

**CITY OF GENEVA
INDUSTRIAL DEVELOPMENT AGENCY
FISCAL MANAGEMENT POLICY**

General Information

A seven-member Board of Directors which includes a Chair, Vice-Chair, Secretary, and Treasurer governs the Geneva Industrial Development Agency. The City's Director of Economic Development (DED) provides administrative staff support and the City's Assistant City Comptroller serves as the agency's Chief Financial Officer (CFO).

This document is designed to assist the Board of Directors of the Geneva Industrial Development Agency (IDA) in fulfilling their fiduciary responsibilities for financial oversight.

The accounting principles and practices as presented are intended to be as simple as possible and at the same time to be in accordance with general accounting principles and standards.

Practical internal controls are fundamental to proper financial management. The procedures developed in this document are intended to establish a system of internal controls that will prevent the possibility of collusion and will protect the assets of the organization.

An informative accounting system (along with internal controls and procedures), a budgeting process, and a financial audit are the elements necessary for the Board of Directors to meet their fiduciary responsibilities.

The IDA is responsible for maintaining the financial records for the Geneva IDA, the Geneva Enterprise Development Center (GEDC), and the Geneva Industrial Park Partnership. Separate financial records are kept for each of these organizations.

Geneva IDA – The financial records of the agency reflect the activities of the agency exclusive of the GEDC. Record keeping and preparation of financial reports are the responsibility of the agency's CFO.

Geneva Enterprise Development Center – The GEDC is owned by the Geneva IDA. Management of the facility is contracted with Mancuso Business Development Group (MBDG). MBDG is responsible for the promotion, operation, and maintenance of the center. MBDG maintains a separate set of financial records for this facility at their office.

Geneva Industrial Park Partnership – The Geneva Industrial Park is owned by The City of Geneva, the Geneva IDA, the Ontario County IDA, and Geneva Growth. The Geneva IDA is responsible for the management of the park. The CFO of the agency maintains the park's financial records.

Internal Control and Procedures

Internal Controls are designed to protect the funds for which the agency is responsible, not to create more work for staff. If implemented properly, they will create a reasonable system of checks and balances. These procedures ensure that financial transactions are approved and reviewed by more than one person.

This system of checks and balances is designed to prevent any one person from having control over the funds of the agency.

The CFO handles all receipts of income and is responsible for timely deposits of the funds.

Signature Authorization - The Board of Directors grants signature Authorization on Bank Accounts to the Chair, Vice-Chair, Secretary, and Treasurer. Two signatures are required on each check issued. Further authorization is granted to the DED and CFO for checks amounting to \$500. or less (two signatures required).

Bank Accounts – The number of bank accounts should be kept at a minimum. Whenever possible, funds should be kept in an interest-bearing account.

Bank Account Reconciliation – Quick Books has a very efficient system to reconcile bank statements. The CFO is responsible for reconciling the various accounts on a monthly basis. The CFO should initial and date the reconciliation statement. One of the officers should review the reconciliation and initial the reconciliation statement

Payment of Bills

No payment will be made without the presentation of an invoice or the preparation of a “Request for Payment” form (Appendix 1). Invoices will be stamped indicating the following: approved by, reviewed by, account number, and check number. Invoices will be approved by the DED and reviewed by one of the persons signing the check. The CFO will indicate the proper account number and check number.

The CFO enters the transaction into the agency’s accounting system and prepares the check. The check, along with supporting documentation, is presented for signature.

The CFO is responsible for attaching a check stub to the invoice and for proper filing of the invoice.

Reporting Monthly Financial Report will be presented to the Board of Directors:

Geneva Industrial Development Agency. Monthly reports will include Monthly Activity (Appendix 2-1), A Year-To-Date compared to Budget (Appendix 2-1), and a Balance Sheet (Appendix 2-3).

Geneva Industrial Park Partnership. Monthly reports for the partnership will include a report reflecting monthly and year-to-date activity (Appendix 3-1) and a Balance Sheet (Appendix 3-2). At the end of the fiscal year, the CFO will adjust the Balance to reflect the interest of the various partners.

