MINUTES OF THE
52nd MEETING OF THE
NEW YORK STATE AFFORDABLE HOUSING CORPORATION
AUDIT COMMITTEE
HELD ON THURSDAY, DECEMBER 10, 2015 AT 8:25 A.M.
AT ITS OFFICES AT
641 LEXINGTON AVENUE
NEW YORK, NY 10022

MEMBERS AND DESIGNEES

PRESENT:

James S. Rubin	Committee Chairman
Elaine McCann	New York State Division of the Budget, representing Mary Beth Labate, Member (via videoconference)
Eric Mostert	New York State Division of Taxation and Finance, representing, Jery Boone, Member (via videoconference)

Commissioner James S. Rubin presided over the meeting.

Mr. Adam H. Schuman, Senior Vice President and Counsel to the Agencies, acted as Secretary. He noted that Ms. Elaine McCann, representing Budget Director, Ms. Mary Beth Labate was participating in the meeting via video conference from the New York State Division of Budget conference center at the Capitol Building Room 131 in Albany. A public notice was given of the time and location of the venues in accordance with the New York State Open Meetings Law.

Mr. Eric Mostert, Chief Fiscal Officer, representing Commissioner Jerry Boone from the New York State Commissioner of Taxation and Finance attended this meeting, as a guest, via video conference from the New York State Division of the Budget conference Center at the Capital building, Room 131 in Albany, NY.

Mr. Schuman asked for motions and seconds to call the Audit Committee meetings to order of the New York State Housing Finance Agency (HFA); the New York State Affordable Housing Corporation (AHC); the State of New York Municipal Bond Bank Agency (MBBA) and the Tobacco Settlement Financing Corporation (TSFC). Ms. Elaine McCann moved to call the HFA and AHC meetings to order; Commissioner James Rubin seconded the motion. Ms. Elaine McCann moved to call the SONYMA meeting to order; Commissioner Rubin second the motion. Ms. Elaine McCann moved to call the MBBA and TSFC meetings to order; Mr. San Filippo seconded the motion.

Mr. Schuman stated that as items are presented to each Committee throughout the meetings, these motions and seconds will be used unless specific items call for a different vote, or unless any Committee member wishes to record his or her vote differently.

Mr. Schuman reported that Commissioner James S. Rubin is the Committee Chairman for the HFA and AHC Audit Committees; that Mr. Kenneth Bialo is the Committee Chairman for MBBA and TSFC Audit Committees and that Mr. Anthony Bergamo is the Committee Chairman for SONYMA Audit Committee. In his absence Commissioner Rubin will chair the SONYMA Audit Committee.

The meetings of the Audit Committees of the affiliated agencies were opened in joint session for the consideration of various matters of shared importance. These minutes reflect only those items being considered by the New York State Affordable Housing Corporation (AHC) Audit Committee. A record of items considered by the Audit Committees of the other affiliated agencies is contained in the minutes of each Committee respectively.

Mr. Schuman stated that for purposes of convenience and to make sure the meetings of the respective agencies go smoothly, items shared by one or more of the Agencies will be presented by MBBA/TSFC Committee Chairman Kenneth Bialo.

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The first item on the agenda was the adoption of the minutes of the AHC Audit Committee meeting held on September 8, 2015. Absent comments or corrections from the Members, the minutes were deemed approved.

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The next item on the agenda was a resolution regarding the review and approval of Internal Audit Staff Functions. Mr. Stephen B. Chopey, Vice President, Internal Audit, reported that according to the Audit of the Charter of the Audit Committee, each year the Committee must approve the Internal Audit Staff Functions. He stated that the document has been updated, although it is similar to previously submitted documents, noting that the first paragraph highlights' the Audit Committee's responsibilities. He explained that the second paragraph highlights the existing internal controls that are in place. He also noted that the document contains the Status Reports sent to the Members quarterly (March 31, 2016) for approval. He noted that there is a brief background on the entire audit staff and their compensation. He also noted that the hiring process for one additional staff person has commenced.

MBBA/TSFC Committee Chairman Mr. Bialo inquired about the support provided by Internal Audit Staff in connection with the Ernst & Young external audit. Mr. Chopey confirmed that the Agencies supported Ernst & Young as part of its annual reporting process. He said as a result, a sentence will be added to the Internal Audit Staff functions document that outlines the Agencies' cooperation with external auditors.

Mr. Chopey said that management seeks authorization for approval of the Internal Audit Staff Function.

Considering the first and second motions previously entered, the motions were carried, and the following resolution was unanimously adopted:

A RESOLUTION OF THE AUDIT COMMITTEES OF THE STATE OF NEW YORK MORTGAGE AGENCY, THE NEW YORK STATE HOUSING FINANCE AGENCY, THE NEW YORK STATE AFFORDABLE HOUSING CORPORATION, THE STATE OF NEW YORK MUNICIPAL BOND BANK AGENCY AND THE TOBACCO SETTLEMENT FINANCING CORPORATION REVIEWING AND APPROVING AN INTERNAL AUDIT STAFF FUNCTION PLAN.

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There being no unfinished business, Ms. Elaine McCann moved to adjourn, Commissioner Rubin seconded the motion and the meeting was adjourned at 8:37 a.m.

Mr. Schuman said that the next Audit Committee meetings are scheduled for Thursday, January 28, 2016 at 8:00 a.m.

Adam H. Schuman, Secretary