

**MINUTES OF THE
60TH MEETING OF THE
NEW YORK STATE HOUSING FINANCE AGENCY
AUDIT COMMITTEE
HELD ON THURSDAY, JUNE 9, 2016 AT 8:30 A.M.
AT ITS OFFICES AT
641 LEXINGTON AVENUE
NEW YORK, NY 10022**

MEMBERS AND DESIGNEES

PRESENT:

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| William C. Thompson | Agency Chairman |
| Nestor M. Davidson | Committee Chairman |
| Todd Scheuermann | New York State Division of the Budget, representing, Robert Mujica, Member (via videoconference) |
| Christopher Curtis | New York State Division of Taxation and Finance, representing Commissioner Jerry Boone (via video conference) |

Mr. Nestor M. Davidson presided over the meeting.

Mr. Alejandro J. Valella, Vice President and Deputy Counsel HFA/SONYMA acted as Secretary. He noted that Mr. Todd Scheuermann, representing Mr. Robert Mujica, Director of the New York State Division of the Budget and Chris Curtis representing Commissioner Jerry Boone from the New York State Division of Taxation and Finance are participating in the meeting via video conference from the Division of the Budget conference center at the Capitol Building, Room 131 in Albany. Also, Mr. Steve J. Weiss, Member, HFA/AHC Vice-Chairman of the Governance Committee participated in the meeting via video conference from the Agencies' Buffalo regional office at Electric Tower, 535 Washington Street, Suite 105. A public notice was given of the time and location of the venues in accordance with the New York State Open Meetings Law.

Mr. Valella asked for motions and seconds to call the Audit Committee meetings to order of the New York State Housing Finance Agency (HFA) and the New York State Affordable Housing Corporation (AHC). Mr. Davidson moved to call the HFA and AHC meetings to order; Mr. Curtis seconded the motion

Mr. Valella 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. Valella reported that Mr. Davidson is the Committee Chairman for HFA and AHC Audit Committees.

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 Housing Finance Agency (HFA) Audit Committee. A record of items considered by the Audit Committee of the other affiliated agencies is contained in the minutes of each Committee respectively.

The first item on the agenda was the adoption of the minutes of the 59th HFA Audit Committee meeting held on April 14, 2016. Absent comments or corrections from the Members, the minutes were deemed approved.

The next item on the agenda was a resolution recommending the review and approval of Independent Auditor's Report relating to the audit of the audit of the Schedule of expenditures of Federal Awards (Single Audit). Mr. Gary Weinstock, Vice President/Comptroller presented on this item. Below is a summary of his presentation:

One of the purposes of the Audit Committees, as defined by their respective charters, is to assist the Members in their oversight as to the integrity of the financial statements of HFA. As part of their oversight responsibilities, the HFA's Audit Committee has been asked to review and approve the New York State Schedule Housing Finance Agency's Schedule of Federal Expenditures – Single Audit Report for the year ended October 31, 2015. The report shows that there was no finding in 2015 by the Auditors.

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

A RESOLUTION OF THE AUDIT COMMITTEE OF THE NEW YORK STATE HOUSING FINANCE AGENCY REVIEWING AND APPROVING AUDITED SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS – SINGLE AUDIT REPORT FOR FISCAL YEAR ENDED OCTOBER 31, 2015

The next item on the agenda was the annual review independent auditor contracts with Ernst & Young, LLP. It was noted that information regarding this item was contained in the materials provided to the Members in advance of the meeting, which materials are incorporated herein by reference. There was no discussion on this item.

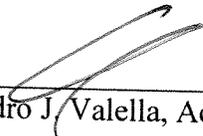
The next item on the agenda was a presentation on the review of the Agency's Financials. Mr. Gary Weinstock and Mr. Louis Roberts from Ernst & Young LLP presented on the financials. Below is a summary of their presentation:

The Agency's annual financial statements have been audited by Ernst & Young LLP, independent auditors appointed by the Members of the Agency. Management has made available to Ernst & Young LLP all the financial records and related data of the Agency and has provided access to all the minutes of the meetings of the Members of the Agency. The independent auditors periodically meet with the Members of Agency to provide engagement related updates and communications.

It was noted that the annual financial statements consist of five parts: (1) management's discussion and analysis; (2) the financial statements, (3) the notes to the financial statements, (4) required supplementary information and (5) the supplemental schedules that report programs of the agency individually. It was also noted that the Agency's financial statements are prepared using the accrual basis of accounting in conformity with U.S. generally accepted accounting principles.

There being no unfinished business, Committee Chairman, Mr. Davidson moved to adjourn; Mr. Curtis seconded the motion and the meeting was adjourned at 8:50 a.m.

Mr. Valella informed the Members that the next Committee meeting is scheduled for Thursday, September 15, 2016, at 8:00 a.m.



Alejandro J. Valella, Acting Secretary