

**MINUTES OF THE MEETING OF THE
STATE OF NEW YORK MORTGAGE AGENCY
AUDIT AND FINANCE COMMITTEE
HELD ON SEPTEMBER 10, 2009 AT 11:06 A.M
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
William Myers	Director

Chairman Levy chaired the meeting; Joy F. Willig, the Agencies' Senior Vice President and Counsel, acted as secretary. These minutes reflect only those items being considered by the Directors of the State of New York Mortgage Agency Audit and Finance Committee. A record of items considered by the other Agencies' Audit Committees, which occurred earlier in the day, is contained in the minutes of each Committee respectively.

The first item on the agenda was the approval of the minutes of the SONYMA Audit and Finance Directors' meeting held on June 4, 2009.

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

The next item on the agenda was a resolution approving the Third Annual Evaluation by the Audit Committees. Chairman Levy highlighted certain information from the earlier presentation by Joanne Hounsell, Senior Vice President and Deputy CFO and contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. Chairman Levy recommended that the sessions for the Audit Committee meetings be expanded to one hour in order to allow time for ongoing education and training.

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

**A RESOLUTION OF THE STATE OF NEW YORK MORTGAGE
AGENCY AUDIT AND FINANCE COMMITTEE REVIEWING AND
APPROVING REVIEWING AND APPROVING ANNUAL EVALUATION**

The next item on the agenda was a presentation of the annual audit plan for the 2009 Audit. Chairman Levy highlighted certain information from the earlier presentation by Mr. Glenn Friedrich, Partner-in-Charge of the Deloitte & Touche Audit Team and contained in the

materials provided to the Directors in connection with this item, which materials are incorporated herein by reference.

The next item on the agenda was a presentation of the Second and Third Quarters Fiscal 2009 Financial Statement Update. Information with respect to this item was provided to the Directors in advance of the meeting, which information is incorporated herein by reference.

The next item on the agenda was a review of the Authorities Budget Office guidance on use of Executive Sessions. Joy Willig, Senior Vice President and Counsel, highlighted certain information contained in the materials provided to the Directors in connection with this item, which materials are incorporated herein by reference. She noted the guidance clarified situations when it is permissible to go into executive session, and that the key impact on the Committee was that discussions about audits now needed to take place in a public session, necessitating a change from prior Board practice. She added that the guidelines were general in nature, so specific situations would be evaluated as they arose.

The next item on the agenda was a resolution approving the single family program – owner real estate audit. This item was tabled until the next meeting of the Audit and Finance Committee.

The next item on the agenda was a resolution approving the servicer audit report for First Niagara Bank. This item was tabled until the next meeting of the Audit and Finance Committee.

There being no unfinished business, Mr. Myers moved to adjourn the meeting; Chairman Levy seconded the motion; and the meeting was adjourned at 11:48 a.m.


Secretary