

**AUDIT COMMITTEE
OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO**

**ACTIONS FOR
MONDAY, MAY 14, 2007, AT 9:00 A.M.**

**COUNCIL COMMITTEE ROOM (12TH FLOOR), CITY ADMINISTRATION
BUILDING
202 C STREET, SAN DIEGO, CALIFORNIA**

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NON-AGENDA PUBLIC COMMENT: Clive Richards commented on KPMG's auditing services for the City of San Diego.

COMMITTEE COMMENT: Councilmember Atkins commented on the qualifications of the Internal Auditor, and what the City Council and the Audit Committee expect from the person chosen for this position.

CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: None.

ADOPTION AGENDA

Approval of the Record of Action Items for April 30, 2007

ACTION: Approved by common consent.

DISCUSSION ITEMS

ITEM-1: Discussion regarding the APPROPRIATE PROCESS AND ACTIONS OF THE AUDIT COMMITTEE AND CITY COUNCIL IN RELATION TO THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORTS AS RECOMMENDED BY THE CITY ATTORNEY, INDEPENDENT OVERSIGHT MONITOR AND OUTSIDE DISCLOSURE COUNSEL

(See KMPG's May 3, 2007, letter; Stanley Keller's May 11, 2007, memorandum; Stanley Keller's May 11, 2007, revised memorandum; Janice Weinrick's May 4, 2007, memorandum)

ACTION: Information only. No action taken. The process discussed will be used to review the 2003 financial statements at the Audit Committee meeting scheduled for May 21, 2007. This process may be further discussed or modified, if needed, at future meetings of the Audit Committee.

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ITEM-2: Discussion regarding AMENDING THE CITY'S AGREEMENT WITH AN ACTUARIAL SERVICES COMPANY AND THE DESIRED EXPENDITURE AUTHORIZATION PROCESS FOR OTHER CITY CONTRACTS

(See Auditor's Summary of Authorities on Contracts and Purchases; Auditor's DP-PO Review Process PowerPoint)

ACTION: Information only. No action taken. This item will be scheduled for additional discussion at a future meeting of the City Council.

ITEM-3: Discussion regarding the DESIRED QUALIFICATIONS AND PROCESS FOR HIRING A PROFESSIONAL AUDITING CONSULTANT TO ASSIST THE AUDIT COMMITTEE

(See Independent Budget Analyst Report No. 07-49)

ACTION: Information only. No action taken. This item will be discussed further at the Audit Committee meeting scheduled for May 21, 2007.

Kevin Faulconer
Chair