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AUDIT RESULTS

# San Francisco Bay Area Rapid Transit District

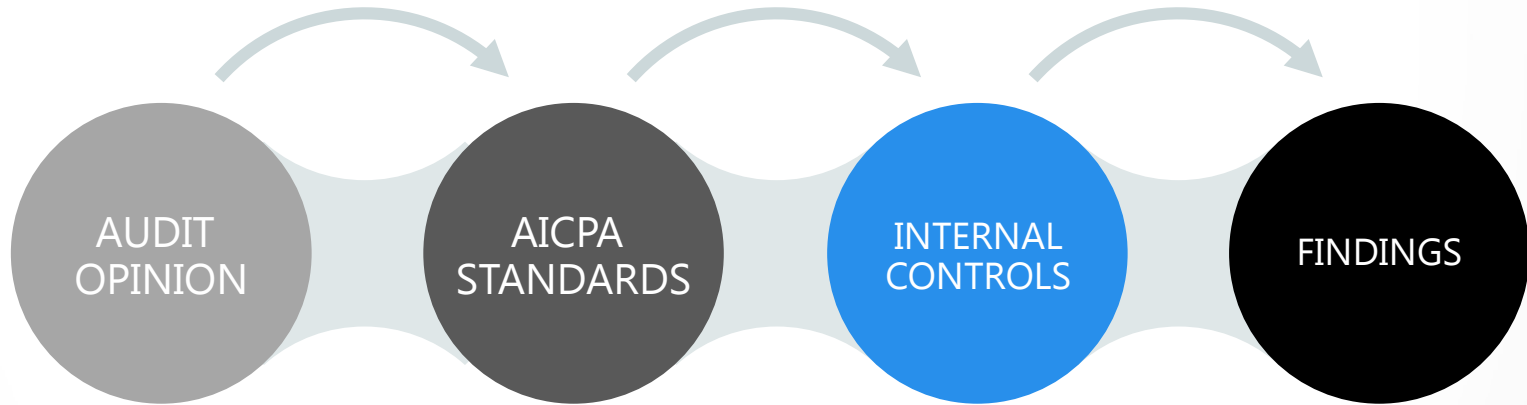
PRESENTED BY:

David Bullock  
Partner  
November 30, 2020



# Our Responsibility

Our responsibility under U.S. Generally Accepted Auditing Standards.



To express our opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. This does not relieve you or management of your responsibilities.

To perform an audit in accordance with generally accepted auditing standards issued by the AICPA, and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.

To obtain an understanding of the District and its environment, including internal controls over financial reporting and compliance, as a basis for designing our audit procedures, but not for the purpose of expressing an opinion on its effectiveness.

To communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

# Deliverables

## We issued the following reports:

- Audit reports on the basic financial statements of
  - The San Francisco Bay Area Rapid Transit District
  - The San Francisco Bay Area Rapid Transit District Retiree Health Benefit Trust
- Compliance-related audit reports on
  - Transportation Development Act
  - Proposition 1B: Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and Low Carbon Transit Operations Program (LCTOP) Guidelines published by the California Department of Transportation
  - Measure B
  - Measure BB
- Compliance-related agreed-upon procedures reports on
  - National Transit Database
  - Board of Director's expenses
- Report to those charged with governance
  - Communicating required matters and matters related to internal controls and compliance with laws, regulations, contracts and agreements



# Auditor's Reports



## Opinions/Results

- Unmodified opinions on the basic financial statements.
  - In addition, under *Government Auditing Standards*, there were no reportable matters on internal controls or on compliance.
- Unmodified opinions on compliance reports with no reportable matters.
- Completed agreed-upon procedures reports with no findings.

# Required Communications

with Those Charged with Governance



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## Planning

- Auditor's responsibility under U.S. Generally Accepted Auditing Standards
- Planned scope and timing of audit

Done!

Presented at the  
August 20, 2020  
Audit Committee meeting

## Results

- Qualitative aspects of accounting practices
  - Implementation of new standards
    - GASB Statement No. 89 – *Accounting for Interest Cost Incurred before the End of a Construction Period* (Capitalized Interest)
    - GASB Statement No. 95 – *Postponement of the Effective Dates of Certain Authoritative Guidance*
  - Financial statement estimates
  - Financial statement disclosures

# Required Communications

with Those Charged with Governance



## Results (continued)

- Difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- Disagreements with management
- Management representations
- Management consultations with other independent accountants
- Other audit findings or issues

## Remaining Deliverables:

- Single Audit (waiting on guidance from the Office of Management and Budget – OMB Compliance Supplement Addendum)

# Questions?



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