



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: February 1, 2012

TO: Members of the Audit Committee

FROM: Ken Whitfield, City Comptroller

SUBJECT: Responses to Audit Committee Questions Regarding the Redevelopment Agency Annual Financial Report for Fiscal Year 2010

II. Questions for Financial Management

The purpose of these questions is to elicit information about the process, the quality of the accounting and any issues of which the Audit Committee should be aware that impact the financial reports, accounting judgments and disclosure relating to the Redevelopment Agency Annual Financial Report for fiscal year 2010.

1. Do you believe the financial statements fairly present the government's net assets and activities in accordance with generally accepted accounting principles (GAAP) or some other acceptable comprehensive basis of accounting? *Yes, I believe the financial statements fairly present the government's assets and activities in accordance with GAAP.*
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, I believe the audit was performed in accordance to governmental standards.*
3. Do the financial statements contain deviations from generally accepted accounting principles (GAAP)? If so, why? *No, the financial statements do not contain deviations from generally accepted accounting principles.*
4. Were there any significant accounting adjustments affecting the financial statements (prior year as well as current year)? *No, there were no significant accounting adjustments.*



5. Are you satisfied that an appropriate audit was performed by the independent auditors? *Yes, I am satisfied that an appropriate audit was performed by the independent auditors.*
6. Is there any activity at any level within the government that you consider to be a significant violation of laws, regulations, contracts or grants, or significant departures from GAAP other than those already identified? *Other than what is discussed in Note 11, Contingencies, and Note 12, Subsequent Events, I am not aware of any activity that I consider in violations of laws, regulations, contracts or grants.*
7. Are there any questions we have *not* asked that should have been asked? If so, what are those questions? *No, there are no additional questions I think you should ask.*


Ken Whitfield
City Comptroller