



MINUTES OF THE JUNE 20, 2019 AUDIT COMMITTEE MEETING

COMMITTEE MEMBERS: John Graziano, Chairman – Breeder Member
Jeff Cannizzo – NYTb, Inc.
Joseph McMahon – Breeder Member (not present)

FUND STAFF: Tracy Egan, Executive Director
Jill LaBoissiere, Comptroller

The meeting was called to order and Comptroller Jill LaBoissiere reviewed the draft budget for 2020, which had been emailed to Committee members prior to the meeting. Attendees discussed the Resort World VLT revenue and year-end recapture adjustment, amounts allocated for awards and the change in administrative expenses due to a prior-year adjustment for GASB 75. No changes were made to the 2020 budget proposal that was presented to the Committee.

ACTION: The Audit Committee voted to recommend the draft Budget 2020 to the full Board at the August 13, 2019 meeting.

ACTION: The Executive Director will direct the Fund's legal counsel to draft a resolution to be presented to the full Board at the August 13, 2019 meeting stating that any surplus funds would be allocated first to NYRA to continue support of the increased NYS Stallion Stakes Series purses (up to \$200,000) and then to all current-year award earners in proportion to their original award, but not to exceed award caps.

As the next order of business, the Committee reviewed a proposal from Marvin and Company to extend the independent audit services provided since year-end 2016 to include the audit for 2019. This extension is in accordance with the Fund's Procurement Contract Guidelines.

ACTION: The Audit Committee voted to recommend extending the agreement with Marvin and Company to the full Board at the August 13, 2019 meeting.

As the next order of business, the Committee discussed the need for a formal policy on the Fund's process for adjusting awards on changes to race results due to disqualifications that are not corrected prior to the release of period awards.

ACTION: The Audit Committee voted to approve the draft Disqualification Policy and to present the policy to the full Board for consideration at the August 13, 2019 meeting.

With no additional matters pending before the Audit Committee, the meeting was adjourned.