



THE CITY OF SAN DIEGO

OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

Date Issued: February 17, 2017

IBA Report Number: 17-07

City Council Meeting Date: March 6, 2017

Item Number: TBD

2017 Appointment of Audit Committee Public Member

OVERVIEW

This report describes the process to appoint a member of the public to the Audit Committee for the current public member vacancy. The report begins with background information on the Audit Committee. Then we present a brief summary of the process that was used to solicit and review public member applications. This process has produced two qualified candidates from which the City Council will choose the next public member.

POLICY DISCUSSION

Background

On June 3, 2008, voters approved Proposition C which changed the City Charter with respect to the composition of the Audit Committee. Prior to 2009, the Audit Committee was comprised of three City Councilmembers. Following voter approval of Proposition C, City Charter Section 39.1 was added requiring the City's Audit Committee be comprised of two appointed members of the City Council (one to serve as Chair of the Committee) and three public members with the "independence, experience and technical expertise necessary to carry out the duties of the Audit Committee."

For calendar year 2017, the two appointed City Council members on the Audit Committee are Councilmember Gómez (Chair) and Councilmember Sherman. The public members include Thomas Hebrank and Alan Spencer. The third public member is Ricardo Valdivia, whose term expired on January 5, 2017. However, Mr. Valdivia has agreed to continue serving on the Audit Committee during the current appointment process, in which he is also one of the two candidates to be considered for appointment. Note that Charter Section 39.1 provides that public members may serve until the subsequent appointment has been made.

Charter Section 39.1 additionally specifies that public members of the Audit Committee serve four-year terms, and are eligible to serve up to two full consecutive terms. As stated previously, Mr. Valdivia's first term recently ended. Mr. Hebrank is presently in his second consecutive term (to expire January 2019); and Mr. Spencer is serving in his first (to expire January 2020).

The City Charter requires that public member candidates be reviewed and recommended for City Council appointment consideration by a majority vote of a screening committee comprised of a member of the City Council, the Chief Financial Officer, the Independent Budget Analyst, and two outside financial experts (who are appointed by the other three members of the screening committee and confirmed by the City Council). In accordance with City Charter Section 39.1 and following City Council appointment actions (on July 28, 2008 and February 7, 2017), the screening committee is comprised of the following representatives:

- Georgette Gómez (Audit Committee Chair, City Councilmember for District 9)
- Andrea Tevlin (Independent Budget Analyst, City of San Diego)
- Mary Lewis (Chief Financial Officer, City of San Diego)
- Tracy M. Sandoval (Deputy Chief Administrative Officer/Auditor & Controller, County of San Diego)
- Ed Kitrosser (CPA, Inactive, and Former Managing Partner of Moss Adams, LLP, San Diego Office)

The screening committee is charged with vetting the qualifications of Audit Committee public member candidates and recommending at least two qualified candidates for an open public member position. Once candidates have been reviewed and recommended by the screening committee during a publicly held meeting, the City Council can consider these candidates for appointment. Candidates are evaluated based on the criteria set forth in City Charter Section 39.1 which provides:

Public members of the Audit Committee shall possess the independence, experience and technical expertise necessary to carry out the duties of the Audit Committee. This expertise includes but is not limited to knowledge of accounting, auditing and financial reporting. The minimum professional standards for public members shall include at least 10 years of experience as a certified public accountant or as a certified internal auditor, or 10 years of other professional financial or legal experience in audit management.

Process for the 2017 Public Member Appointment

As stated previously, the City Charter requires each public member of the Audit Committee be appointed by the City Council from a pool of at least two qualified candidates. Solicitation for public member candidates for the January 2017 vacancy began in August 2016. The IBA announced the public member opening and solicited candidate applications in the following ways:

- Posting on the City's website – City homepage, as well as City Boards and Commissions and Council Committee Meetings pages
- Outreach to the AICPA, CalCPA and the Institute of Internal Auditors

- Requesting candidate identification assistance from City Councilmember offices and others in the City

Two individuals' applications were submitted to the screening committee, which convened on February 10, 2017. The screening committee determined the two applicants are qualified candidates, unanimously recommending the City Council consider them for appointment to the Audit Committee vacancy. The two candidates for the 2017 appointment are the following individuals:

- Roberta Spoon
- Ricardo Valdivia

In addition, and consistent with past practice, the Police Department reviewed the background of each candidate; and both candidates passed the background check process. Candidate application forms and resumes are attached to this report (certain personal information has been redacted to protect candidate privacy).

