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City of San Diego Audit Committee Meeting

FY 2010/11 CAFR Presentation

February 23, 2012

Overview

- FY2010/11 City of San Diego Comprehensive Annual Financial Report (CAFR)
- Statement on Auditing Standards (SAS) No. 114 Letter – Report to Those Charged with Governance

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Matters of Emphasis

- New governmental accounting standards which required implementation by the City in FY 2010/11 – (Note 1w):
  - Governmental Accounting Standards Board (GASB) Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*
  - GASB Statement No. 59 – *Financial Instruments Omnibus*
- Cooperation Agreement between the City of San Diego and the Redevelopment Agency of the City of San Diego (Note 14)
- Assembly Bill X1 26 and Assembly Bill X1 27 (Note 23)

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FY2010/11 CAFR – Current Year and Prior Year Findings

Current year findings:

- We did not have any current year significant deficiencies or material weaknesses in financial reporting.

Prior year findings:

- 2010 – (a) SAP/HCM Module Implementation Resulted in Processing Errors
- 2010 – (b) Schedule of Expenditures of Federal Awards
- 2010 – (c) Continuing Annual Disclosure Requirements

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Statement on Auditing Standard (SAS) No. 114

- The Auditor's Communication with those Charged with Governance
  - Letter dated January 31, 2012
    - Significant audit findings
      - Qualitative aspects of accounting practices
      - Significant accounting policies
      - Accounting estimates
    - Difficulties encountered in performing the audit
    - Corrected and uncorrected misstatements
    - Disagreements with management
    - Management consultations with other independent accountants
    - Other audit findings or issues
    - Other information in documents containing the audited financial statements

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Any questions?

mgocpa.com

info@mgocpa.com