



DATE: January 27, 2012

TO: Members of the Audit Committee of the City of San Diego

FROM: Larry Morgan, Executive Director, San Diego Data Processing Corporation 
Mary Erlenborn, Chief Financial Officer, San Diego Data Processing Corporation 

RE: Responses to Audit Committee Questions Regarding the Audit of the San Diego Data Processing Corporation's Financial Statements for the Year Ended June 30, 2011

This memorandum responds to the questions asked by the Audit Committee in regards to the audit of the financial statements for the year ended June 30, 2011 of the San Diego Data Processing Corporation (a component unit of the City of San Diego).

1. Do you believe the financial statements fairly present the unit's net assets and activities in accordance with generally accepted accounting principles (GAAP) or some other acceptable comprehensive basis of accounting?
Yes
2. To the best of your knowledge, was the audit performed in accordance with generally accepted auditing standards (GAAS standards) or generally accepted government auditing standards (GAGAS standards)? If not, why?
Yes
3. Do the financial statements contain deviations from generally accepted accounting principles (GAAP)? If so, why?
No
4. Were there any significant accounting adjustments affecting the financial statements (prior year as well as current year)?
No
5. Are you satisfied that an appropriate audit was performed by the independent auditors?
Yes
6. Is there any activity at any level within the unit that you consider to be a significant violation of laws, regulations, contracts or grants, or significant departures from GAAP other than those already identified?
No
7. Are there any questions we have not asked that should have been asked? If so, what are those questions?
No