

NORTH CAROLINA DEPARTMENT OF COMMERCE		POLICY # FM 2
Title: Special Allowance for Economic Development Purposes		
Effective Date:	July 2, 2001	Administering Authority: Chief Fiscal Officer
Revisions:	July 1, 2009	
Statutory Authority (if Applicable): State Budget Manual, Section 5		

Purpose: To provide specific guidelines concerning Economic Development Divisions.

Scope: This policy applies to Economic Development Agencies organized under the Department of Commerce.

Policy:

ECONOMIC DEVELOPMENT DIVISIONS
FISCAL MANAGEMENT GUIDELINES

OVERNIGHT LODGING

- * Budget Authorization (BDA) must be completed and approved prior to trip if hotel is in excess of \$65.90 (in state) or \$78.05 (out of state) and not accompanied by client. Please refer to FM 10 for approval authority delegation. A BDA should be inclusive of all charges to be associated with the expenses.
- * Accompanying Clients - actual hotel, but must be noted on the expense account with an "*" and notation somewhere on form - *With Clients—must indicate client(s) name and project name.
- * For excess hotel with client, **must actually be in company/traveling with client and not just calling on one or working on a particular project.**

MEALS

- * No lunch for day trips unless accompanying clients (MTP).
- * Meals with clients must be supported with **detailed** receipts.
- * Trip reports must indicate both project and client name(s).
- * Duty station meals are allowable only when with client or included in a registration fee (no overnight travel is involved).

- * The Secretary is the only person in the department authorized to host guests; all others must be with clients.
- * **Meals with county developers and/or other allies are allowable only when meeting on specific project when the prospective company personnel is present for the meal and noted on the trip report.**
- * **Client is defined as “a representative from a for-profit business/company/industry/ entity whose relationship with the Department of Commerce is specifically for the purpose of stimulating the economic development of the state of North Carolina”. Client does not include an employee of a governmental entity at any level, non-profit agency, partnership entities, or employee of the North Carolina educational system.**

PROSPECT EXPENSE

- * Prospect expense(s) must be supported with **detailed** receipts (ex. alcoholic beverages, coffee and soft drinks before a meal).
- * Gift-type items considered for purchase must be approved by the department purchasing office prior to being bought.
- * Receipt must indicate what was purchased, when and where.

OUT-OF-COUNTRY TRAVEL

- * Make certain BDA and any required travel advances are submitted to FM in ample time to allow processing (at least two weeks before departure). A BDA should be inclusive of all charges to be incurred associated with the expenses.
- * Travelers should check with FM before departure regarding additional requirements/procedures for out-of-country travel.