Council Process for Appointing a Public Member to the Audit Committee

City Council Policy 000-13 sets forth a procedure for Council appointments. If the number of nominees is greater than the number of vacancies (as is the case with this appointment), Council Policy 000-13 (Procedures, section C.4.) specifies an election to fill the vacancies shall be held as follows:

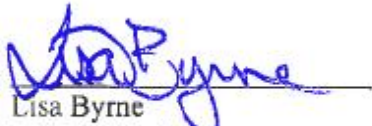
- a. Vacancies will be filled one at a time. The election shall be conducted by written ballot at a scheduled meeting of the City Council. The City Clerk will provide a ballot to each Councilmember, who shall vote for the candidate he or she feels to be most qualified and then return the ballot to the City Clerk. Each Councilmember will have one vote in a round of balloting. The City Clerk shall announce the votes for each candidate at the end of the round of balloting.
- b. If a single appointment is to be made [as is the case with this appointment] and more than one qualified candidate has been nominated for the position, the Council shall vote until one candidate receives at least five Councilmember votes. If no one receives at least five Councilmember votes in the first round of balloting, the nominee with the lowest number of votes shall be dropped from the next round of balloting, unless the lowest vote-getters are in a tie situation. This procedure includes nominees who have received zero votes. New ballots will be distributed and a new round of voting will be taken. Voting will continue in this manner until a candidate receives at least five Councilmember votes and is appointed, or the Council President declares an impasse (see "d" below).
- c. [This section of the policy pertains to multiple appointments and does not apply in this case.]
- d. The Council President will have the discretion to determine when an impasse should be declared, and may declare one, after multiple rounds of voting have occurred and no candidate has received at least five Councilmember votes.

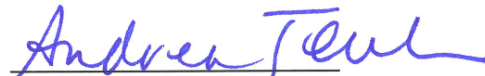
In addition, under City Council Policy 000-13, it is the intent of the Council that appointees be residents of the City of San Diego. If, however, a candidate is a resident of San Diego County, but not the City of San Diego, and is uniquely qualified to serve, then the Council may make a conscious exception to this policy.

CONCLUSION

In accordance with the City Charter, the screening committee has reviewed applications and recommended two qualified candidates who meet eligibility requirements for Council consideration. At the City Council meeting on March 6, 2017, the Council will receive a brief presentation from each of the candidates and have an opportunity to ask questions of the candidates prior to making an appointment decision.

The IBA recommends the City Council appoint one of the two qualified candidates at the Council meeting on March 6th. The IBA will work with the Audit Committee Consultant and the Office of the City Attorney to brief and orient the appointee, as appropriate.


Lisa Byrne
Fiscal & Policy Analyst


APPROVED: Andrea Tevlin
Independent Budget Analyst

Attachments:

1. Candidate Application – Roberta Spoon
2. Candidate Application – Ricardo Valdivia



THE CITY OF SAN DIEGO

Application for Audit Committee Public Member Appointment

(This is a fill-in PDF form.)

If you need additional space to answer any of the following questions, please provide the information in an attachment.

Section A - General Information		
Title <input type="checkbox"/> Mr. <input checked="" type="checkbox"/> Ms.		
Name <i>(last, first, middle)</i> Roberta J. Spoon		
List All Other Names You Have Used in the Past _____ _____		
Email Address _____		
Primary Telephone Number: _____ Specify Type: <input checked="" type="checkbox"/> Mobile <input type="checkbox"/> Work <input type="checkbox"/> Home		
Alternate Telephone (optional) Number: _____ Specify Type: <input type="checkbox"/> Mobile <input type="checkbox"/> Work <input checked="" type="checkbox"/> Home		
Current Address <i>(number, street, city, state, ZIP code)</i> _____ _____		
List All Previous Residences During the Past 5 Years <i>(number, street, city, state, ZIP code)</i> _____ _____ _____		
<u>APPLICATION SUBMISSION</u>		
To submit your application, please complete and transmit the following information to the office listed below.		
1. All 8 pages of the completed and signed <u>application form</u> , 2. A <u>copy of your resume</u> , and 3. Any additional information you believe relevant to your application.		
Office of the Independent Budget Analyst (IBA) Attn: Lisa Byrne, 202 C Street, MS-3A, San Diego, CA 92101 If submitted by e-mail: e-mail to sdiba@sandiego.gov (see NOTE below) If submitted by fax: fax to (619) 236-6556		
NOTE: To send your application as a PDF by email, print the completed fill-in form and manually sign the signature areas (do not use an electronic signature). Then scan the signed application, resume, and any other documents into one PDF file. Last, attach the scanned PDF file to an email with a subject line of "Confidential Audit Committee Application".		
Your application is deemed submitted when you receive an acknowledgement from the IBA.		



