

County of Chautauqua Industrial Development Agency (CCIDA), Chautauqua Region Economic Development Corporation (CREDC) & Chautauqua County Capital Resource Corporation (CRC)

**GOVERNANCE COMMITTEE MEETING**

201 W Third, Jamestown, NY

August 22, 2023

9:35 a.m.

**CCIDA Staff Present:**

Mark Geise, CEO

Richard Dixon, CFO

Kayla Strandburg, Controller

Nate Aldrich – CCIDA Staff

Rosie Strandburg – CCIDA Staff

Jeanette Lo Bello – CCIDA Staff

**Committee Members Present:**

Gary Henry

Dan Heitzenrater

**Also Present:**

Julie Marshall – Harris Beach

Sagan Sheffield-Smith – Board Member

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Meeting was called to order at 9:35 a.m.

Gary Henry

Good Morning. I would like to welcome everybody to the Governance Committee Meeting of the CCIDA, CREDC & CRC. We are at the BWB Building, 201 West Third Street, Jamestown NY. We are streaming via livestream and zoom. It's August 22, 2023 at 9:35 in the morning. We will do a roll call for attendance.

Gary Henry

Thank you for being here this morning. You should have already received the meeting minutes from the December 27, 2022 meeting. I will make a motion to approve those minutes. Do we have a second?

Dan Heitzenrater

I'll second.

Gary Henry

Thank you. All in favor say Aye.

## Committee

Aye

## Gary Henry

The meeting minutes have been approved. We will move right into New Business presented by Julie. Mark did you want to say something?

## Mark Geise

In response to the ABO's review of the IDA there were a number of polices that they pointed out that needed to be amended, certain other polices that we needed to approve that we didn't have in place. We've been working with Harris Beach. Julie Marshall has joined us for upwards of six months drafting the new policies and amending the other ones. We have those policies here. Just to give you an idea – overall there are fourteen new policies – and some of those by the way the ABO didn't point to but there are certain policies (we will talk about them in a minute) that the state is requiring that we have in place in order to accept state funding- grant funding. So, there are a few polices that they require and certain other ones that the ABO requires. For the Governance Committee we have ten new policies, one amended and restated policy, and five other policies that have just been amended. We will talk through those. Julie is going to take the lead and then as she goes through I will try to point out which ones are the state ones as well. Then there is still a couple of other ones that we need to do for the state. We will try to do those in September that aren't on here. We will make sure that we get those to you in the coming days so that you can review those prior to next month's meeting. We will meet again next month at 9:00 a.m. again and we will go through for a final time- the polices- to make sure everyone is good with them before we take them to the Board at next month's board meeting. So, with that Julie I don't know if you want to start out with the Procurement Policy. I don't think there is a whole lot to say there because it was just amended.

## Julie Marshall

Actually Mark I would like to start with the Committee Charter. This is new. This is something that is required. The Charter basically sets forth the composition of the committee and the responsibilities of the committee – basically to make sure that the agencies, and I say that collectively, which is the IDA, CREDC and the CRC are operating with the best governance practice and principles in compliance with the respective statues-really this is all it says. This is new. The committee is unlike the Audit & Finance Committee, which is really two committees combined into one which is allowable. This is Governance and it is a stand-alone committee. I don't have anything further unless you've got questions.

## Mark Geise

It's back though. There not really out of order. It starts with those first five. Procurement, Real Property Disposition, Whistleblower, Travel, Code of Ethics, Freedom of Information right?

## Julie Marshall

I think the Committee Charter was listed under the New Policies.

## Gary Henry

I see it. I just missed it.

Julie Marshall

I guess I just like to do it because it's kind of the umbrella that sets the table for the purpose.

Gary Henry

It was in order. That's good. Thank you.

Julie Marshall

Now, I think that we can take a look at the Procurement Policy. This is an amended and restated-this simply means that we've reviewed it, there were probably some very minor tweaks-we did not change- make any changes to or recommend any changes to the procurement limits as far as the dollar amounts under which different types of procurement occur. So you still are maintaining some of that ability to make some quick and nimble decisions on lower amount purchases. Questions or comments?

Rich Dixon

The Professional Services Contracts-the exemptions-all that still needs to be reported in PARIS right?

Julie Marshall

Correct.

Rich Dixon

What box do you check there on what type of procurement? Do you know offhand?

Julie Marshall

We do it as an agency contract. I think is the box that you check.

Rich Dixon

Thank you.

Julie Marshall

Rich, it would only be for those that are \$5000.00 or more.

