PARIS reporting system):
 - OED Annual Report
 - Audited Financial Statements (requires board approval and CEO and CFO certification)
 - Management Letter from public accountants
 - Schedule of outstanding projects PARIS
 - Schedule of conduit debt PARIS
 - Property disclosures:
 - List of property held by OCIDA at year end; PARIS
 - List and description of property > \$15,000 which OCIDA acquired or disposed of during last fiscal year including the price paid and name of purchaser or seller. PARIS
 - A description of total assets bought or sold without competitive bidding, including a description of circumstances and certification from Executive Director
 - Code of Ethics
 - Compensation schedule including name, title, biographical information, salary and other types of compensation > \$100,000

(N/A- OCIDA does not have any non Ontario County employees)
PARIS

-Executive Director, CFO

- In addition to the above, the following are filed with the Authorities Budget Office:
 - Mission statement and performance measurement report- *CEO/CFO/Board*
 - List of material operations and program changes during the reporting year- *CFO*
 - Number of employees- *CFO*
 - Board structure, including names of committees and committee members- *Governance Committee*
 - List of Board meetings and attendance- *Governance Committee*
 - Board performance evaluations. – *Governance Committee*
 - Assessment of internal control structure. – *CEO*
 - OCIDA Charter and Bylaws. – *CEO*

April

- Audited financial statements sent to:
 - Commissioner of NYS Dept. of Economic Develop.
 - Office of NYS Comptroller
 - Authorities Budget Office (include management letter)
- *CFO*
- Public notice of audit published- *Finance/administrative support staff/CFO*
- Schedule of Investments- *CFO*

May

- Annual Disclosure/ Conflict of Interest sign off (5/15)
-*County Clerk, CFO*

June

July

- Schedule of Investments – *CFO*

August

September

- Federal Single Audit (if required) sent to:
 - Budget submitted to board for review and approval - *CFO*

October

- Schedule of Investments - *CFO*
- Budget submitted to:
 - Ontario County clerk
 - Authorities Budget Office (PARIS System)
- Include on OCIDA web-site - *CFO*

November

December

- Audit scheduled with public accounting firm- *CFO & Audit Committee*
- Monitoring letters sent to project contacts-*CFO*
- Board meeting date schedule developed for upcoming year- *Administrative Assistant*