THE CITY OF SAN DIEGO

Section B - Licenses or Certifications Relevant to the Position

Type	Issuing State/Entity	License #	Date of Issue/Expiration Date
CPA	California	42318	5/19/05

Section C - Education (College/University or Other Educational History)

School	Degree	Major	Year Earned
San Diego State Univ	BS	Accounting	1982
San Diego State Univ	MBA	Finance	1988

Section D - Civic/Community/Volunteer Experience Over Past 5 Years

Organization Name	City/State	Activity/Type of Work	Dates: From/To	
SD Housing Commission	San Diego	Board Vice Chair	2/2010	current
SD Humane Society	San Diego	Audit Committee	2008	2016
Lawrence Family Jewish Community Center	San Diego	Audit Committee Chair	2015	current
Housing Development Partners	San Diego	Board Treasurer	2011	current

Section E - Professional/Other Relevant Organizations Over Past 5 Years

Organization Name	City/State	Activity/Type of Work	Dates: From/To

Section F - Three References Familiar With Your Qualifications for This Appointment

Reference Name	Your Association With Reference	Telephone Number
Todd Gloria	Board work on SD Housing Commission	[REDACTED]
Richard Gentry	CEO of SD Housing Commission	[REDACTED]
Bonnie Dumanis	volunteer work in community	[REDACTED]



THE CITY OF SAN DIEGO

Section G - Employment History Over Past 10 Years		
Employer Name		Type of Business
Brodshatzer, Wallace Spoon& Yip		CPA & consulting firm
Title/Position		
Partner		
Duties		
Forensic Accounting specialty		
Employer Telephone Number		Employer Website
Employer Address (number, street, city, state, ZIP code)		
555 W. Beech Street, #400, San Diego, CA		
Start Date	End Date	Reason for Leaving
2/1987	12/31/2015	Retired and firm closed
Employer Name		Type of Business
Title/Position		
Duties		
Employer Telephone Number		Employer Website
Employer Address (number, street, city, state, ZIP code)		
Start Date	End Date	Reason for Leaving
Employer Name		Type of Business
Title/Position		
Duties		
Employer Telephone Number		Employer Website
Employer Address (number, street, city, state, ZIP code)		
Start Date	End Date	Reason for Leaving



THE CITY OF SAN DIEGO

Section G - Employment History Over Past 10 Years (Continued)

Employer Name	Type of Business	
Title/Position		
Duties		
Employer Telephone Number	Employer Website	
Employer Address (number, street, city, state, ZIP code)		
Start Date	End Date	Reason for Leaving

Section H - Charter-Required Qualifications

Please explain how you meet the Charter-required qualifications described below. Reference any relevant experience, licenses or certifications/credentials that support your candidacy to serve on the Audit Committee. You may alternatively attach a cover letter to respond to this question.

San Diego Charter Section 39.1 states, "Public members of the Audit Committee shall possess the independence, experience and technical expertise necessary to carry out the duties of the Audit Committee. This expertise includes but is not limited to knowledge of accounting, auditing and financial reporting. The minimum professional standards for public members shall include at least 10 years of experience as a certified public accountant or as a certified internal auditor, or 10 years of other professional financial or legal experience in audit management."

I have been a licensed Certified Public Accountant since 1985. My background is that of an auditor. I have prepared, managed and supervised 100's of audits starting in the early 1980's. I also have spent approximately 20 years in the forensic accounting specialty preparing forensic audits for entities involved in some type of litigation.

I have been in volunteer board positions as Treasurer, Audit Committee member and Audit Committee Chair for numerous nonprofit organizations.

Beginning early 2010 I have been on the San Diego Housing Commission Board where I have served as the oversight of the Finance Department and Audit Committee Chair. I am familiar with government accounting and audit standards. My term will expire in January 2017



THE CITY OF SAN DIEGO

Section I - Elected or Appointed Positions

Do you currently or have you ever served in any elected or appointed office or on any local, state, or federal government board, commission, committee, or other elected or appointed position?

Yes (If yes, provide information below.) No

Entity	Position	Dates: From/To
SanDiego Housing Commission	Board Vice Chair	2010 current
Entity	Position	Dates: From/To
Entity	Position	Dates: From/To
Entity	Position	Dates: From/To

Section J - Relationships/Relatives

To the best of your knowledge, do you have a spouse, registered domestic partner, or other relative who is currently an employee or appointee of the City of San Diego?

Yes (If yes, provide information below.) No

Name	Position With City	Relationship to You

Section K - Affiliations

To the best of your knowledge, have you currently, or have you ever been, affiliated (as a director, officer, partner, trustee, employee, owner, advisor, or consultant) with any institution, organization, or business entity that might present an actual, potential, or apparent conflict of interest should you be appointed? An example would include, but not be limited to, a contract with the City.

Yes (If yes, please explain below.) No



THE CITY OF SAN DIEGO

Section L - Financial Holdings and Property

To the best of your knowledge, do you have financial holdings in or receive income from any source or own real property or personal property that might present an actual, potential, or apparent conflict of interest should you be appointed?

