

**MINUTES OF THE 25<sup>th</sup> MEETING OF THE  
NEW YORK STATE HOUSING FINANCE AGENCY  
AUDIT COMMITTEE  
HELD ON JUNE 4, 2009 AT 11:36 A.M  
AT ITS OFFICES AT 641 LEXINGTON AVENUE  
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Daniel Sheppard attended by videoconference	Division of the Budget, representing Laura L. Anglin, Member

ABSENT:

John L. DiMarco	Member
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Chairman Levy chaired the meeting; Joy F. Willig, the Agencies' Senior Vice President and Counsel, acted as secretary. The meetings of the HFA and AHC Audit Committees and the SONYMA Audit and Finance Committee were opened in joint session for the consideration of various matters of shared importance. These minutes reflect only those items being considered by the Members of the New York State Housing Finance Agency Audit Committee. A record of items considered by the other Agencies' Audit Committees is contained in the minutes of each Committee respectively.

Chairman Levy noted that Daniel Sheppard was participating in the meeting via video conferencing from the New York State DOB conference center at the Capital Building, Room 143 in Albany. A public notice was given of the time and locations of both venues.

**The first item on the agenda was the approval of the minutes of the 24<sup>th</sup> HFA Audit Committee meeting, held on April 2, 2009.**

There were no objections or corrections by the Members, and the minutes were deemed approved.

**The next item on the agenda was a resolution approving audited Schedule of Expenditures of Federal Awards for the fiscal year ended October 31, 2008.** Gary Weinstock, Vice President/Comptroller, highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. Glenn Friedrich and Darshan Patel of Deloitte & Touche attended to answer questions regarding the Independent Auditor's Report relating to the audits.

Mr. Weinstock noted that the audits were performed by Deloitte and explained that they were required by the federal government for all entities receiving federal funds in excess of \$500,000 a year. Mr. Friedrich noted that each audit contains a report on both internal controls and compliance. He reported that there were no findings by the auditors for the HFA reports, and the SONYMA reports contained two minor findings regarding compliance for which corrective actions had been taken.

Mr. Sheppard moved to adopt the resolution; Chairman Levy seconded the motion, and the following resolution was adopted unanimously.

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUDIT COMMITTEE AND THE STATE OF NEW YORK MORTGAGE AGENCY AUDIT AND FINANCE COMMITTEE REVIEWING AND APPROVING AUDITED SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS – SINGLE AUDIT REPORT FOR FISCAL YEAR ENDED OCTOBER 31, 2008.**

**The next item on the agenda was a resolution authorizing the approval of Information Technology Audit.** Stephen Chohey, Vice President of Internal Audit highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. Mr. Chohey noted that there were two issues raised by the audit, both of which required the vendors of the associated programs to make modifications to their systems. He reported that management had concurred with the recommendations and that the vendors supplying the two systems had agreed to update them in order to address the issues identified by the audit.

Mr. Sheppard moved to adopt the resolution; Chairman Levy seconded the motion, and the following resolution was adopted unanimously.

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION AUDIT COMMITTEES AND THE STATE OF NEW YORK MORTGAGE AGENCY AUDIT AND FINANCE COMMITTEE REVIEWING AND APPROVING INTERNAL AUDIT'S INFORMATION TECHNOLOGY AUDIT REPORT AND MANAGEMENT'S RESPONSE THERETO.**

**The next item on the agenda was a resolution authorizing the approval of Internal Audit's Multi-Family Finance Audit.** Stephen Chohey highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. He reported that management agreed to implement the audit recommendation to periodically update the Agency underwriting standards incorporated in its manual.

Mr. Sheppard moved to adopt the resolution; Chairman Levy seconded the motion, and the following resolution was adopted unanimously.

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUDIT COMMITTEE REVIEWING AND APPROVING INTERNAL AUDIT'S MULTI-FAMILY FINANCE AUDIT REPORT AND MANAGEMENT'S RESPONSE THERETO.**

**The next item on the agenda was a resolution recommending the approval of HFA Supplemental Financial Information (OFI).** Mr. Weinstock highlighted certain information contained in the materials provided to the Members in connection with this item, which materials are incorporated herein by reference. Joanne Hounsell, Senior Vice President and Deputy CFO, noted that this audit covered cash and investments by account and mortgage loan receivables for each program and was done to comply with statutory regulations. She said that the audit included an additional level of programmatic and other detail not included in other audits. Mr. Friedrich noted that the opinion given by Deloitte and Touche was the same as for the other audits previously reviewed and approved by the Committee.

Mr. Sheppard moved to adopt the resolution; Chairman Levy seconded the motion, and the following resolution was adopted unanimously.

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE AGENCY AUDIT COMMITTEE REVIEWING AND APPROVING AUDITED SUPPLEMENTARY FINANCIAL INFORMATION REPORT.**

There being no unfinished business, Mr. Sheppard moved to adjourn the meeting; Chairman Levy seconded the motion; and the meeting was adjourned at 12:12 p.m.

  
Secretary