



CPAs & BUSINESS ADVISORS

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY

Communication With Those Charged With Governance

Agenda Item #4

AUDIT TEAM

Nathan Edelman,
CPA

- Audit Partner

Joe Escobar, CPA

- Audit Manager

Other Senior and Staff Auditors to be assigned



AUDIT SCOPE

- Audit of the Authority's financial statements as of June 30, 2023, in accordance with Auditing Standards Generally Accepted in the USA
- Report on internal control over financial reporting and on compliance in accordance with *Government Auditing Standards*
- 2 CFR 200 Single Audit

OUR RESPONSIBILITY IN ACCORDANCE WITH PROFESSIONAL STANDARDS

- Form and express an opinion about whether the financial statements which are the responsibility of management, with your oversight, are presented fairly, in all material respects, in accordance with U.S. GAAP.
- Our responsibility is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.
- We reviewed internal control over financial reporting. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
- Express an opinion on compliance applicable to major federal programs.

PLANNED SCOPE AND TIMING



KEY AUDIT AREAS OF RISK

Revenue Recognition:

- Presumed risk of improper revenue recognition

Management override of Internal controls

- Test of controls over financial reporting and journal entries



AUDITOR COMMUNICATIONS

Ethics and Independence

- We have complied with all relevant ethical requirements regarding independence.

Significant Accounting Policies

- Implementation of GASB Statement No. 96, *Subscription Based Information Technology Arrangements* (did not have a material impact on the financial statements)

Significant Estimates

- Net Pension Liability and Net OPEB Liability

AUDITOR COMMUNICATIONS

Sensitive Disclosures

- Net OPEB Liability and Net Pension Liability as disclosed in the notes to the financial statements

Misstatements

- No items reported

Consultations with Other Accountants

- Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

AUDITOR COMMUNICATIONS

Significant Difficulties

- We encountered no difficulties in dealing with management.

Disagreements with Management

- No disagreements arose during the course of the audit

THANK YOU

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