Yes *(If yes, please explain below.)* No

Section M - Disciplinary Actions

Have you ever been disciplined or cited for a breach of ethics or unprofessional conduct in any court, administrative agency, professional association, disciplinary committee, or other professional group?

Yes *(If yes, please explain below.)* No

Section N - Civil Litigation or Administrative Proceeding

In the last 10 years, have you been a party in any capacity in any civil litigation or administrative proceeding that is relevant to this appointment?

Yes *(If yes, please explain below.)* No



THE CITY OF SAN DIEGO

Section O - Tax Lien/Collection Proceedings	
Has a local, state, or federal agency or authority ever placed a tax lien or filed any other collection proceeding against you?	
<input type="checkbox"/> Yes <i>(If yes, please explain below.)</i>	<input checked="" type="checkbox"/> No
Please provide the date, a brief description of the events leading to the proceedings, and whether the matter has been resolved.	

I CERTIFY that my responses and attachments to this application are full, true, and correct to the best of my knowledge. I understand that I may be disqualified from consideration if I knowingly make false or misleading statements on this application or omit material information.

I AUTHORIZE the City of San Diego through its elected officials, officers, employees, agents, and representatives, hereinafter referred to as the "City," to obtain a consumer credit report; to investigate my current/past employment, references, education records, and military records; to perform a background check into any criminal history; and to make any other inquiries that may be needed to arrive at an appointment decision. Further, I authorize any business, institution, or organization to release any records sought by the City in connection with my application.

I RELEASE the City, its officers, agents, and employees and all individuals, organizations, educational institutions listed as a reference on my application from all liability claims or damages that may result to me on account of compliance or any attempts to comply with this authorization by any person or party.

I UNDERSTAND and ACKNOWLEDGE the following:

- Nothing in this application constitutes an express or implied contract for employment with the City of San Diego;
- Some information related to my application may be subject to disclosure under the California Public Records Act. However, the City will protect the confidentiality of the information to the extent permissible under applicable law;
- I may elect to withdraw from the appointment process at any time.

Signature of Applicant <i>Roberta Spoon</i>		Date 11/16/16
Date of Birth [REDACTED]	Social Security Number [REDACTED]	CA Driver's License Number [REDACTED]

PLEASE FEEL FREE TO PROVIDE ADDITIONAL INFORMATION OR LETTERS OF ENDORSEMENT.
THANK YOU FOR YOUR INTEREST IN SERVING OUR CITY GOVERNMENT.



THE CITY OF SAN DIEGO

FAIR CREDIT REPORTING ACT
CANDIDATE DISCLOSURE AND AUTHORIZATION

DISCLOSURE

As a condition of your consideration for appointment to the Audit Committee for the City of San Diego ("City"), the City may obtain a consumer report. Such a report may include information about your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics and mode of living.

Pursuant to the California Labor Code, the City may obtain a consumer credit report about you because you are seeking appointment to a City position that involves access to confidential or proprietary information and has oversight responsibility regarding the City's auditing, internal controls and other financial or business practices required by the City Charter.

The Consumer Reporting Agency that will prepare and process the report(s) is:

Experian, P.O. Box 2002, Allen, TX 75013
1 888 EXPERIAN (1-888-397-3742)

I request a free copy of the consumer credit report obtained by the City.

AUTHORIZATION

I, *[enter name to the right]* Roberta Spoon, authorize the City, including its elected and administrative officials and employees, to obtain a consumer report about me. I understand that the City will use the consumer report to evaluate my creditworthiness or similar characteristics. I also authorize the City to obtain background information including employment, licensing and education verifications, social security verification, criminal and civil history, tax lien/collections proceedings, personal interviews, DMV records, any other public records and any other information bearing on my credit standing, credit capacity, character, general reputation, personal characteristics and trustworthiness. Further, I understand that if any information contained in my consumer report is used, wholly or partly, in making an adverse decision regarding my fitness for appointment to the Audit Committee, before making the adverse action, the City will provide me with a copy of the report and a description in writing of my rights under the law.

