

March 5, 2012

Kevin Faulconer
Councilmember, Second District Chairperson, Audit Committee
City of San Diego
202 C Street
San Diego, CA 92101

Dear Councilmember Faulconer:

The Audit Committee has requested a written status report regarding the City of San Diego's (City's) remaining audits for FY 2011:

- We issued our audit opinion on the City's 2011 Comprehensive Annual Financial report (CAFR) on January 31, 2012. The CAFR was presented and accepted by the City Council this past Tuesday, February 28, 2012.

We have also summarized below the progress for the other projects under the City's 2011 overall audit engagement:

- We are currently in the field work stage of our Single Audit of the City's six (6) major programs for FY 2011 in accordance with OMB Circular A-133. We expect the Single Audit to be completed and to issue our report no later than March 31, 2012.
- *GANN Appropriations Limit Agreed-upon Procedures*: Field work has been completed and we are in the reporting stage. We expect to issue our agreed-upon procedures report no later than March 31, 2012.
- *San Diego Abandoned Vehicle Abatement Service Authority*: Field work is in progress and we expect to issue our report no later than March 31, 2012.

Below is a summary of our tentative timeline and schedule related to the audit of the City's 2012 CAFR:

- We have discussed with the Comptroller's Office about beginning our planning and interim fieldwork around mid-to-late April and continuing through May to mid-June. Currently, we are anticipating year-end field work to commence in early September with a target issuance date sometime the week of November 19, 2012.

Finally, in collaboration with the City's Public Utilities Department we are currently performing field work for the FY 2010 Schedule of Allocation Billing to Metropolitan System (Exhibit E) and expect to complete the audit no later than May 31, 2012.

As always, if there are any questions which the Audit Committee has and would like to discuss, please do not hesitate to contact me directly or Kevin Starkey.

Very truly yours,

A handwritten signature in cursive script that reads "Linda Hurley".

Linda Hurley, Engagement Partner
Macias Gini & O'Connell LLP

Cc: Mr. Jay Goldstone, Chief Operating Officer
Mr. Ken Whitfield, City Comptroller
Mr. Eduardo Luna, City Auditor