Geneva Enterprise Development Center. Mancuso Business Development Group prepares monthly reports that reflect the activity at the GEDC. Copies of these reports (Appendix 4) are distributed to the board of directors.

Year-End Reports. At the end of the fiscal year, the reports from the various groups are combined to create an overall picture of Income and Expense, Cash Flow, and Assets, Liabilities, and Equity.

**GENEVA INDUSTRIAL DEVELOPMENT AGENCY
47 CASTLE STREET
GENEVA, NY**

REQUEST FOR PAYMENT

Date: _____

Pay to the Order of : _____

Purpose: _____

APPROVED BY: _____

REVIEWED BY: _____

ACCOUNT NUMBER: _____

CHECK NUMBER : _____

CITY OF GENEVA INDUSTRIAL DEVELOPMENT AGENCY
PROCUREMENT POLICY

A. Introduction

1. Scope – In accordance with Article 18-A of the General Municipal Law (the “IDA Act”), Section 104-b of the General Municipal Law, and the Public Authorities Accountability Act of 2005, the City of Geneva Industrial Development Agency is required adopt procurement policies which will apply to the procurement of goods and services not subject to the competitive bidding requirements of Section 103 of the GML and paid for by an IDA for its own use and account.
2. Purpose – Pursuant to Section 104-b of the GML, the primary objectives of this policy are to assure the prudent and economical use of public monies in the best interests of the taxpayers of a political subdivision or district, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

B. Procurement Policy

1. Determination Required – Prior to commencing any procurement of goods and services, the Executive Director or an authorized designee shall prepare a written statement setting forth the basis for (1) the determination that competitive bidding is not required for such procurement, and if applicable (2) the determination that such procurement is not subject to any requirements set forth in this policy. Such written statements shall be maintained by the Executive Director or such authorized designee in a specially designated procurement file.
2. Procedure for determining whether Procurements are subject to Competitive Bidding – The procedure for determining whether a procurement of goods and services is subject to competitive bidding shall be as follows:
 - a. The Executive Director or an authorized designee shall make the initial determination as to whether competitive bidding is required. This determination will be based on Section 103 of the GML which requires competitive

bidding for expenditures of (1) more than \$35,000 for the performance of any public works contract (services, labor or construction), and (2) more than \$20,000 for any purchase contract (acquisition of commodities, materials, supplies or equipment).

- b. The Executive Director or such authorized designee shall review the purchase request against prior years' expenditures and a good faith effort will be made to determine whether it is known or can reasonably be expected that the aggregate purchases of a similar nature will exceed the above competitive bidding procedures shall be followed for said expenditure.
 - c. The Executive Director or such authorized designee shall present any legal issues regarding the applicability of the competitive bidding requirements stated herein to the Agency's Counsel.
3. Methods of Competition to be used for Non-Bid Procurements and Procurements Exempt by Statute – Alternative proposals or quotations for goods and services shall be secured by use of written requests for proposals or written quotations, verbal quotations or any other method of procurement which furthers the purposes of this Section except for items excepted herein (see 7 below) or procurements made pursuant to:
- a. GML, Section 103 (3) (through county contracts), or
 - b. GML, Section 104 (through state contracts), or
 - c. State Finance Law, Section 175-b (from agencies for the blind or severely handicapped), or
 - d. Correction Law, Section 186 (articles manufactured in correctional institutions).
4. Procedures for the Purchase of Commodities, Equipment or Goods under \$20,000.
- a. Under \$1,000 The discretion of the Executive Director or authorized designee.
 - b. \$1,000 - \$9,999 Documented verbal quotations from at least three vendors.

- c. \$10,000 - \$19,999 Written/fax quotations from at least three vendors.

5. Procedures for the Purchase of Public Works or Services under \$35,000.

- a. Under \$1,000 The discretion of the Executive Director or authorized designee.
- b. \$1,000 - \$14,999 Documented verbal quotations from at least three vendors.
- c. \$15,000 - \$34,999 Written/fax quotations from at least three vendors.

6. Basis for the Award of Contracts – Contracts will be awarded to the lowest responsible vendor who meets the specifications.

