

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

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

**ACTIONS FOR
MONDAY, JULY 20, 2009, AT 9:00 A.M.**

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

For information, contact Chris Cate, Committee Consultant
202 C Street, Third Floor, San Diego, CA 92101
Email: CCate@sandiego.gov
(619) 235-5281

All Committee members present.

NON-AGENDA PUBLIC COMMENT: None.

COMMITTEE COMMENT: Chair Faulconer introduced the new city comptroller, Ken Whitfield to the Committee.

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

ADOPTION AGENDA

Approval of the Record of Action Items for June 15, 2009

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

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

ITEM-1: Report from City Auditor regarding CENTRE CITY DEVELOPMENT CORPORATION AUDIT

(See City Auditor's July 10, 2009, report; CPI's July 13, 2009, report)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to

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accept the report, and:

- 1) Reaffirm changes to operating agreements as recommended by the Audit Committee;
- 2) Forward recommendations from the Audit Committee to the CCDC Board of Directors, Mayor and City Council for implementation; and
- 3) Direct the IBA and City Auditor to report back to the Audit Committee within 90 days regarding the changes within the operating agreement.

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

ITEM-2: Report from Independent Consultant regarding SECOND ANNUAL REPORT OF INDEPENDENT CONSULTANT TO THE CITY OF SAN DIEGO

(See Independent Budget Analyst's Report No. 09-64; Kelly C. Bowers' July 14, 2009, letter; Stanley Keller's April 24, 2009, report; Edwards Angell's July 20, 2009, PowerPoint)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to accept the report and recommend the Council provide a response.

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

ITEM-3: Report from the City Auditor regarding the Quarterly Report on HOTLINE ACTIVITY FROM JANUARY 1, 2009 THROUGH MARCH 31, 2009

(See City Auditor's May 18, 2009, report)

ACTION: Information only. No action taken.

ITEM-4: Report from the City Attorney regarding UPDATE TO HOTLINE POLICY AND PROCEDURES MANUAL

(See City Attorney's July 17, 2009, memorandum)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to Approve the changes to the Hotline Policy and Procedures Manual with the following amendments:

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- 1) Require all investigations (via hotline or city departments) are disclosed to the public following guidelines stated in Section 3 under “Confidentiality of Hotline Complaints”; and
- 2) Add Section 5 under “Confidentiality of Hotline Complaints” to require City Auditor conduct quarterly quality reviews of those investigations carried out by city departments (via hotline and city department), and be included within the Quarterly Hotline Activity Report.

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

ITEM-5: Review of the CENTRE CITY DEVELOPMENT CORPORATION 2008
FINANCIAL STATEMENT AUDIT

(See Stanley Keller’s July 16, 2009, report; Centre City Development Corporation’s July 15, 2009, report with attachments)

ACTION: Motion by Councilmember DeMaio, second by Committee member Grant, to forward the CCDC 2008 Financial Statement Audit to the Redevelopment Agency.

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

Kevin Faulconer
Council President Pro Tem