



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: April 8, 2011

TO: Honorable Members of the Audit Committee

FROM: Ken Whitfield, City Comptroller *Ken Whitfield*

SUBJECT: Status of Labor Adjustment Error Correction Work

This memo is in response to the request by the Audit Committee to provide an update on the status of the FY10 Close/CAFR schedule. Specifically we were asked to report on the status of the Labor Adjustment Error Correction work that the Office of the City Comptroller is currently resolving.

In our last communication, we indicated that we were working towards a completion date of April 1, 2011. Since that time, we experienced a problem with a set of pay corrections which forced us to employ a new strategy to resolve the problem. The problem resolution resulted in an improved audit dataset which will be used later on in the auditing process by Macias when reviewing all of the labor corrections. This set back the schedule until Monday or Tuesday, April 11 – 12.

It is important to note that all of the labor correction work by staff is completed. We are now processing all of the multiple journal entries within SAP and so it is a matter of processing capacity. Throughout the past few weeks we have been working with ERP Support and DPC to add as much processing capacity as possible and they have been monitoring performance and applying optimization techniques.

As soon as the last labor corrections are posted and verified, we will begin our regular “known” closing procedures to close the books and prepare the remaining schedules needed for the FY10 CAFR audit.

cc: Jay M. Goldstone, Chief Operating Officer
Mary Lewis, Chief Financial Officer
Andrea Tevlin, Independent Budget Analyst
Eduardo Luna, City Auditor