7. Circumstances justifying an Award to other than the Lowest Cost quoted.

- a. Delivery requirements
- b. Quality requirements
- c. Quality
- d. Past vendor performance
- e. The unavailability of three or more vendors who are able to quote on a procurement.
- f. It may be in the best interests of the Agency to consider only one vendor who has previous expertise with respect to a particular procurement.

8. Documentation

- a. For each purchase made the Executive Director or authorized designee shall set forth in writing the category of procurement that is being made and what method of procurement is specified.
- b. The basis for any determination that competitive bidding is not required shall be documented, in writing, by the Executive Director or such authorized designee, and filed with the purchase order or contract therefore.
- c. For those items not subject to competitive bidding such as professional services, emergencies, purchased under city contracts

or procurements from sole sources, documentation should include a memo to the files which details why the procurement is not subject to competitive bidding and include, as applicable:

- (1) a description of the facts giving rise to the emergency and that they meet the statutory criteria; or
- (2) a description of the professional services; or
- (3) written verification of city contracts; or
- (4) opinions of Counsel, if any; or
- (5) a description of sole source items and how such determinations were made.

d. Whenever an award is made to other than the lowest quote the reasons for doing so shall be set forth in writing and maintained in the procurement file.

e. Whenever the specified number of quotations cannot or will not be secured, the reasons for this shall be indicated in writing and maintained in the procurement file.

9. Exceptions to Bidding

a. Emergency Situation – An emergency exists if the delay caused by soliciting quotes would endanger the health, welfare or property of the municipality or of the citizens. With approval by the Executive Director such emergency shall not be subject to competitive bidding or the procedures stated above.

b. Resolution Waiving Bidding Requirements – The Agency may adopt a resolution waiving the competitive bidding requirements whenever it is determined to be impracticable.

c. Sole Source – Defined as a situation when there is only one possible source from which to procure goods and/or services and it is shown that the item needed has unique benefits, the cost is reasonable for the product offered and there is no competition available. In this situation, a request for a resolution waiving bidding requirements, as described above, is required.

d. True Lease – Prices will be obtained through quotations whenever possible. The award shall be made on the basis of goods and/or services to be provided, ability to meet the specifications desired and price.

e. Insurance – All insurance policies shall be procured in accordance with the following procedures:

(1) Premium less than \$20,000 – documented telephone quotations from at least three agents (if available).

(2) Premium over \$20,001 – written quotations/fax or proposals from at least three agents (if available)

f. Professional Services – This category includes services which require special education and/or training, license to practice or are creative in nature. Examples of professional services are: lawyers, doctors, accountants, engineers, artists, etc. For the procurement of professional services, the procedures set forth in Exhibit B shall apply.

10. Minority and Women Business Enterprises – The Agency shall comply with all applicable legal requirements relating to the hiring of such businesses.
11. Input from members of the Agency – Comments concerning the procurement policy shall be solicited from the members of the Agency from time to time.
12. Annual Review – the Agency shall annually review its policies and procedures.
13. Unintentional Failure to Comply – The unintentional failure to comply with the provisions of Section 104-b of the GML shall not be grounds to void action taken or give rise to a cause of action against the Agency or any officer thereof.

Geneva Industrial Development Agency Guidelines for Disposition of Real Property

Purpose/Intent

The City of Geneva has identified acquisition, sale, and development of real property as an objective for the Geneva IDA. To that end, the Agency has developed these guidelines to establish goals and processes for Agency-held property.

The mission of the IDA is to affect positive change in the Geneva real estate market. As such, the following objectives are established relative to property disposition:

- Whenever possible, any costs associated with acquisition of real property will be recovered as part of its sale;
- Sale or other disposition activities shall be evaluated based on potential market impact of the proposed use. Properties should not be sold to “land speculators” who intend to hold the property without a defined project;
- The Agency may own and operate real property so long as it meets the objectives of enabling legislation, and so long as it is proven infeasible for a similar impact to be affected by a private sector partner;
- Proceeds from the sale or operation of real property should be reinvested in activities meeting the Agency’s goals and objectives.