Signature of Applicant Roberta Spoon Date 11-16-16

**EDUCATION:**

Bachelor of Science, Accounting-San Diego State Univ -1982
Master of Business Administration - San Diego State Univ - 1989
Certified Public Accountant - California

MEMBERSHIPS:

American Institute of Certified Public Accountants
California Society of Certified Public Accountants

**WORK
EXPERIENCE:**

Brodshatzer, Wallace, Spoon and Yip
February 1988 to present
Steres, Alpert & Carne, CPAs
October 1982 to February 1988
Assistant Controller - Zoological Society of
San Diego - April 1974 to July 1980

VOLUNTEER & CIVIC

San Diego Housing Commission Feb 2010 to present
Vice Chair - Board of Commissioners
Audit Committee Chair

San Diego Humane Society
Audit Committee

YWCA of San Diego County-Board of Directors-2003-2009
President - 2006 to 2008
Treasurer - 2003 to 2006

Midge Costanza Institute for the Study of Politics & Public Policy
Treasurer & Board Member 2004 to present
Co- Founder

San Diego Community College District
Proposition S Citizens Oversight Committee - 2003 to 2008
Endowment Trust Advisory Council - 1993 to 2009

911 Victim Compensation Fund - New York City
Chair - San Diego - Economic Advisory Committee 2001 to 2003

Planned Parenthood of San Diego County -
Finance Committee
Audit Committee- Chair

Metropolitan Water District of Southern California - Blue Ribbon Task Force



THE CITY OF SAN DIEGO

**Application for Audit Committee
Public Member Appointment**
(This is a fill-in PDF form.)

If you need additional space to answer any of the following questions, please provide the information in an attachment.

Section A - General Information			
Title			
<input checked="" type="checkbox"/> Mr.	<input type="checkbox"/> Ms.		
Name <i>(last, first, middle)</i>			
Valdivia, Ricardo			
List All Other Names You Have Used in the Past			
Email Address			
[REDACTED]			
Primary Telephone			
Number:	[REDACTED]	Specify Type:	<input checked="" type="checkbox"/> Mobile <input type="checkbox"/> Work <input type="checkbox"/> Home
Alternate Telephone (optional)			
Number:	[REDACTED]	Specify Type:	<input type="checkbox"/> Mobile <input type="checkbox"/> Work <input checked="" type="checkbox"/> Home
Current Address <i>(number, street, city, state, ZIP code)</i>			
[REDACTED]			
List All Previous Residences During the Past 5 Years <i>(number, street, city, state, ZIP code)</i>			
APPLICATION SUBMISSION			
To submit your application, please complete and transmit the following information to the office listed below.			
<ol style="list-style-type: none"> All 8 pages of the completed and signed <u>application form</u>, A <u>copy of your resume</u>, and Any additional information you believe relevant to your application. 			
Office of the Independent Budget Analyst (IBA) Attn: Lisa Byrne, 202 C Street, MS-3A, San Diego, CA 92101 If submitted by e-mail: e-mail to sdiba@sandiego.gov (see NOTE below) If submitted by fax: fax to (619) 236-6556			
NOTE: To send your application as a PDF by email, print the completed fill-in form and manually sign the signature areas (do not use an electronic signature). Then scan the signed application, resume, and any other documents into one PDF file. Last, attach the scanned PDF file to an email with a subject line of "Confidential Audit Committee Application".			
Your application is deemed submitted when you receive an acknowledgement from the IBA.			



THE CITY OF SAN DIEGO

Section B - Licenses or Certifications Relevant to the Position				
Type	Issuing State/Entity	License #	Date of Issue/Expiration Date	
CPA	CA / CBA	55403	3/31/15	3/31/16
Section C - Education (College/University or Other Educational History)				
School	Degree	Major	Year Earned	
Cal State, Hayward	B.S.	Business option in Acctg	1986	
now Cal State, East Bay				
Section D - Civic/Community/Volunteer Experience Over Past 5 Years				
Organization Name	City/State	Activity/Type of Work	Dates: From/To	
Barrio Logan Assoc	San Diego, CA	Board Member	Dec 2012	June 2014
Audit Committee	San Diego, CA	Committee Member	July 2013	Present
Section E - Professional/Other Relevant Organizations Over Past 5 Years				
Organization Name	City/State	Activity/Type of Work	Dates: From/To	
Section F - Three References Familiar With Your Qualifications for This Appointment				
Reference Name	Your Association With Reference		Telephone Number	
George Kilcrease	Corporate Tax Service		[REDACTED]	
Karley Schreiner	Audit Committee member (former)		[REDACTED]	
Tom Magnussen	Co-worker (Paragon Services Janitorial)		[REDACTED]	



THE CITY OF SAN DIEGO

Section G - Employment History Over Past 10 Years		
Employer Name Paragon Services Janitorial	Type of Business Building Maintenance	
Title/Position CFO		
Duties In charge of Finance, Accounting and HR.		
Employer Telephone Number (858) 654-0150	Employer Website www.paragonsandiego.com	
Employer Address (number, street, city, state, ZIP code) 3935 Harney Street Suite #100 San Diego, CA 92110		
Start Date Aug 2009	End Date Present	Reason for Leaving N/A
Employer Name True Religion Jeans	Type of Business Garment Manufacturer	
Title/Position Corporate Controller		
Duties In charge of all accounting and finance for \$300M international enterprise.		
Employer Telephone Number (844) 878-7546	Employer Website www.truereligion.com	
Employer Address (number, street, city, state, ZIP code) 2263 E. Vernon Avenue Vernon, CA 90058		
Start Date October 2007	End Date March 2009	Reason for Leaving Position downsized
Employer Name	Type of Business	
Title/Position		
Duties		
Employer Telephone Number	Employer Website	
Employer Address (number, street, city, state, ZIP code)		
Start Date	End Date	Reason for Leaving



