

**NASSAU COUNTY INTERIM FINANCE AUTHORITY
MINUTES OF THE MEETING OF THE
AUDIT AND INTERNAL CONTROLS COMMITTEE
HELD ON NOVEMBER 17, 2009**

Pursuant to public notice dated November 10, 2009, the Audit and Internal Controls Committee (“Committee”) of the Nassau County Interim Finance Authority (“NIFA”) was convened at 4:15 PM, at the Marriott Long Island Hotel & Conference Center located at 101 James Doolittle Blvd, Uniondale, NY 11553.

The following members 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; Jeremy Wise, General Counsel; Maria Kwiatkowski, Deputy Director; Jane Cunneen, Acting Treasurer; and Laurie Leat, Corporate Secretary.

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

Chairman Robert Smith stated that the first items on the agenda were resolutions to approve the minutes of the May 28th meeting.

Upon motion duly made and seconded, the minutes were approved unanimously.

Executive Director Cohen stated the next item on the agenda was for informational purposes and required no action. He asked Acting Treasurer, Jane Cunneen, to give a presentation.

Acting Treasurer Cunneen stated that the attached schedule shows that the annual budget versus the 10 month of 2009 operating expenses are on target to finish the year within budget. Executive Director Cohen stated that based on current trends and by having an unfilled position, the rent reduction and no COLA adjustment, NIFA is going to finish the year below budget.

Chairman Smith stated that the next item on the agenda is a resolution authorizing the hiring of Deloitte.

Executive Director Cohen stated that NIFA is required to have an audit performed by an outside independent accounting firm. He stated that the existing Contract with Deloitte expired with the completion of the audit for year ending December 31, 2008. After soliciting proposals through an RFP process, six firms submitted proposals which were reviewed by a four person team at NIFA. Deloitte & Touche was unanimously chosen as having presented the best overall package. Executive Director Cohen stated that the Committee is being asked to recommend that Chairman Stack or his designee be granted the authority to negotiate and execute a contract with Deloitte for auditing services for the years 2009 through 2013 with the possibility of a two year extension. He stated that in the event that the County does not hire Deloitte and NIFA is unable to successfully negotiate that

contract, the Audit committee will then select either Deloitte or one of the other five firms that responded to the RFP.

Upon motion duly made and seconded, the following resolution was approved unanimously.

Resolution No. Audit 09-04

AUTHORIZATION TO HIRE DELOITTE & TOUCHE LLP AS INDEPENDENT FINANCIAL AUDITORS FOR THE AUTHORITY AND THE TAKING OF RELATED ACTIONS.

RESOLVED, that in accordance with the Materials attached to this Resolution, this Committee finds that all of the firms that responded to NIFA's request for proposals are deemed qualified to serve as NIFA's auditors; however, the Committee recommends the retention of Deloitte & Touche LLP ("Deloitte") as the independent financial auditing firm to conduct an audit of NIFA for fiscal years 2009 through 2013, at a yearly fee, plus disbursements, not to exceed \$22,525 for fiscal year 2009, \$23,200 for fiscal year 2010; \$23,925 for fiscal year 2011; \$24,600 for fiscal year 2012; and \$25,400 for fiscal year 2013; and be it further

RESOLVED, that this Committee recommends that the Directors retains the option to extend the selection of Deloitte for the years 2014 and 2015 upon mutually agreeable terms; and be it further

RESOLVED, that this Committee recommends the Chairman or his designee(s) be further authorized to hire and pay Deloitte LLP for services related to inclusion of NIFA's audited financial statements in any offering circular related to the issuance of NIFA's bonds or notes.

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Chairman Smith stated that the next item on the agenda is to review NIFA's proposed 2010 budget which appears to be flat compared to the prior year. Executive Director Cohen stated that NIFA's budget has a five percent reduction from the plan that was submitted and approved last year by eliminating cost of living adjustments for 2010, stretching computer and technology replacements

cycles beyond what was originally planned, renegotiating its lease downward and reducing landline and cellular telephone costs. He stated that this proposed budget and four year plan is consistent with the County's four year plan adopted by the Legislature in October.

Upon motion duly made and seconded, the following resolution was approved unanimously.

Resolution No. Audit 09-05

APPROVE SUBMISSION OF NIFA'S 2010 BUDGET AND FY 2010 – FY 2013 FINANCIAL PLAN TO THE OFFICE STATE COMPTROLLER AND THE AUTHORITY BUDGET OFFICE TO COMPLY WITH 2 NYCRR, PART 203 AND THE TAKING OF RELATED ACTIONS.

RESOLVED, that the materials presented to this meeting (the "Materials") are ordered to be filed with the records of the Audit and Internal Controls Committee ("Committee") of the Nassau County Interim Finance Authority (the "Authority"); and be it further

RESOLVED, that the Committee acknowledges enactment of 2 NYCRR, Part 203 (the "Regulations") and its requirement that the Directors of the Nassau County Interim Finance Authority receive, review and approve a proposed Budget for FY 2010 ("Budget") and a proposed Financial Plan for FY 2010 – FY 2013 ("Plan"); and be it further

RESOLVED, that the Committee hereby conditionally approves the Budget and Plan subject to the conditions outlined in the Materials; and be it further

RESOLVED, that the Committee recommends to the Directors that they approve the Budget and Plan so that they may be disclosed and subsequently, if no negative comments from the public are received, officially filed with the State Comptroller and any other necessary parties.

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Chairman Smith then entertained a motion to go into recess until after the NIFA Board meeting.

At 4:30 PM the meeting of the Audit and Internal Controls committee went into recess to convene the Board meeting. At 4:35 PM the Audit Committee reconvened and then went into executive session to discuss personnel issues. At 4:45 the executive session was adjourned and the open session was reconvened. The Chairman stated that no votes were taken during executive session.

The Chairman then entertained a motion to adjourn. Upon motion duly made and seconded, the Directors voted unanimously to adjourn the meeting at 4:45 PM.

Respectfully submitted,

**Laurie A. Leat
Corporate Secretary**