

The Dormitory Authority of the State of New York Audit Committee Video Conference Meeting was held at DASNY's Albany Office located at 515 Broadway, Albany, New York and New York City Office, One Penn Plaza, 52nd Floor, New York, New York at 5:00 p.m.

The Meeting was called to order by the Audit Committee Chair. Roll call was taken. Those Audit Committee Members present and absent were as follows:

Audit Committee Members Present – New York City

Beryl L. Snyder, Esq., Audit Committee Member
Paul S. Ellis, Esq., Audit Committee Member

Audit Committee Members Present – Albany

Jonathan H. Gardner, Esq., Audit Committee Chair
John B. Johnson, Jr., Audit Committee Member

Other Board Members Present - Albany

Alfonso L. Carney, Jr., Board Chair
Gerard Ronski, Esq., Member

Also Present - Dormitory Authority Staff – Albany

Gerrard P. Bushell, President
Michael T. Corrigan, Vice President
Michael E. Cusack, Esq., General Counsel
Kimberly J. Nadeau, Chief Financial Officer
Portia Lee, Managing Director of Public Finance and Portfolio Monitoring
Sara P. Richards, Associate General Counsel
Kathy Ebert, Director, Internal Audit
Karen Ehlinger, Manager, Internal Control Analysis
Michael L. Johnson, Assistant General Counsel
David F. Perritano, Public Information Officer

PUBLIC SESSION

Audit Committee Chair Gardner called the Audit Committee Meeting to order. He stated that the meeting was being held by video conference between DASNY's Albany and New York City Offices. The Minutes of the November 6, 2018 Audit Committee Video Conference Meeting were reviewed and approved.

Internal Audit Update

Mr. Gardner asked Ms. Ebert to deliver the Audit Report. Ms. Ebert stated that in late 2018, the Office of the State Comptroller (“OSC”) conducted a follow up review to assess DASNY’s implementation of recommendations made in connection with OSC’s 2015-S-99 *Monitoring of Prevailing Wage compliance on Construction Contracts* audit. She further stated that the audit, which examined DASNY’s monitoring of prevailing wage compliance in connection with construction contracts, was issued in April 2017. Ms. Ebert reported that OSC concluded that DASNY had fully implemented one of its recommendations and partially implemented another.

Ms. Ebert informed the Committee Members that the recommendation determined to be partially implemented was for field staff to document their verification of applicable prevailing wage rate postings. She stated that DASNY suggested the use of photographs to document compliance with this recommendation. She further stated that after further analysis, photographs were determined to be unnecessary since other controls are in place. Ms. Ebert explained that one of the OSC Auditors conducted an unannounced site visit to a project being undertaken at Buffalo State, and observed that the wage rates were posted. Ms. Ebert stated that OSC’s final report was filed on December 27, 2018 and that no response from DASNY is required or needed. She reported that the audit is now deemed completed.

In response to a question from Mr. Gardner, Ms. Ebert stated that the posted wage rates must be updated when the Department of Labor revises applicable pay schedules, and that the posting is usually a standard form document. She explained that the current rates must always be visible so that union members and others can readily determine the applicable wage rate.

Ms. Ebert updated the Committee Members on the status of the 2018-2019 Internal Audit Plan. She stated that of the 28 areas to be audited, Internal Audit has completed 17. Ms. Ebert further stated five audits are currently in process and six audits have not yet started. She informed the Committee Members that three audits have been completed since the last Audit Committee meeting in October 2018.

In response to a question from Mr. Gardner, Ms. Ebert confirmed that there are no longer any outstanding uncompleted audits, and that all incomplete audits are reflected on the report. Mr. Gardner stated that he was pleased with the Internal Audit Department’s progress in this regard. The Board Chair congratulated Ms. Ebert on this accomplishment.

Mr. Ellis moved that the Committee Members go into Executive Session to discuss the financial and credit history of particular corporations; and the employment history of persons or matters leading to the appointment, employment, promotion, demotion, discipline, suspension, dismissal or removal of particular persons or a corporation.

Ms. Snyder seconded the motion and the Committee Members went into Executive Session.

EXECUTIVE SESSION

During Executive Session, no action was taken other than a motion to return to Public Session.

PUBLIC SESSION

Ms. Snyder moved that the meeting adjourn, Mr. Ellis seconded the motion and the Audit Committee Meeting was adjourned at approximately 6:00 p.m.

Respectfully submitted,

Michael E. Cusack, Esq.
Assistant Secretary