

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

**Council President Pro Tem Kevin Faulconer, Chair  
Councilmember Carl DeMaio  
Committee Member Steve Grant  
Committee Member Wade McKnight  
Committee Member Charles Sellers**

**ACTIONS FOR  
MONDAY, FEBRUARY 23, 2009, AT 9:00 A.M.**

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

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All Committee members present.

NON-AGENDA PUBLIC COMMENT: Clive Richard commented on the need for defined goals and performance indicators.

Cricket Bradburn commented on the pension system and needing to understand the ramifications before making any decisions.

COMMITTEE COMMENT: Council President Pro Tem Faulconer gave an overview of upcoming Audit Committee agenda items.

Councilmember DeMaio discussed two items that had been referred from the Rules Committee to the Audit Committee: Councilmember participation on the disclosure practices working group (DPWG) and modifications to the CCDC and SEDC operating agreements regarding closed session rules.

CITY ATTORNEY, IBA, AUDITOR, AND MAYORAL STAFF COMMENT: Deputy City Attorney Brant Will introduced a new member of the City Attorney's team, Tim Fitzpatrick.

Internal Auditor Eduardo Luna introduced a new member of his team, Sonja Thorington. The Independent Budget Analyst, Andrea Tevlin commented on the timing for receiving documents from the City Attorney's office regarding the appointment of the City Auditor and the SEDC independence.

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ADOPTION AGENDA

Approval of the Record of Action Items for January 26, 2009

ACTION: Motion by Councilmember DeMaio, second by Council President Pro Tem Faulconer, to approve.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea, Sellers-yea.

ITEM-1: Selection of AUDIT COMMITTEE VICE CHAIR

ACTION: Motion by Committee Member Sellers, second by Council President Pro Tem Faulconer, to appoint Councilmember DeMaio as Vice Chair of the Audit Committee.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea, Sellers-yea

ITEM-2: Update from the Internal Auditor regarding the CENTRE CITY DEVELOPMENT CORPORATION (CCDC) PERFORMANCE AUDIT

(See Sjoberg Evashenk's February 23, 2009 presentation; January 14, 2009 status report; January 28, 2009 status report; February 11, 2009 status report)

ACTION: Information only. No action taken.

ITEM-3: Update from the Independent Budget Analyst regarding the PROCESS FOR SELECTING THE CITY'S OUTSIDE AUDITOR

(See 9611-09-Z-RFP draft RFP)

ACTION: Motion by Committee Member McKnight, second by Council President Pro Tem Faulconer, to approve and release the RFP with a condensed timeline, clarification on disqualification of firms that have contributed to elected officials, and the ability to modify the RFP at a future date if necessary.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea, Sellers-yea

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ITEM-4: Informational Report from Macias Gini & O'Connell regarding STATEMENT OF AUDITING STANDARDS 112

(See Macias Gini & O'Connell's February 23, 2009 presentation; Statement of Auditing Standards 112)

ACTION: Information only. No action taken.

ITEM-5: Report from the City Comptroller regarding the quarterly report on INTERNAL CONTROLS OVER FINANCIAL REPORTING PROJECT

(See Office of the City Comptroller's June 1, 2008 Internal Control Project Status Report; October 1, 2008 Internal Control Project Status Report; December 31, 2008 Internal Control Project Status Report; Marcelle Voorhees Rossman's December 16, 2008 letter; Stanley Keller's February 10, 2009 letter; Mary Lewis' February 19, 2009 letter)

ACTION: Motion by Councilmember DeMaio, second by Council President Pro Tem Faulconer, to accept the report with Committee and IBA comments and forward to the City Council.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea, Sellers-yea

Kevin Faulconer  
Council President Pro Tem