Sale/Transfer Methods

The Agency may enter into sale or transfer agreements upon execution of one of the following activities:

- **Request for Proposals:** An RFP process may be developed when market conditions and property attributes suggest that a competitive process would yield the highest and best result. Proposals should be evaluated for project impact on the real estate market, with Agency return as a secondary consideration.
- **Private Negotiation:** When appropriate, the Agency may identify a potential purchaser and enter into a private negotiated and sale. Similar to the RFP process, private sale opportunities should demonstrate positive market impact.
- **Lease:** When long-term control by the Agency is an overriding concern, Corporate leasing may be considered. Leases should derive the value necessary to ensure that Agency funds receive a reasonable return. The proposed project should demonstrate positive market impact before the leasing option is considered

Geneva Industrial Development Agency Travel Policy

Employees, contractors, and Board members of the Geneva IDA must adhere to the following policies regarding employment related travel:

- All travel must be conducted pursuant to a formally adopted Budget. Travel activities not contemplated by the budget, must be formally approved by the Board of Directors. For the purposes of this policy, travel expenses are defined as those costs for which employees, contractors, and/or Board members are seeking reimbursement associated with meeting costs, (i.e. conference fees), flights, hotel accommodations, meals, or vehicle mileage.
- Lodging must be secured at the lowest available rate and receipt documentation must accompany claim.
- Mileage reimbursement will be paid at the current authorized rate set forth by IRS.
- Miscellaneous travel charges including tolls, cabs, subway, telephone, baggage handling, etc. will be reimbursed when necessary and require appropriate receipts.
- All costs must be itemized and included with the request. An explanation of the purpose of the travel should be submitted when applicable. The application is requested as far in advance of the date of travel as possible (at least 10 days when practical).
- Fund advances for travel may be authorized by the Chair of the Board of Directors. Funding requests should be supported by written quotes for costs, and must be reconciled with receipts within seven days of conclusion of travel activities.

Geneva Industrial Development Agency

Whistleblower Policy

Operative Policy

All members of the board of directors (the “*Board*”) of the Agency and all officers and employees of the Agency, in the performance of their duties, shall conduct themselves with honesty and integrity and observe high standards of business and personal ethics as set forth in the Code of Ethics of the Agency (the “*Code*”).

Each director, officer and employee is responsible to report any violation of the Code (whether suspected or known) to the Agency’s lead staff person. Reports of violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

No individual, regardless of their position with the Agency, shall be subject to any retaliation or adverse employment consequence for making a good faith claim and any employee who chooses to retaliate against someone who has reported a violation shall be subject to disciplinary action, which may include termination of employment.

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing there has been a violation of the Code.

Any claim of retaliation will be taken and treated seriously and, irrespective of the outcome of the initial complaint, will be treated as a separate offense.

The Chairperson of the Agency is responsible for immediately forwarding any claim to the Agency’s counsel who shall investigate and handle the claim in a timely manner.

Geneva Industrial Development Agency Investment Policy

Purpose/Intent

The Geneva IDA hereby establishes this Investment Policy to ensure that Corporate funds are managed in such a way as to achieve the following objectives:

- preservation of principal investment,
- security of Corporate funds,
- diversity of vehicles to absorb market fluctuations,
- liquidity of assets to provide appropriate operating cash, and
- investment yield.

Investment Vehicles

Recognizing the objectives cited above, the Board of Directors shall invest all Corporate funds in legal instruments authorized by the enabling legislation and New York State Law.

Analysis/Reporting

Once monthly, Corporation staff shall prepare a report outlining all current investments. The report shall outline:

- Issuer
- Instrument
- Annual Yield
- Purchase and Maturity Date
- Current Book Value
- Congruence of investment with this policy
- Statement of total cash flows
- Liquidity analysis

Banking Relationships

The Board of Directors shall review the Corporation's banking relationships annually and evaluate benefits to Corporate investment of potential changes. All institutions housing Corporate funds shall meet the requirements for Corporation banking set by state and federal laws, rules, and regulations.