THE CITY OF SAN DIEGO

Section G - Employment History Over Past 10 Years (Continued)		
Employer Name	Type of Business	
Title/Position		
Duties		
Employer Telephone Number	Employer Website	
Employer Address (number, street, city, state, ZIP code)		
Start Date	End Date	Reason for Leaving
Section H - Charter-Required Qualifications		
<p>Please explain how you meet the Charter-required qualifications described below. Reference any relevant experience, licenses or certifications/credentials that support your candidacy to serve on the Audit Committee. You may alternatively attach a cover letter to respond to this question.</p> <p>San Diego Charter Section 39.1 states, "Public members of the Audit Committee shall possess the independence, experience and technical expertise necessary to carry out the duties of the Audit Committee. This expertise includes but is not limited to knowledge of accounting, auditing and financial reporting. The minimum professional standards for public members shall include at least 10 years of experience as a certified public accountant or as a certified internal auditor, or 10 years of other professional financial or legal experience in audit management."</p> <p>Overall I have almost 30 years of finance and accounting experience, 17 years at the Controller level or above, and an active CPA license.</p> <p>Specific to audit experience:</p> <ul style="list-style-type: none"> - Two years working for a CPA firm (Ernst & Young). - Three years as an internal auditor (ABMI). - Three years as Corporate Controller for AMPCO System Parking (supervised operational audit team). - Two years as Controller for True Religion Brand Jeans (supervised store audit team). 		



THE CITY OF SAN DIEGO

Section I - Elected or Appointed Positions

Do you currently or have you ever served in any elected or appointed office or on any local, state, or federal government board, commission, committee, or other elected or appointed position?

Yes (If yes, provide information below.) No

Entity	Position	Dates: From/To
Audit Committee - City of San Diego	Committee member	July 2013 Present
Entity	Position	Dates: From/To
Entity	Position	Dates: From/To
Entity	Position	Dates: From/To

Section J - Relationships/Relatives

To the best of your knowledge, do you have a spouse, registered domestic partner, or other relative who is currently an employee or appointee of the City of San Diego?

Yes (If yes, provide information below.) No

Name	Position With City	Relationship to You
Name	Position With City	Relationship to You
Name	Position With City	Relationship to You
Name	Position With City	Relationship to You

Section K - Affiliations

To the best of your knowledge, have you currently, or have you ever been, affiliated (as a director, officer, partner, trustee, employee, owner, advisor, or consultant) with any institution, organization, or business entity that might present an actual, potential, or apparent conflict of interest should you be appointed? An example would include, but not be limited to, a contract with the City.

Yes (If yes, please explain below.) No

Empty text area for providing details for Section K.



THE CITY OF SAN DIEGO

Section L - Financial Holdings and Property

To the best of your knowledge, do you have financial holdings in or receive income from any source or own real property or personal property that might present an actual, potential, or apparent conflict of interest should you be appointed?

Yes *(If yes, please explain below.)* No

Section M - Disciplinary Actions

Have you ever been disciplined or cited for a breach of ethics or unprofessional conduct in any court, administrative agency, professional association, disciplinary committee, or other professional group?

Yes *(If yes, please explain below.)* No

Section N - Civil Litigation or Administrative Proceeding

In the last 10 years, have you been a party in any capacity in any civil litigation or administrative proceeding that is relevant to this appointment?

Yes *(If yes, please explain below.)* No



THE CITY OF SAN DIEGO

Section O - Tax Lien/Collection Proceedings

Has a local, state, or federal agency or authority ever placed a tax lien or filed any other collection proceeding against you?

Yes (If yes, please explain below.)

No

Please provide the date, a brief description of the events leading to the proceedings, and whether the matter has been resolved.

I CERTIFY that my responses and attachments to this application are full, true, and correct to the best of my knowledge. I understand that I may be disqualified from consideration if I knowingly make false or misleading statements on this application or omit material information.

I AUTHORIZE the City of San Diego through its elected officials, officers, employees, agents, and representatives, hereinafter referred to as the "City," to obtain a consumer credit report; to investigate my current/past employment, references, education records, and military records; to perform a background check into any criminal history; and to make any other inquiries that may be needed to arrive at an appointment decision. Further, I authorize any business, institution, or organization to release any records sought by the City in connection with my application.