Rich Dixon

Yes. That's most of them these days.

Julie Marshall

Ok. It didn't used to be.

Rich Dixon

Which is good. Your dealing with big grants- you need to spend money to make money.

Julie Marshall

I think sometimes for the smaller-maybe for CREDC or the CRC your audits may fall in less than \$5,000.00 just generally if there is less activity the audit isn't as much.

Rich Dixon

In that case we would have the same auditor and just allocate the cost based on the dollar.

Julie Marshall

Ok. Got it. The next is the Real Property Disposition Policy. I don't think we made any substantive changes to this. We just did a review and made sure that everything was consistent with what it needed to be. Again, Whistleblower the same thing. These are required policies so you are now complying that they are all in place.

Rich Dixon

Julie can we talk about Disposition for just a second though?

Julie Marshall

Sure.

Rich Dixon

So, we would need to-leasing our property, leasing our space at the IDA to other entities would fall under this policy. We would need to justify why-fair market value is what we're paying-we consider that fair market value and if we are doing less we would justify that. Then we need to notify the ABO ninety days before we sign that lease or do we sign it then notify them? How would you recommend that we move forward with that?

Julie Marshall

I am going to ask Bob to answer that question. I don't want to give you bad advice. He is the attorney. I am not. I want to make sure that you do it in the correct order. We will ask him. Again, because your ninety days is drawing near for year end.

Rich Dixon

Yeah. Thank you.

Julie Marshall

Sure. Your Whistleblower Policy-this is required-again, I don't think we made any major changes to any of this. It was consistent with what it needed to say. Travel, Conferences, Meals and Entertainment Policy- I think we cleaned this up as far as what expenses can be charged back to the agencies. In particular, I know Bob cleaned up on page four and five-use of agency funds for different types of employee activities. So, we are going to try to include a component for education and training.

Gary Henry

One question I had on the that one-page five it said entertainment expenses not reimbursed-the second bullet point there says excluding moral building expenses referenced in section 4.1 above. It should actually be maybe section 4.0 because that would be above. I didn't see anything up there that said anything specifically about moral building expenses.

Julie Marshall

That's a great catch Gary. Prior, 4.1 was employee moral building activities. We changed that-we modified that. I'll get this cleaned up before your next meeting in September to make sure it says what it needs to. Thank you.

Mark Geise

Good catch.

Julie Marshall

That's a great catch. I think we've read these so much that we get a little blurry. The next one I have is Code of Ethics and Conflict of Interest. Again, I don't know that we made and significant if any changes to this. It's kind of a reviewed and restated. What's a conflict of interest and what would cause someone to need to recuse themselves.

Mark Geise

This is one of the ones that the state requires that we have in place. I'm just going to call that out.

Julie Marshall

Yup.

Mark Geise

As well as the ABO.

Julie Marshall

The next one that I have on my list is the Freedom of Information Law Policy. This just states how someone can file a freedom of information request of any of the three entities. The process-who the officer-the records access officer is and of records should be denied the appeal process. Those are all of your existing policies that we amended in some form or fashion. Again, no real big significant changes though. Next, are all the new ones. As Mark stated, many of these are required either by statute, or the ABO requires, or you may need them to receive state funding. So, that's why these were developed. The Real Property Acquisition Policy is a new one. It just states the conditions under which and the procedure for requiring any new real property.

Rich Dixon

Is that in the packet?

Mark Geise

Yes. It's after the charter. There all in order.

Dan Heitzenrater

Just the one sheet?

Mark Geise

Yup. One page. You have them all out of order.

Rich Dixon

I got it. Thank you.

Julie Marshall

Are we good? The next one I have is procedures for Video Conferencing Participation. This was a big one during the covid pandemic and a lot of our clients established this policy and many dissolved the policy –took the policy back after things calmed down after the pandemic. However, we have seen that in some situations if someone is ill and wants to participate in the meeting they can't vote. They can still comment, hear the meeting and participate in the meeting. It's just that their vote doesn't count towards quorum. Bob gave a great example – one of his clients who is a board member with a significant illness and really can't be around other people but still wanted to really participate in the meetings. They adopted this policy thinking they were not going to need to use it and it has come into play sooner than they anticipated that it would. We've added this kind of as a good governance policy. We are good on that one? No questions?

Mark Geise

Yup.

