

**MINUTES OF THE 18th MEETING OF THE
TOBACCO SETTLEMENT FINANCING CORPORATION
AUDIT COMMITTEE**

**HELD ON APRIL 8, 2010 AT 11:03 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

MEMBERS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Kenneth M. Bialo	Member
Andrew A. SanFilippo	Member
Elaine McCann	Division of the Budget, representing Robert Megna, Member (via video conference)

Chairman Levy chaired the meeting; Joy F. Willig, the Agencies' Senior Vice President and Counsel, acted as secretary. The meetings of the HFA, SONYMA, AHC, MBBA and TSFC Audit Committees 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 Tobacco Settlement Financing Corporation Audit Committee. A record of items considered by the other Agencies' Audit Committees is contained in the minutes of each Committee respectively.

The first item on the agenda was the approval of the minutes of the 17th TSFC Audit Committee Members' meeting held on January 28, 2010. There were no objections or corrections by the Directors, and the minutes were deemed approved.

The next item on the agenda was a resolution authorizing the approval of Internal Audit Work Plan for Fiscal Year 2011. 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. He noted that the number of internal audits that would be conducted would be increasing in order to cover the new programs.

Ms. McCann moved to adopt the resolution; Mr. SanFilippo seconded the motion, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY, NEW YORK STATE AFFORDABLE HOUSING
CORPORATION, STATE OF NEW YORK MUNICIPAL BOND BANK
AGENCY, TOBACCO SETTLEMENT FINANCING CORPORATION**

**AND STATE OF NEW YORK MORTGAGE AGENCY AUDIT
COMMITTEES REVIEWING AND APPROVING INTERNAL AUDIT
WORK PLAN FOR FISCAL YEAR 2011**

The next item on the agenda was a resolution authorizing the approval of Disaster Recovery Audit Report. Mr. 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 noted that the Agencies had successfully completed a disaster recovery test, and had the capacity to transfer data and resume business offsite within a reasonable timeframe.

Ms. McCann moved to adopt the resolution; Mr. SanFilippo seconded the motion, and the following resolution was adopted unanimously:

**A RESOLUTION OF THE NEW YORK STATE HOUSING FINANCE
AGENCY, STATE OF NEW YORK MUNICIPAL BOND BANK
AGENCY, TOBACCO SETTLEMENT FINANCING CORPORATION,
AND NEW YORK STATE AFFORDABLE HOUSING CORPORATION
AND STATE OF NEW YORK MORTGAGE AGENCY AUDIT
COMMITTEES REVIEWING AND APPROVING INTERNAL AUDIT'S
DISASTER RECOVERY AUDIT REPORT**

The following items on the agenda were presented for informational purposes. Information with respect to each of these items was provided to the Members in advance of the meeting, which information is incorporated herein by reference:

Review of evaluation of Audit Committees' performance

Office of the State Comptroller's Follow-Up Report #2010-F-4 on Eligibility for Health Insurance Coverage

Office of the State Comptroller's Follow-Up Report #2010-F-5 on accuracy of Employee Retirement Reporting

Financial Statements Updates for the First Quarter Fiscal 2010

At the conclusion of the presentation Chairman Levy noted the overall financial health of the Agencies, and contrasted our gains with the losses being experienced by other states' housing agencies.

There being no unfinished business, Ms. McCann moved to adjourn the meeting; Mr. SanFilippo seconded the motion; and the meeting was adjourned at 11:38 a.m.


Secretary