

**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 12, 2010, 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: Mel Shapiro commented on the implementation status of the City Auditor's recommendations and Item 5, which was tabled until the next meeting of the Audit Committee.

COMMITTEE COMMENT: None.

CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: City Auditor Eduardo Luna thanked City Comptroller Ken Whitfield for assisting in filling a position in the Office of the City Auditor.

ADOPTION AGENDA

Approval of the Record of Action Items for June 14, 2010

ACTION: Motion by Committee member Sellers, second by Chair Faulconer, to approve.

VOTE: 4-0; Faulconer-yea, DeMaio-abstain, Grant-yea, McKnight-yea, Sellers-yea

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INFORMATION ITEMS

ITEM-1: Report from the City Auditor regarding AUDIT ACTIVITY

(See City Auditor's July 12, 2010, PowerPoint)

ACTION: Information only. No action taken.

ITEM-2: Presentations from the City Comptroller and Outside Auditor regarding the FISCAL YEAR 2010 **COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)** AUDIT

(See Macias Gini & O'Connell's July 12, 2010, report; Macias Gini & O'Connell's July 12, 2010, PowerPoint)

ACTION: Information only. No action taken.

ITEM-3: Presentation from the City Attorney regarding the APPOINTMENT PROCESS FOR PUBLIC MEMBERS OF THE AUDIT COMMITTEE

(See City Attorney's July 9, 2010, memorandum)

ACTION: Information only. No action taken.

ITEM-4: Presentation from the City Auditor regarding PEER REVIEW OF THE OFFICE OF THE CITY AUDITOR

(See City Auditor's July 12, 2010, PowerPoint)

ACTION: Information only. No action taken.

DISCUSSION/ACTION ITEMS

ITEM-5: Follow-Up from the City Attorney regarding the CITY TREASURER'S INVESTMENT ADVISORY COMMITTEE

ACTION: This item was tabled until the September 13, 2010, Audit Committee meeting.

ITEM-6: Update from the Real Estate Assets Department regarding IMPLEMENTATION OF QUALCOMM STADIUM AUDIT REPORT RECOMMENDATIONS

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ACTION: Motion by Councilmember DeMaio, second by Committee member Sellers, to:

1. Refer the Real Estate Assets Department's response to City Auditor Luna for an evaluation and a comparison with the Audit Committee's direction to management in May 2009, including a specific itemization of all the areas of input that the Audit Committee gave and whether it has been reflected in management's response to the audit report; and
2. Suggest that the contractor selected through the comprehensive Business Plan and Facility Assessment Request for Proposal (RFP) appear before the Audit Committee for feedback prior to beginning its work.

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

ITEM-7: Discussion of the City Auditor's FISCAL YEAR 2011 RISK ASSESSMENT AND AUDIT WORK PLAN

(See City Auditor's July 2010 report)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to accept the Auditor's Work Plan.

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

Kevin Faulconer
Council President Pro Tem