I RELEASE the City, its officers, agents, and employees and all individuals, organizations, educational institutions listed as a reference on my application from all liability claims or damages that may result to me on account of compliance or any attempts to comply with this authorization by any person or party.

I UNDERSTAND and ACKNOWLEDGE the following:

- Nothing in this application constitutes an express or implied contract for employment with the City of San Diego;
- Some information related to my application may be subject to disclosure under the California Public Records Act. However, the City will protect the confidentiality of the information to the extent permissible under applicable law;
- I may elect to withdraw from the appointment process at any time.

Signature of Applicant <i>Ricardo Valdivia</i>		Date <i>August 26, 2016</i>
Date of Birth [REDACTED]	Social Security Number [REDACTED]	CA Driver's License Number [REDACTED]

PLEASE FEEL FREE TO PROVIDE ADDITIONAL INFORMATION OR LETTERS OF ENDORSEMENT. THANK YOU FOR YOUR INTEREST IN SERVING OUR CITY GOVERNMENT.



THE CITY OF SAN DIEGO

**FAIR CREDIT REPORTING ACT
CANDIDATE DISCLOSURE AND AUTHORIZATION**

DISCLOSURE

As a condition of your consideration for appointment to the Audit Committee for the City of San Diego (“City”), the City may obtain a consumer report. Such a report may include information about your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics and mode of living.

Pursuant to the California Labor Code, the City may obtain a consumer credit report about you because you are seeking appointment to a City position that involves access to confidential or proprietary information and has oversight responsibility regarding the City’s auditing, internal controls and other financial or business practices required by the City Charter.

The Consumer Reporting Agency that will prepare and process the report(s) is:

Experian, P.O. Box 2002, Allen, TX 75013
1 888 EXPERIAN (1-888-397-3742)

I request a free copy of the consumer credit report obtained by the City.

AUTHORIZATION

I, *[enter name to the right]* Ricardo Valdivia, authorize the City, including its elected and administrative officials and employees, to obtain a consumer report about me. I understand that the City will use the consumer report to evaluate my creditworthiness or similar characteristics. I also authorize the City to obtain background information including employment, licensing and education verifications, social security verification, criminal and civil history, tax lien/collections proceedings, personal interviews, DMV records, any other public records and any other information bearing on my credit standing, credit capacity, character, general reputation, personal characteristics and trustworthiness. Further, I understand that if any information contained in my consumer report is used, wholly or partly, in making an adverse decision regarding my fitness for appointment to the Audit Committee, before making the adverse action, the City will provide me with a copy of the report and a description in writing of my rights under the law.

Signature of Applicant	Date
<i>Ricardo Valdivia</i>	<i>August 26, 2016</i>

Ricardo
Valdivia
CPA

Summary

Strategic and operations-oriented finance executive with 14 years management experience at the Controller level. Diverse experience in small, medium-sized and billion-dollar, public and private companies. Milestones include:

- Re-engineering operations and supply chain processes to reduce costs, and increase efficiencies in multiple companies and industries.
- Improving internal controls, accounting policies and procedures to achieve GAAP and SOX compliance (initial implementation) and the timely delivery of financial and operational reporting.
- Successfully implementing ERP systems and upgrades.

Areas of Focus

FP&A, Strategic Planning, International Operations, Budgeting, Forecasting, Acquisitions & Business Integration, Cost Control, Operations, Plant Closures, System Implementations, Pricing, Cash Management, Treasury, Project Management, Supply Chain, Internal Controls, SOX implementation, Process Re-engineering, Loss Prevention

Employment History

Paragon Services (San Diego, CA)

CFO

August 2009 to Present

- Responsible for all accounting and finance functions for a regional facility services company.
- Reduced month-end close cycle from 3 weeks to 6 days.
- Established banking relationship, increased line of credit by 300%.
- Converted Payroll system and implemented IVR system to improve the payroll process reduce payroll cycle and improve labor tracking, while reducing associated costs.
- Implemented P-cards for 400 employees to improve efficiencies and provide additional benefits to hourly employees at no cost to the company.
- Performed due diligence on acquisition and coordinated operations during the transition of ownership. Oversaw divestiture of 2 business units.

