

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
MINUTES OF THE MEETING OF THE
AUDIT AND INTERNAL CONTROLS COMMITTEE
HELD ON OCTOBER 21, 2008**

Pursuant to notice dated October 15, 2008, the Audit and Internal Controls Committee (“Committee”) of the Nassau County Interim Finance Authority (“NIFA”) was convened at 2:15 PM, at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

The following Directors of the Audit and Internal Controls Committee of the Authority were present:

**Robert Smith - Chair
Ronald Stack
Christopher Wright**

Also representing the Authority were Evan Cohen, Executive Director, Maria Kwiatkowski, Deputy Director, Jeremy Wise, General Counsel, Jane Cunneen, Acting Treasurer, and Laurie Leat, Corporate Secretary.

Upon determining that a quorum was present, the meeting was called to order.

Chairman Smith stated that the first item on the agenda was a motion to approve the minutes of the June 18th meeting.

Upon motion duly made and seconded, the minutes of the June 18th, 2008 meeting were unanimously approved.

Chairman Smith stated that the next item on the agenda was an authorization to extend the contract for Deloitte and Touche as independent financial auditors for NIFA for an additional year.

Upon motion duly made and seconded, the authorization to extend Deloitte and Touche was unanimously approved by the Committee and forwarded to the full Board.

The Chairman stated that the next item on the agenda was the review of NIFA's proposed 2009 budget and multi-year plan. Director Stack noted that the budget assumes current staffing levels that could be adjusted, if necessary, and includes new computer equipment in 2010. Director Wright (Chairman of the Employment and Compensation Committee) stated that the budget includes salary increases that are consistent with those previously approved by the Employment and Compensation Committee. He stated that the budget also includes expenses for Albrecht, Viggiano, Zureck & Company, P.C. to continue its accounting services for NIFA.

Upon motion duly made and seconded, the motion to approve NIFA's budget and multi-year financial plan and to submit them to the full Board was approved by the Committee.

The next item for discussion was the NIFA September 30 Financial statement. Acting Treasurer Jane Cunneen stated that NIFA's expenses were on track with the 2008 budget.

The next item for discussion was the third quarter investment report that is required to be submitted to the full NIFA Board. Acting Treasurer Jane Cunneen presented NIFA's third quarter Investment report summarizing investment of debt service set aside funds held by NIFA's trustee, Bank of New York.

The Chairman stated that the next item on the agenda was an update from Albrecht, Viggiano, Zurich & Company.

Steve Antaki from AVZ stated that they assist NIFA on a monthly basis by reviewing bank records, the general ledger with the investment account and payroll records. He stated that they have begun preparing a year-end debt schedule and other schedules needed to close the books, which will conclude with the preparation of financial statements to be presented to Deloitte and Touche for the year-end audit. The Chairman asked if AVZ found anything that is surprising in NIFA records. Steve Antaki responded that the books are in good shape, bank reconciliations are timely and there is nothing that has surprised them. He added that he will be in a better position to answer the question after the books are closed and AVZ prepares the year-end financial statements.

The Chairman stated that the next meeting will take place in November.

The Chairman then entertained a motion to adjourn. Upon motion duly made and seconded, the Committee members voted unanimously to adjourn the meeting at 2:30 PM.

Respectfully submitted,

**Laurie A. Leat
Corporate Secretary**