

# Redevelopment Agency of the City of San Diego



*City of San Diego  
Audit Committee*

*February 7, 2011*

## *Overview*

- Fiscal Year June 30, 2010 Redevelopment Agency (RDA) Annual Financial Report
- Statement on Audit Standards (SAS) No. 114 Communication

## *FY2010 RDA Annual Financial Report*

- Unqualified opinion on financial statements
  - The Agency implemented the following new Government Accounting Standards Board (GASB) Statements:
    - No. 51, *Accounting and Financial Reporting for Intangible Assets*
    - No. 53, *Accounting and Financial Reporting for Derivative Instruments*
    - No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*

- Prior year findings on internal controls and on compliance
  - Financial Statement Findings
    - Material weakness internal controls over financial reporting  
**Status:** Implemented. The Agency has worked very closely with the City of San Diego to revise and implement accounting procedures to ensure controls are adequate over the financial activity relating to the Agency.
    - Documentation Retention for Property Held for Resale  
**Status:** Corrected

- Prior year findings on internal controls and on compliance
  - Compliance Findings
    - Continuing Annual Disclosure Requirement  
Status: Corrected
    - Inappropriate Open Encumbrance  
Status: Corrected

- Current year findings on internal controls and on compliance
  - No findings are identified in FY2010

## SAS 114 – Communication with Those Charged with Governance

- The auditor's communication with those charged with governance *(Please see SAS 114 communication dated December 28, 2010)*
  - Auditor's responsibilities
  - Significant audit findings
    - Qualitative aspect of accounting practices
      - Significant accounting policies
      - Accounting estimates
    - Difficulties encountered in performing the audit
    - Corrected and uncorrected misstatements

## *SAS 114 – Communication with Those Charged with Governance (Continued)*

- Significant audit findings (Continued)
  - Disagreements with management
  - Management Representations
  - Other audit findings or issues

**QUESTIONS?**