



**AUDIT COMMITTEE**  
**Meeting Minutes**

**September 26, 2012**

**CALL TO ORDER / ROLL CALL**

Chair Price called the Audit Committee meeting to order at 9:05 a.m. Committee members present were Chair Price, Vice Chair Williams, Directors Barnum, Dailey, and Weston. At that time, there was a quorum of the Committee. Staff present was Deputy General Manager Kerl, Deputy General Counsel Gallien, Director of Finance McCraner, Controller Greek, Accounting Supervisors Cerezo and Ziomek and Senior Accountant Matsuo.

**ADDITIONS TO AGENDA**

There were no additions to the agenda.

**PUBLIC COMMENT**

There were no members of the public who wished to address the committee.

**CHAIR'S REPORT**

There was no Chair's Report

**APPROVE AUDIT COMMITTEE MINUTES**

The May 1, 2012 Audit Committee meeting minutes were received and filed.

**ACTION/DISCUSSION**

1. Debrief of Audit Sub-Committee meeting with the Independent Audit firm (Macias Gini & O'Connell, LLP – MGO).

Vice Chair Williams and Director Weston made comments and gave feedback from the Sub-Committee meeting they had with MGO on July 5, 2012. Vice Chair Williams explained in general the Auditors were very complementary of the department with no negative comments; all was favorable. Vice Chair Williams mentioned his one main concern they had was that they met with the Auditors too early in the audit process.

Director Weston explained that he their role in this audit process is very important and also made it very clear to the auditors that they were to be very critical and completely open with any findings.

Chair Price suggested to hold an Audit Sub-Committee meeting later in the process.



All decided to schedule a meeting before Auditor's exit interview within the next couple of weeks.

2. Presentation and Discussion of Preliminary results of FY2012 Audit Fieldwork.

Mr. Greek summarized the happenings of the spring Audit Committee meeting. He then explained the Audit interim fieldwork that was conducted from MGO between June and August as well as test work done in September. Mr. Greek pointed out MGO's main area of focus items, and areas the auditors did test work. He mentioned the next steps and key dates.

Director Weston requested staff to provide a breakdown of employer/employee percentages. Mr. Greek committed to gathering comparative employer/employee contribution data for dissemination to the Audit Committee prior to the next scheduled meeting.

Ms. McCraner commented we could provide.

3. Discussion on future audit process timing and issues.

This item was covered under agenda item #2.

**ADJOURNMENT**

There being no further business to come before the Audit Committee, Chair Price adjourned the meeting at 9:55 a.m.