

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

**ACTIONS FOR
MONDAY, FEBRUARY 25, 2008, 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: Mel Shapiro commented on Internal Controls, the Ad Hoc Committee report, and the selection of the Internal Auditor.

COMMITTEE COMMENT: None.

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

ADOPTION AGENDA

Approval of the Record of Action Items for January 28, 2008

ACTION: Motion by Councilmember Young, second Councilmember Atkins, to approve.

VOTE: 3-0; Faulconer-yea, Young-yea, Atkins-yea

ITEM-1: Update from Macias Gini & O'Connell and the City Comptroller regarding the STATUS OF THE 2006 AND 2007 FINANCIAL STATEMENT AUDITS

(See Macias Gini & O'Connell's February 25, 2008, report)

ACTION: Information only. No action taken.

ITEM-2: Update regarding CORRESPONDENCE WITH THE SECURITIES AND EXCHANGE COMMISSION

(See City Attorney's February 13, 2008, letter to the Securities and Exchange Commission; Mayor's February 6, 2008, letter to the Securities and Exchange Commission)

ACTION: Information only. No action taken.

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ITEM-3: Review of the 2005 FINANCIAL STATEMENT AUDIT, THE 2005 SINGLE AUDIT REPORTS (THE REPORTS ON COMPLIANCE AND INTERNAL CONTROLS), AND THE SAS 61 LETTER

(See Audit Committee's CAFR Review Questions)

ACTION: Motion by Councilmember Young, second Councilmember Atkins, to forward the 2005 CAFR to the City Council with the recommendation that they receive and file the CAFR.

VOTE: 3-0; Faulconer-yea, Young-yea, Atkins-yea

ITEM-4: Report from Jefferson Wells, the Audit Committee's Auditing Professional, regarding the ANALYSIS AND RECOMMENDATIONS FOR AN EFFECTIVE INTERNAL EMPLOYEE HOTLINE

(See Jefferson Wells' January 24, 2008, report; Jefferson Wells' February 22, 2008, memorandum; Jefferson Wells' January 28, 2008, PowerPoint; 2007 Annual Report)

ACTION: Motion by Councilmember Young, second Councilmember Atkins, to forward the recommendation to the full City Council.

VOTE: 3-0; Faulconer-yea, Young-yea, Atkins-yea

ITEM-5: Review of the CENTRE CITY DEVELOPMENT CORPORATION 2007 FINANCIAL STATEMENT AUDIT

(See Centre City Development Corporation's January 23, 2008, report; Macias Gini & O'Connell's September 27, 2007, report)

ACTION: Information only. No action taken.

Kevin Faulconer
Chair