

**Capitalize Albany Corporation
Audit Committee Meeting
MINUTES
October 18, 2017**

The meeting of the Capitalize Albany Corporation Audit Committee Meeting was held at 9:30 a.m., Wednesday, October 18, 2017 at 21 Lodge Street, Albany, NY.

The following were in attendance:

Committee Members:

Michael Fancher, Susan Pedo and Michele Vennard

Other:

Thomas M. Owens, Esq.
Howard Foote and Alicia Buchan from UHY Advisors

Staff:

Sarah Reginelli, Mark Opalka, and Chantel Burnash

The regular meeting of the Capitalize Albany Corporation Audit Committee Meeting was called to order at 9:32 a.m.

Approval of Minutes for March 27, 2017 Audit Committee Meeting

The Audit Committee reviewed the minutes of the March 27, 2017 meeting. Susan Pedo made a motion for approval. Michele Vennard seconded. The Committee agreed unanimously to approve the minutes.

2017 UHY Audit Presentation

Alicia Buchan credits Management and Staff for the close relationship established with UHY throughout the year which ensures the audit process goes smoothly. Ms. Buchan commended Staff with the detailed meeting minutes which provide full disclosure and insight as to the Corporation's activities throughout the year.

Alicia Buchan reviewed the audit procedure and UHY Audit Engagement Letter with the Committee. Ms. Buchan advised the Committee that the audit would be conducted using government auditing standards that will include a report of internal controls. Ms. Buchan discussed the potential changes relating to revenue recognition in the future.

Howard Foote discussed unperceived risks relating to cybersecurity, as well as ensuring insurance coverage for these risks and the educating Staff on the protocols of phishing emails.

Howard Foote was the partner for the 2016 audit. This will be his second year. The cost of the services provided to the Corporation was reviewed and the Committee was advised the cost to the agency would remain the same.

Staff and Committee commended UHY's audit team for their outstanding service and excellent performance to the Corporation.

A motion to approve the engagement letter with positive recommendation was made by Michele Vennard and seconded by Susan Pedo. A vote being taken, the motion passed unanimously.

Annual Review of Corporate Policies

Review Ethics Policy

Counsel Owens reviewed and discussed the Ethics Policy with the Committee. Counsel Owens discussed that Board members must act in accordance with the fiduciary duty of care, loyalty and obedience. Counsel Owens explained that the ABO recommends the Committee review the Ethics Policy annually.

Review Conflict of Interest Policy

Counsel Owens reviewed and discussed the Conflict of Interest Policy with the Committee and explained the ABO recommends the Committee review annually. Counsel Owens reminded the Committee of the importance of recusals and disclosures when it pertains to conflicts of interest and that Board members needed to identify, disclose, and discuss any potential conflict of interests with Counsel and/or Staff.

Review Whistleblower Policy

Counsel Owens reviewed and discussed the Whistleblower Policy with the Committee and explained the ABO recommends the Committee review annually.

Other Business

Staff will distribute and discuss the corporate policies with Staff as a refresher. The Committee discussed the importance of cybersecurity and options for enhancing the Corporation's practices. Staff agreed to work with the Corporation's IT and insurance providers on a review of practices.

There being no further business the Capitalize Albany Corporation Audit Committee meeting was adjourned at 10:20 a.m.