True Religion Brand Jeans (Los Angeles, CA)

Controller

October 2007 to March 2009

- Responsible for accounting, FP&A and financial reporting of a publicly traded apparel company with annual revenue of \$270M from wholesale operations, e-commerce and 42 retail stores.
- Coordinated efforts with three audit firms (Deloitte & Touche, MarcumStonefield, and Protiviti) to complete the restatement of prior periods, transition to new external audit firm and outsourcing of the internal audit function.
- Established procedures, designed and implemented internal control structure to rectify material weaknesses and achieve compliance with GAAP and SOX.
- Reduced month-end close cycle from 20 days to 8.
- Coordinated efforts with IT and consultants to implement Oracle ERP solution.
- Partnered with COO to streamline the procurement process, improve profit margins, and timeliness of receipts from vendors as well as shipments to customers.
- Coordinated e-commerce efforts with outsource partner to streamline accounting for online sales.
- Calculated Inventory valuation, including WIP and Obsolescence Reserve quarterly.
- Performed quarterly revenue recognition testing based on FOB terms.
- Calculated correct accounting for escalating rent based on lease agreements for retail locations.

IMPCO Technologies (Santa Ana, CA)

Controller

April 2007 to October 2007

- Responsible for accounting, FP&A and financial reporting of IMPCO Technologies (US headquarters with 3 foreign subsidiaries, a Division of Fuel Systems Solutions, a publicly traded company with FY 2007 revenue of \$265M).
- Implemented policies and procedures to overcome significant deficiencies from prior audits and 9 year restatement to ensure compliance with GAAP and SOX.
- Partnered with COO to align Divisional business objectives with corporate goals and requirements while improving overall efficiencies.
- Prepared and reviewed the Company's financial reporting package on a monthly basis, including GAAP financial statements and supporting schedules.
- Prepared, maintained, and monitored complete operating budget and cash forecasts.





- Reduced month-end close cycle from 20 days to 7 days.
- Calculated Inventory valuation, including WIP, Labor, Operating Cost, Burden Analysis, Obsolescence Reserve and quarterly Warranty Reserve by product line.
- Reviewed consolidation of 3 subsidiaries including validation of eliminating entries, minority interest and foreign exchange difference calculations.
- Reviewed capital leases and asset impairment analysis related to PP&E.

ABM Parking, formerly AMPCO System Parking (Los Angeles, CA)

Division Controller

August 2003 to July 2006

- Responsible for accounting, FP&A and financial reporting of AMPCO System Parking (Parking Division of ABMI, a publicly traded company), with 8,000 employees and 1,800 locations.
- Managed 4 regional offices with 85 accounting employees, 5 audit personnel and processing centers in Houston and India.
- Oversaw collection, reconciliation and reporting of \$1.25B in annual revenues.
- Established controls to safeguard company assets, prepared SEC forms and schedules on a quarterly basis and ensured policies and procedures were in compliance with GAAP and SOX.
- Directed planning, forecasting and budgeting for the Division as well as system implementations.
- Centralized cash application process, outsourced related functions overseas and documented Internal Controls for Section 404 certification in the initial implementation of SOX.
- Implemented review of low margin and losing operations for margin improvements or termination.
- Reviewed quarterly revenue recognition analysis for 1,800 locations based on lease terms.
- Completed quarterly escalating rent calculations and asset impairment analysis for leases.

ABM (San Francisco, CA)

Controller

May 1999 to July 2003

- Responsible for accounting, FP&A and financial reporting of ABM Northern California (Division of ABMI, publicly traded provider of facility services), with 2,000 employees and revenues of \$150M.
- Supervised accounting staff of 10 and oversaw support personnel in 15 Branch offices.
- Assessed margins and reduced labor costs by almost 2% while leading the process of evaluating business performance, identifying business opportunities and reporting financial results.
- Established policies to safeguard company assets, prepared SEC schedules on a quarterly basis and ensured policies and procedures were in compliance with GAAP.
- Implemented ERP conversion to JD Edwards and directed regional budgeting and forecasting.

Levi Strauss & Co. (San Francisco, CA)

Manager, Planning and Performance

May 1998 to May 1999

Domestic / Offshore Reporting Manager

January 1993 to February 1998

- Completed the 5 Year Strategic Plan for the Levi's Brand.
- Responsible for cost effectiveness and strategic direction for Domestic and Offshore Operations sourcing garments for the North American market.
- Developed software application in MS Access that resulted in 20% percent quality improvement.
- Reviewed and analyzed \$650M annual budgets for 31 owned and operated plants in ten states.
- Developed a scorecard to measure key plant financial and performance measures.
- Consolidated and analyzed \$110M budget for 90 cost centers in three organizations which were allocated to products sourced from thirty countries for 3 brands.

American Building Maintenance Industries, Inc. (San Francisco, CA)

Senior Internal Auditor

October 1989 to December 1992

Ernst & Young (San Francisco, CA)

Senior Auditor

September 1987 to October 1989

Education, Certifications and Other Skills

- B.S. Business Administration - Concentration in Accounting and Economics
California State University, East Bay (formerly California State University, Hayward)
- Fluent in Spanish
- City of San Diego Audit Committee, 2013 – Present (elected by City Council)