Julie Marshall

The next one that I have is the Sexual Harassment Prevention Policy. This is a state required policy. Anybody that has employees has to have this policy in place. The language that is in here is consistent with the state policies. So, we haven't made any changes to anything on this. Project Recapture, Termination and Modification Policy-this is a new one. This again, is good governance to have this so that if you have projects that run into any issues and we need to modify the terms of their agreements or recapture due to lack of performance or any other situation we have a policy in place that describes how that happens and what the triggers are. The next one that I have is the Uniform Project Evaluation Policy. Again, this is a good governance kind of a best practice policy so that when you review projects that are seeking assistance this is the process you follow. The next one that I have-Defense and Indemnification-again this is consistent with-

Mark Geise

I'm sorry. Do you have the Anti-Nepotism Policy?

Julie Marshall

I'm sorry.

Mark Geise

That is the next one we have in our packet.

Julie Marshall

I do. Anti-Nepotism-this one is a new one. This is required if you were to receive any state funding. The state requires this Anti-Nepotism Policy that just says basically that you are not going to be supervising any of your family members. Defense and Indemnification-this is a new policy and this is required under public authorities' law and covers all three entities. The Diversity Policy I believe is also one that is required for any state funds that you should receive. This is a new policy. Again, it just states that you're going to ensure that you give any available talent the opportunity to provide services to the agencies.

Mark Geise

I would say for this last one-we had talked about an MWBE Policy, however, it's because we thought it was required by the state for the IDA to adopt it but it isn't.

Julie Marshall

No.

Mark Geise

It basically says that in order for us to receive money we have to have to follow the states MWBE Policy. So, we are going to have more conversation about that to make sure on that. There is that in your packets so you know. We will revisit that.

Julie Marshall

Right. That's something we can revisit at the September meeting. So, that's all I have as far as charters and policies related to the agency and its entities. I am happy to take questions or comments. If you have any other questions let us know or if you find any other things like Gary did send us a note or let staff know and they'll get back to us. That was fast. I'm sorry.

Mark Geise

That was great.

Gary Henry

Thank you. That's a lot of work. We appreciate all your help.

Julie Marshall

Sure. We want to make sure you're compliant.

Mark Geise

You guys have done great.

Nate Aldrich

Mark, I don't know if you wanted to mention-the only one we are missing in addition is the Revision and Performance Evaluation.

Mark Geise

Yup. The other one is the Accounting Policy-I have a question-this is going back to the Audit & Finance-I apologize for that-I wasn't sure if the Accounting Policy is the same as the Fiscal Internal Controls Policy that the state requires. If they are the same thing then maybe we just need to think about the nomenclature on them.

Julie Marshall

I think that they can be and I've seen them that way because they basically cover the same process of how you handle when a bill comes in and how you match it up. We can look at that and maybe make it one in the same.

Mark Geise

The other one is like Nate said. The Supervision & Performance Evaluation Policy Julie. I had sent an email yesterday about that-questioning whether we needed that-I think we do. So, I think we need to draft that up as well.

Julie Marshall

We will do that.

Mark Geise

Supervision & Performance Evaluation Policy-that would be under Governance I would think.

Julie Marshall

Yup. Obviously, we didn't have significant time to get those pulled together. We will definitely have those for September.

Mark Geise

Ok. Any other questions?

Gary Henry

Dan did you have any other questions?

Dan Heitzenrater

No. I appreciate-curious about our process. It sounds like we are going to forward these to the full board for September with the changes and the additional policies that might be developed. Are we going to meet again in September or do we need a motion to forward these to the board?

Mark Geise

I say that we-I don't think it's a good idea to meet just prior to the next board meeting. I think it's too late. I would love to have a meeting in the next couple of weeks maybe where we nail them down and then send them out to the full board so they have a week or two to review them prior to the board meeting. Does that sound good?

Dan Heitzenrater

That's sounds great.



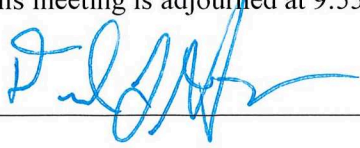
Mark Geise

Yeah-as opposed to waiting on hour before the board meeting.

Gary Henry

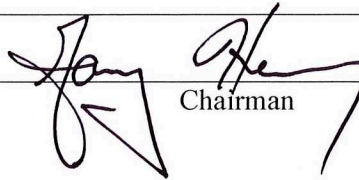
Great. If there are no other further questions we will go ahead and close the Governance Committee Meeting for the CCIDA, CREDC & CRC. Thank you.

This meeting is adjourned at 9:55 a.m.



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Secretary



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Chairman