

## **BUFFALO FISCAL STABILITY AUTHORITY USE OF DISCRETIONARY FUNDS POLICY**

*Pursuant to Section 2824(1)(b) of Public Authorities Law*

It is the policy of the Buffalo Fiscal Stability Authority (the "Authority") to authorize the expenditure of funds only for purposes that relate to and support the mission of the Authority. The Authority has adopted policies that safeguard the assets and resources of the Authority and protect against the use of funds for purposes that do not advance its core purpose and objectives. It is the intent of this policy to clarify for all employees what would and would not be considered appropriate expenses.

At the discretion of the board or management certain out-of-town business travel and travel-related expenses may be appropriate to advance the mission of the Authority. This policy requires that employees perform due diligence to obtain the lowest cost for such expenses. This policy also requires prior approval of or authorization by an appropriate individual to ensure that such travel is reasonable and necessary. The approval for Authority staff travel expenses shall be obtained from the Authority's Executive Director; approval for the Authority's Executive Director's travel expenses shall be obtained from the Chair or Vice-Chair of the Authority's Board of Directors. Documentation shall be submitted to justify the nature and purpose of such expenses, and employees shall provide receipts for all expenses. The expense reimbursement is based on the following: 1) for mileage expense, it is reimbursed based on the current IRS mileage rate in effect, and 2) for meals it is based on the Authority's meal reimbursement policy and IRS guidelines which currently provide a per diem rate for meal reimbursement of \$80 as the standard rate for actual expenses. In instances where BFSA staff or Directors travel to cities designated by the IRS as high cost cities an individual may use the IRS recommended calculator at the U.S. General Services Administration website to determine the appropriate meal reimbursement rate.

Certain meal costs also may be incurred through participation in, or sponsorship of, activities integral to meeting the core public purpose of the Authority. Similar to appropriate travel expenses, eligible meal costs must be properly documented and cost thresholds adhered (as detailed above).

This policy prohibits purchases using Authority cash or credit that are personal in nature, that would benefit one or more staff of the Authority rather than benefit those dependent on the Authority's services, or are not necessary to advance the mission of the Authority. Examples of inappropriate use of Authority funds would include, but need not be limited to:

- Food, beverages, and other refreshments purchased for the personal use of directors, management or other employees, or by persons with whom the Authority conducts business (unless prior authorization is received);

- Flowers and gifts for staff, directors or family members;
- Subsidized or free use of Authority services for the personal use of current or former board members, staff, or family members of staff;
- Celebrations for special occasions that do not directly relate to the purpose of the Authority, such as catering or decorations for summer picnics, office parties or holiday or retirement parties;
- Charitable contributions or sponsorships of events not associated with the Authority's mission;
- Purchases of alcohol or tobacco products;
- Costs to purchase or mail holiday cards, invitations or expressions of sympathy to staff or families of Authority staff; or
- Assignment of cell phones to non-Authority staff.

The Authority may not use public funds to purchase items considered personal expenses or that are intended to personally benefit an employee or director. Expenses such as those listed above do not advance a public purpose and should be considered personal in nature.

This Use of Discretionary Fund Policy may be amended by the Authority at any time.

Any applicable matters not otherwise addressed by this Policy shall be interpreted consistently with Section 2824(1)(b) of Public Authorities Law.

Reaffirmed: August 12, 2025