

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
AUDIT COMMITTEE MEETING
MINUTES
MONDAY, FEBRUARY 7, 2011
BOARD ROOM**

CALL TO ORDER:

Chair Smisek called the regular meeting of the Audit Committee to order at 10:00 a.m., on Monday, February 7, 2011, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Committee Member Gleason led the pledge of allegiance.

ROLL CALL:

PRESENT: Committee Members: Buck, Gleason, Smisek, Tartre, Van Sambeek, Young

ABSENT: Committee Members: None

ALSO PRESENT: Angela Shafer-Payne, Vice President, Planning and Operations; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Lisa Wolfson, Assistant Authority Clerk II

NON-AGENDA PUBLIC COMMENT:

Board Member Smisek presented Mark Burchyett, Chief Auditor, a certificate of recognition for his five years of service with the Authority.

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 15, 2010, Audit Committee Meeting.

ACTION: Moved by Board Member Gleason and seconded by Committee Member Tartre to approve staff's recommendation. Motion CARRIED unanimously.

2. UPDATE ON THE GREEN BUILD CONSTRUCTION AUDIT:

Scott Thein, Senior Auditor, provided a presentation on the progress of the Green Build construction audit, which included a status update on Task Authorization #1 and Task Authorization #2, and the next steps.

RECOMMENDATION: Information item only.

3. QUARTERLY AUDIT ACTIVITIES REPORT – FISCAL YEAR 2011 SECOND QUARTER, AND REPORT ON AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:

Mark Burchyett, Chief Auditor, provided a presentation on the FY 2011 second quarter audit activities, which included audits in progress, recommendation follow-up, FY 2011 performance measures as of December 31, 2010, non-audit activities, and ongoing activities.

Christy Carlson, Senior Auditor, provided an update on the Ethics Program.

In response to Committee Member Tarte's question regarding the status of the red flag control process (Rec. No. 10-37), Fred Bolger, Manager, Audit Services, stated that the Accounting and Information Technology Departments are working together to implement the system. He stated that he is satisfied with their progress to date and that the implementation should be completed by the end of this fiscal year.

Committee Member Tarte suggested that staff add a column to the matrix of recommendations (Appendix C) to include a target implementation date.

RECOMMENDATION: Staff recommends that the Audit Committee forward this item to the Board for information and provide, if necessary, direction to staff on audit recommendations.

ACTION: Moved by Committee Member Van Sambeek and seconded by Board Member Gleason to forward this item to the Board for information. Motion CARRIED unanimously.

Committee Member Young left the dais at 10:16 a.m.

4. OVERVIEW OF SOLE SOURCE POLICIES AND PRACTICES:

Jana Vargas, Director, Procurement, provided a presentation on sole source policies and practices, which included policy references, sole source procurement requirements, and practices/available resources.

RECOMMENDATION: Information item only.

CLOSED SESSION: The Committee recessed into Closed Session at 10:25 a.m. to discuss Item 5.

5. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:
(Government Code Section 54957):
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Committee reconvened into Open Session at 11:26 a.m. There was no reportable action.

COMMITTEE MEMBER COMMENTS: None

ADJOURNMENT: The meeting was adjourned at 11:27 a.m.

APPROVED BY A MOTION OF THE AUDIT COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 9TH DAY OF MAY, 2011.



MARK A. BURCHYETT
CHIEF AUDITOR

ATTEST:



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK