

Minutes of the Audit Committee Meeting
March 10, 2010
34 Gleneida Avenue, Carmel, NY

The Audit Committee is comprised of three (3) IDA Board Members, all of whom have been appointed by the Chairman. They are: Kevin Bailey, Richard Ruchala and Karl Rohde. Alan Wolfson, the CFO, and Eon Nichols of Cuddy & Feder were also present at this meeting.

In concert with the Governance Committee, it was determined an ethics standard shall be set and signed by all Board members. This will include employment, remuneration and family issues that could be considered conflicts of interest. It was determined it would be the responsibility of the Board Member to raise the ethics issue to the Board Members. This will be written by the Governance Committee. It will also be required that the IDA keeps an Errors & Omission Policy in full force.

Regarding the Audit, the recommendation to the Board was that the external auditor be a three (3) year position vs. a five (5) year position required by the State.

It was also noted that the Audit Committee did negotiate with the external auditor regarding pay. Michael Quis, the external auditor, wanted a rate increase. The Committee negotiated the prior year rate and a larger upfront fee to compensate him.

Alan Wolfson was very helpful in the discussion regarding the CFO's Report to the Audit Committee. It was decided a Questionnaire clarifying key components of his Report would be made. This Questionnaire would include accuracy, omission and the financial condition of the IDA.

The Questionnaire would also include education, assistance given, communications, concerns, consideration and remedies. Richard Ruchala will form the original Questionnaire.

The Audit Committee adjourned and we resumed our regular scheduled meeting.

Richard Ruchala

