

**MINUTES OF THE MEETING OF THE AUDIT COMMITTEE OF
TSASC, INC.**

April 2, 2013

A meeting of the Audit Committee (the “Committee”) of TSASC, Inc. (the “Corporation”) was held on April 2, 2013 at approximately 11:03 a.m. at 255 Greenwich Street, Room 6M4, New York, New York.

The following members of the Committee or their alternates were present:

Mark Page	-	Director of Management and Budget of The City of New York (the “City”)
Michael Stern	-	alternate for John C. Liu, Comptroller of the City
Raymond Majewski	-	alternate for Christine C. Quinn, Speaker of the City Council; and
John Sarich	-	alternate for David M. Frankel, Commissioner of Finance of the City

constituting a quorum of the Committee. Kathy Blyn served as secretary of the meeting.

Also in attendance were members of the public, officers of the Corporation and employees of various agencies of the City.

The meeting was called to order by Mr. Stern, the Chairperson of the Committee.

Approval of Minutes of Meeting of September 13, 2012

The first item on the agenda was the approval of the minutes of the meeting of the Committee held on September 13, 2012. Upon motion duly made and seconded, there being no objections, the following resolution to adopt such minutes was approved.

WHEREAS, the Audit Committee of TSASC, Inc. has reviewed the minutes of the previous meeting of the Audit Committee held on September 13, 2012; it is therefore

RESOLVED, that the minutes of the Audit Committee meeting of September 13, 2012 be, and they hereby are, approved.

Review of Annual Agency Financial Integrity Compliance Statement

The second item on the agenda was the review of the annual Financial Integrity Compliance Statement of the Corporation (which was in the packet provided to the Committee members). Mr. Stern explained that pursuant to a Directive of the City Comptroller, the Committee must annually review the Corporation's Financial Integrity Compliance Statement. A brief discussion ensued.

Annual Self-Evaluation and Review of Annual Report of the Audit Committee

The third item on the agenda was the self-evaluation of the Audit Committee and the review and approval of the Annual Report of the Committee. Mr. Stern explained that the Annual Report, which outlines the actions of the Committee in 2012, was in the packet provided to the Committee members. He further explained that the Report would be sent to the City Comptroller. He then indicated that based on the activities of the Committee he believed that the Committee has performed in a satisfactory manner. A motion was made to approve the resolution set forth below approving the Annual Report and its presentation to the Board of Directors of the Corporation. The motion was seconded and, there being no objections, approved.

WHEREAS, Section III(k) of the Audit Committee Charter and Section 6.3 of Directive 22 of the City of New York Office of the Comptroller require the Audit Committee to issue an annual report to be prepared no later than October 30 of each year, which details the activities and decisions of the Committee for the prior calendar year; and

WHEREAS, the Audit Committee has reviewed the Annual Report of the Audit Committee, as attached hereto and finds it to be reasonable; and

WHEREAS, Section III(j) of the Audit Committee Charter requires the Audit Committee to conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the Audit Committee Charter; and

WHEREAS, the Audit Committee finds its performance to be satisfactory, effective, and in compliance with the Audit Committee Charter; it is therefore

RESOLVED, that the Annual Report of the Audit Committee is hereby approved and shall be presented to the Board of Directors of TSASC, Inc., copies of which shall be filed with the minutes of the Audit Committee and submitted to the Bureau of Accountancy of the Office of the Comptroller.

Annual Review of Internal Controls

The fourth item on the agenda was the annual review of the Corporation's Internal Controls (a copy of which was in the packet provided to the Committee members). Mr. Stern explained that the Committee must annually review the Corporation's Internal Controls. He noted that minor changes had been made. A brief discussion ensued.

Presentation of Audit Plan by Independent Auditors and Discussion of New Accounting and Auditing Standards

The fifth and final item on the agenda was the presentation of an annual pre-audit plan by Marks Paneth & Shron ("Marks Paneth"), the Corporation's independent auditors. Robert Balducci, the Deputy Comptroller of the Corporation, introduced Hope Goldstein and Warren Ruppel of Marks Paneth. Ms. Goldstein then referred to a booklet containing the firm's Annual Pre-Audit Presentation for the Audit Year Ended June 30, 2013 that had been distributed to the Committee members. She reviewed and discussed the contents of such booklet including Government Accounting Standards Board (GASB) Statements Number 63 and 65. During the presentation Ms. Goldstein inquired as to whether the Committee had any awareness of fraud and the response was that it did not. A brief discussion ensued.

Adjournment

There being no further business to come before the Committee, on motion duly made and seconded, there being no objections, the meeting was duly adjourned.



ASSISTANT SECRETARY