

MINUTES OF THE AUDIT COMMITTEE
OF
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
May 10, 2018

A meeting of the Audit Committee of the Board of Directors (the “Committee”) of New York City Industrial Development Agency (“NYCIDA” or the “Agency”) was held on Thursday, May 10, 2018 pursuant to notice from the Deputy Executive Director of the Agency, at the New York City Economic Development Corporation (“NYCEDC”), 110 William Street, Conference Room 5B, New York, New York 10038.

The following members of the Committee were present in person or by means of a conference call at the above indicated meeting of the Committee (the “Meeting”), constituting a quorum:

- Albert V. De Leon, Committee Chairperson (present in person)
- Shanel Thomas (attended by phone)

In addition, the following members of NYCEDC staff were present:

- Finance: Kim Vaccari – CFO, Spencer Hobson – EVP/Treasurer, Raafat Osman – Assistant Treasurer, Carol Ann Butler – AVP, Christine Robinson – AVP
- Internal Audit (“IA”): David Price – SVP
- Compliance Department (“Compliance”): Shin Mitsugi – SVP, Daniel Kane – VP, David Atlas – AVP
- Strategic Investments Group (“SIG”): Eric Clement – SVP, Anne Shutkin – VP

Also present were representatives from Ernst & Young LLP (“E&Y”):

- Louis Roberts – Engagement Partner and Nicole Rapport – Senior Manager

Mr. De Leon called the meeting to order at 9:06 a.m.

1. Approval of the Minutes of the December 12, 2017 Audit Committee meeting

Mr. De Leon asked if there were any questions or comments relating to the minutes of the December 12, 2017 meeting. There being no questions or comments, Ms. Thomas motioned to approve and Mr. De Leon seconded, and the motion was approved.

2. Ernst & Young Update

Mr. Roberts thanked the NYCIDA and Build NYC Board and Audit Committee members for reappointing E&Y as the auditors for another four (4) years. E&Y has not identified any issues that would change the course or the scope of the audits, so the audits would be performed in a consistent manner as in prior years. E&Y intends to make their selections for their planning and interim testing in June 2018, return in July and August 2018 to execute the year-end audit testing procedures and then issue the financial statements by the September 30, 2018 deadline.

3. Internal Audit Update

Mr. Price directed everyone's attention to Tab 3 in the meeting book. He stated that fieldwork testing of the two (2) FY2018 NYCIDA approved projects, Brown Brothers Harriman & Co. and JP Morgan Chase were completed and the reports distributed accordingly.

Compliance evaluated the NYCIDA project portfolio and then Internal Audit confirmed Compliance's recommendation that the two projects best suited for audit this FY2019 are the New York Times Company and CBS Inc. Ms. Thomas motioned to approve and Mr. De Leon seconded and approved.

4. Compliance Update

Mr. Mitsugi stated that Compliance started a publication called "Compliance Department Updates" that provides various metrics that Compliance uses to provide monthly updates on the department's project portfolio. The purpose of this publication is not only to provide results and data but also the contextual information surrounding the metrics Compliance reports publicly. The format of this publication also aims to communicate better with the management and colleagues of NYCIDA about the role and responsibilities of Compliance.

5. Session with Management

Session with Management was not required by the Committee

6. Session with Auditors

Session with Auditors was not required by the Committee

7. Adjournment

There being no further business, the meeting was adjourned at 9:28 a.m.