



Audit of Directors' Use of District Property

INTERNAL AUDIT REPORT—FISCAL YEAR 2020-21



BART Performance & Audit Department Internal Audit Report

Audit of Directors' Use of District Property for Fiscal Year 2021

Issue Date:

August 26, 2021

Audit Work Performed by:

Cherry Chang, Principal Internal Auditor

**Audit Work Reviewed
and Report Approved by:**

Michael Wilkison, Internal Audit Manager

Approved to Issue:



Dennis Markham,
Director of Performance and Audit

1. Background

Internal Audit has audited the Bay Area Rapid Transit District's (District) compliance with the requirements of the San Francisco Bay Area Rapid Transit District's Rules of the Board of Directors, Board Rule 5-3.5, Use of District Property Other than Automobiles. Rule 5-3.5 requires that the Internal Audit Department (currently identified as the Internal Audit Division of the Performance and Audit Department) shall complete an annual audit for the previous fiscal year for compliance with the requirements of Board Rule 5-3.5. The audit report, including a list of property issued to each Director, will be submitted to the next Administration Committee after September 15 for review and forwarding to the full Board. Board Rule 5-3.5 requires that:

- Directors may have use and possession of specifically identified District property that is comparable in cost and function to equipment available to District employees;
- The property shall be returned when a Director leaves office;
- Directors request the property through the District Secretary's Office;
- The District Secretary shall request quarterly that the Directors review their cellular phone and mobile device charges;
- Directors reimburse the District within 30 days of the quarterly request for reimbursement of costs that are not for District business; and
- The District Secretary shall report to the Board President or Vice President if the quarterly requests are not responded to, or reimbursements not made within 30 days.

2. Purpose

The purpose of our audit was to determine whether the District complied with the requirements of Board Rule 5-3.5 for the fiscal year ending June 30, 2021.

3. Scope & Methodology

To accomplish our objectives, we reviewed the requirements of the Board Rule, reviewed the prior year's report, examined the relevant records maintained by the District Secretary, notified and confirmed with every Director of the property recorded in the District's records as issued to individual Directors, and reviewed compliance procedures with the staff of the District Secretary's Office. Internal Audit performed the audit in accordance with generally accepted government auditing standards and included such tests as we considered necessary in the circumstances. We used the Rules of the Board of Directors, Board Rule 5-3.5 as criteria for the audit.

We provided Jacqueline Edwards, District Secretary, with a draft copy of our audit report on August 25, 2021. We discussed the draft audit report with her on August 25, 2021, and she had no additional comments.

4. Summary of Audit Results

We found that in fiscal year 2021, the District complied in all material respects with the requirements of Board Rule 5-3.5. A list of property issued to each Director as recorded in the District's records is shown in Exhibit A.

Exhibit A - Schedule of District Property in Directors' Custody as of June 30, 2021

| District/Director | Property Description |
|--------------------|-----------------------|
| District #1 | |
| Debora Allen | (No Equipment Issued) |
| District #2 | |
| Mark Foley | (No Equipment Issued) |
| District #3 | |
| Rebecca Saltzman | Tablet Computer |
| District #4 | |
| Robert Raburn | (No Equipment Issued) |
| District #5 | |
| John McPartland | Mobile Smartphone |
| District #6 | |
| Elizabeth Ames | Mobile Smartphone |
| District #7 | |
| Lateefah Simon | Mobile Smartphone |
| District #8 | |
| Janice Li | (No Equipment Issued) |
| District #9 | |
| Bevan Dufty | (No Equipment Issued) |