

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

**ACTIONS FOR
MONDAY, OCTOBER 6, 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: Joy Sunyata commented regarding bonded indebtedness being part of the auditing system, and adding further oversight to the Audit Committee.

COMMITTEE COMMENT: None.

CITY ATTORNEY, IBA, AUDITOR, AND MAYORAL STAFF COMMENT: Jeff Kavar reported on the Screening Committee's activities regarding applications and the 10 candidates who are being considered.

Eduardo Luna introduced Stephen Gomez as the newest member of the Internal Auditor's team.

ADOPTION AGENDA

Approval of the Record of Action Items for September 22, 2008

ACTION: Motion by Councilmember Young, second by Chair Faulconer, to approve.

VOTE: 2-0; Faulconer-yea, Young-yea, Atkins-not present

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

(See Macias Gini & O'Connell's October 6, 2008 letter)

ACTION: Information only. No action taken.

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

ACTION: Information only. No action taken.

ITEM-3: Update regarding SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION PERFORMANCE AUDIT

ACTION: Information only. No action taken.

ITEM-4: Update from the Internal Auditor regarding the CENTRE CITY DEVELOPMENT CORPORATION PERFORMANCE AUDIT

ACTION: Information only. No action taken.

ITEM-5: Review of the FISCAL YEAR 2007 BID TO GOAL AND PAY FOR PERFORMANCE AUDITS and FISCAL YEAR 2008 AUDIT CONSULTANT CONTRACT FOR PAY FOR PERFORMANCE AUDITS

(See AKT's reports dated from December 11, 2007 to January 22, 2008; Administrative Services' October 2, 2008 memorandum; Administrative Services' October 6, 2008 PowerPoint)

ACTION: Motion by Councilmember Tony Young, second by Chair Faulconer, to forward the audit consultant contract with AKT to City Council with the recommendation that it be extended for one year.

VOTE: 2-0; Faulconer-yea, Young-yea, Atkins-not present

ITEM-6: Report from the Internal Auditor regarding INTERNAL AUDIT ACTIVITY FOR Q4 OF FISCAL YEAR 2008 AND Q1 OF FISCAL YEAR 2009

(See Internal Auditor's October 6, 2008 PowerPoint)

ACTION: Information only. No action taken.

ITEM-7 Review of the AUDIT OF INTERNAL CONTROL REMEDIATION RELATED TO THE SAN DIEGO CITY EMPLOYEES RETIREMENT SYSTEM

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(See Internal Auditor's October 6, 2008 PowerPoint and August 29, 2008 report)

ACTION: Information only. No action taken.

Kevin Faulconer
Chair