

SUBJECT: BUSINESS RELATED CONTRIBUTIONS

1.0 SCOPE

The Authority has a significant role in providing electric energy in New York State. As a consequence of the Authority having extensive facilities and activities throughout the State, NYPA may participate in organizations and events related to the Authority's statutory power, duty or purpose. This participation may include memberships and attending events associated with electric industry organizations as well as chambers of commerce, business groups and associations that promote NYPA, energy efficiency products and services, economic development within New York State, supplier and workforce diversity, and other business needs of the Authority. When the cost of this participation includes both a business and a fundraising component, these expenses are deemed contributory, and are subject to this policy. Examples of expenditures subject to the policy include memberships with embedded benefits such as tickets to banquets, sponsorship of events, journal ads, website acknowledgement, etc.; the cost of dinners and luncheons that exceed the value of the meal served; exhibitor fees that exceed the rental, utilities, setup and takedown cost of the space utilized; any journal ads, placards, signage, or internet acknowledgement; payment for goods or services that benefit non-NYPA attendees; any other payment that could be considered in part a contribution.

Direct financial support in the form of contributions and sponsorships for not-for-profit entity programs is governed by Corporate Policy 11-1. Contributions are defined as general donations to a municipal, state or not-for-profit entity (the donation may be targeted or untargeted). Sponsorships are payments to an organization that will identify NYPA as an official sponsor in advertising and promotions.

This Policy provides the rules governing NYPA business expenditures with a contributory component and procedures assuring proper allocation and use of the Authority's resources. This Policy does not address activities undertaken in conjunction with the licensing and construction of generating and/or transmission facilities or activities that are otherwise provided for by law.

Under this Policy, the following is not permitted:

- payments to religious, private-for-profit and political organizations;
- payments and services provided solely to foster goodwill for the Authority and the well-being of a community;
- payments associated with honoring a NYPA employee, ex-NYPA employee, public official, etc.



2.0 IMPLEMENTATION

All Authority officers and employees shall adhere to this Policy. Further implementing procedures may be prepared as necessary to provide appropriate guidance in meeting the management controls described. Recommendations for changes to this Policy or a new corporate policy shall be processed in accordance with CP1-1 “Corporate Policy Program Administration”.

3.0 DISCLOSURE OF CONFLICT OF INTEREST

3.1 All Authority officers and employees who are affiliated with the payee shall abstain from any involvement in the process outlined in this Policy. Officers and employees assigned by NYPA to represent NYPA in the payee’s organization may be exempt from this provision of the Policy if it is deemed a conflict of interest does not exist

3.2 The NYPA requester of the expenditure must indicate any known association of NYPA employees with the payee.

4.0 MANAGEMENT CONTROLS

4.1 Responsibilities

The Executive Vice President and Chief Financial Officer, or his or her designee, will be responsible for the implementation and maintenance of this Policy and for recommending additional policies and procedures to implement it. The Policy shall apply to all Authority departments, business groups, business units and other functional areas of the Authority.

4.2 Procedures

4.2.1 Funding and Authorization Requests

- a) NYPA departments must request funding and authorization for all business expenditures with a contributory component as set forth in Section 4.2.2.
- b) The requester must complete the Business Related Contribution Request Form (Appendix A).
- c) The form must be signed by the requesting Business Unit Head, and submitted to the Budget Division to initiate the review and approval process.

4.2.2 Management Approval and Oversight

- a) All support applications must be reviewed by the Budget Director, or his or her designee, for completeness in accordance with this Policy. In addition, once having determined an application complete, the Budget Director, or his or her designee, shall forward the request to Senior Vice President - Public and Governmental Affairs, or his or her designee, and the Law Department for review.
- b) The Senior Vice President - Public and Governmental Affairs, or his or her designee, will forward his or her recommendation concerning the request to the Budget Division.
- c) A representative of the Authority's Law Department will verify whether the request falls with the scope of this policy (Section 1.0), review issues related to conflict of interest (Section 3.1) and provide his or her conclusion in writing to the Budget Division. The response is not expected to address the business merit of the request.
- d) The Budget Division will submit the request to the President and CEO, or person acting in such capacity, with the submitted forms, recommendations and documentation.
- e) All requests are to be approved or denied by the President and CEO, or person acting in such capacity.
- f) To the extent feasible, such requests should be anticipated and submitted during the annual budget process, and are also subject to Budget Division deadlines and requirements.
- g) Each payment is to be charged only to the Cost Elements and WBS Codes approved by the Budget Division. The authorized codes appear on the drop down menu of the Funding Request Form.

5.0 REFERENCES

- 5.1 CP 1-1 Corporate Policy Program Administration

President and Chief Executive Officer

**BUSINESS RELATED CONTRIBUTIONS
JUSTIFICATION AND AUTHORIZATION FORM**

Appendix A

NAME OF RECIPIENT _____

NOT FOR PROFIT ENTITY

Yes	No
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DEPARTMENT / FACILITY _____

TYPE OF EXPENSE

**CHECK TYPE OF
EXPENSE**

- 651100 American Public Power Association (APPA)
- 651101 Power Industry Associations (LPPC,etc.)
- 651102 Chambers of Commerce
- 651103 Business Organizations (ABNY, NY Building Congress, etc....)
- 651600 R&D Memberships
- 666200 Contributions
- 666201 Sponsorships
- 666202 Energy Services Grants
- 666203 Participation in Non-NYPA Events
- 666204 NYPA Community Events
- 666205 Exhibitor Fees
- 666500 Relicensing Community Grants

Total Request

\$ _____

**Contribution Component of Request
(Estimate if there is no exact amount)**

\$ _____

DESCRIBE FULLY THE TOTAL REQUEST AND THE CONTRIBUTION COMPONENT OF THE REQUEST:

BUSINESS JUSTIFICATION:

LIST ANY NYPA EMPLOYEES ASSOCIATED WITH THE RECIPIENT

NAME OF NYPA EMPLOYEE

ASSOCIATION

_____	_____
_____	_____
_____	_____
_____	_____

REQUESTER

Business Unit Head Signature

Date

APPROVAL

President and CEO Signature

Date
