

**MINUTES OF THE MEETING OF THE
STATE OF NEW YORK MORTGAGE AGENCY AUDIT COMMITTEE
HELD ON APRIL 8, 2010 AT 11:03 A.M.
AT ITS OFFICES AT 641 LEXINGTON AVENUE
NEW YORK, NEW YORK 10022**

DIRECTORS AND DESIGNEES

PRESENT:

Judd S. Levy	Chairman
Don Lebowitz	Director
William Myers	Director
Elaine McCann	Division of the Budget, representing Robert Megna, Director (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 Directors of the State of New York Mortgage Agency 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 SONYMA Audit Committee Directors' 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 Directors 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.

Mr. Lebowitz moved to adopt the resolution; Ms. McCann 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 Directors 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.

Mr. Lebowitz moved to adopt the resolution; Ms. McCann 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 Directors in advance of the meeting, which information is incorporated herein by reference:

Independent Auditors Report to Management

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

Marian Zucker, Executive Director, reported that SONYMA had received additional funds from the State to cover negative arbitrage associated with the student loan program.

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, Mr. Lebowitz moved to adjourn the meeting; Ms. McCann seconded the motion; and the meeting was adjourned at 11:38 a.m.


Secretary