

Independent Accountants' Report on Applying Agreed-Upon Procedures

San Francisco Municipal Transportation Agency (SFMTA)
Bond Oversight Committee and SFMTA Board of Directors
City and County of San Francisco, California:

We have performed the procedures enumerated in the Attachment, which were agreed to by San Francisco Municipal Transportation Agency (SFMTA), on SFMTA's sources and uses of funds related to bond Series 2012A, 2012B, 2013, 2014, and 2017 for the year ended June 30, 2018. SFMTA's management is responsible for SFMTA's sources and uses of funds related to bond Series 2012A, 2012B, 2013, 2014, and 2017 for the year ended June 30, 2018. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated in the Attachment, either for the purpose for which this report has been requested or for any other purpose.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on SFMTA's uses and sources of funds related to bond Series 2012A, 2012B, 2013, 2014, and 2017 for the year ended June 30, 2018. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of City and County of San Francisco Board of Supervisors, SFMTA Board of Directors, SFMTA Bond Oversight Committee, SFMTA management, and others within SFMTA, and is not intended to be and should not be used by anyone other than the specified parties.

(signed) KPMG LLP

San Francisco, California
December XX, 2018

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Procedures and Results:

1. For the sample items selected in procedure c. below, confirm that debt proceeds and interest income have been recorded in the accounting system solely for uses, purposes, and projects authorized in the authorizing resolution by performing the following procedures:
 - a. We obtained the following documentation related to City and County of San Francisco (CCSF) and San Francisco Municipal Transportation Agency (SFMTA) guidelines, procedures, and authorizations to use as a basis for determining that the debt proceeds and interest income were recorded correctly in procedure 2 below:
 - Board of Supervisors (BOS) Resolutions for Series 2012A, 2012B, 2013, 2014 and 2017 bonds and Municipal Transportation Agency Board (MTAB) Resolutions for Series 2012A, 2012B, 2013, 2014, and 2017 bonds
 - SFMTA Procurement Procedures
 - CCSF Accounting Policies and Procedures
 - Capital Funding Recommendations
 - b. We obtained and inspected the following bond resolutions that describe management's intention of the bond proceeds and interest income for the source, intended use, and expenditure and balances of bond revenue to use as a basis of determining that the debt proceeds and interest income were recorded correctly in procedure 2 below:
 - The SFMTA Board of Directors Resolutions 11-150, 13-205, and 16-044 resolving to issue Series 2012A, 2012B, 2013, 2014, and 2017 revenue bonds for the purpose of financing (as capital projects) the cost of transportation projects.
 - The SFMTA Board of Directors Resolutions 11-127, 13-206, and 16-044, which allow SFMTA to be reimbursed for costs for the above range of capital projects from the proceeds of revenue bond Series 2012A, 2012B, 2013, 2014, and 2017.
 - CCSF Board of Supervisors Resolutions 120-12, 337-13, and 231-16 authorizing the issuance of Series 2012A, 2012B, 2013, 2014, and 2017 bonds in concurrence with the resolutions passed by the SFMTA Board of Directors.
 - CCSF Board of Supervisors Resolutions required to appropriate the revenue collected from the bond issuances for the various capital projects to be undertaken by the Department of Public Works (DPW) on behalf of SFMTA.
 - c. We selected a sample of 65 expenditures from the general ledger detail (PeopleSoft data) provided by management, including a sample of trustee payments that included debt principal and interest amounts, and performed the agreed upon procedures listed in procedure 2 to determine whether the sources were used solely for uses, purposes, and projects authorized in the authorizing resolutions described above.

Results: No exceptions were found as a result of applying these procedures.

2. *For a sample of transactions, perform the following procedures with respect to uses, expenditures, encumbrance, and balances for the year ending June 30, 2018:*
 - a. Validate that uses are solely for purposes per authorizing resolution and applicable laws
 - b. Validate that project expenditures and encumbrances are for authorized capital projects

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- c. Validate that transactions are properly supported based on City and Departmental policies and are processed in accordance with SFMTA's internal procedures
 - d. Validate if the trustee payments for debt service are according to terms, amounts are correct, and due dates have been met
 - e. Validate if bond balances reported are correct and trace to supporting records
- (A) As referenced in procedure 1(c) above, we selected a sample of 65 transactions from the PeopleSoft data, split as follows:
- 25 expenditures with the high-dollar amounts
 - 15 assorted expenditures for small-dollar amounts
 - 15 interdepartmental charges
 - 5 budget (funding) transfers between projects
 - 5 trustee payments

We obtained the PeopleSoft data related to bond Series 2012A, 2012B, 2013, 2014, and 2017 from management of all transactions recorded related to the aforementioned bond series. We selected the 25 highest dollar amounts by filtering the transaction amount in the detail from highest to smallest. Then, we selected 15 additional expenditures that were not within the highest dollar amounts.

We obtained separate work order files related to bond Series 2012A, 2012B, 2013, 2014, and 2017 from management that included general ledger (GL) accounts 431 and 423. The work order file containing the GL code 423 was organized by transaction type and description. We selected the 15 interdepartmental charges from the work order file that contained GL 431. We used the second work order file with GL 423 and selected 5 budget (funding) transfers between projects with transaction type of "budget setup" with description of 'project funding'.

We obtained a listing of all bond debt service payments to trustee related to bond Series 2012A, 2012B, 2013, 2014, and 2017 from management. We selected five payments from this listing.

- (B) We performed the procedures described above on samples referenced in procedure 2(A) as follows:

High-dollar amounts and assorted smaller-dollar expenditures (Sample Size 40) Sample numbers 1-40 (Steps 2a-c described above). For samples #1-40 listed below, we validated:

- The uses of funds were for expenditures solely for purposes per authorization resolution and applicable laws by comparing the project description on the approved invoice and encumbrance payment provided by management to the respective bond authorization and resolution provided by management.
- The project expenditures and encumbrances were for authorized capital projects by obtaining the approved invoice and Certificate of Progress Payment that were signed by the project manager and contract administrator provided by management.
- The transactions were properly supported based on City and Departmental policies in accordance with SFMTA's internal procedures by obtaining the approved invoice, encumbrance payment request form, the general ledger screen shot showing the amount paid prior to reimbursement, Certificate of Progress Payment, request for progress payment memorandum, and bank statement from management. We also agreed the amount per the progress payment memorandum to the amount in the encumbrance payment request form for each selection. Then, we agreed the amounts per the progress payment

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report to the respective bank statement. For samples #1-9, #11, #14-17, #20, #24, #34-35, and #37-38, progress payment reports were not provided because they were not direct construction costs. We used the PeopleSoft payment screenshot from the general ledger system to compare the payment date to the respective bank statement. We also agreed the date of payment on the bank statement to the 30-day payment rule per CCSF's Prompt Payment Guideline. For sample #12, the 30-day payment rule did not apply because this transaction was an accrual and was subsequently reversed and a separate amount was paid. For samples #34-35 and #37-38, the 30-day payment rule did not apply because these payments are not construction contracts and therefore are not subject to the rule.

We further found the following:

- Sample #12 was an accrual entry in the amount of \$3.5M. The related payment/invoice/progress payment amount was adjusted down from \$3.5M to \$2.6M based on the progress payment/invoice submitted by the vendor, due to projected personnel expenses being higher than actual personnel costs incurred at the time of the invoice. We obtained the subsequent payment to support the \$2.6M and agreed to the invoice.
 - Samples #1-9, #11, #14-17, #20, and #24 were with the same vendor. We informed by management that these samples are for a Light Rail Vehicle (LRV) purchase contract which does not require SBE form 7 or SFMTA Certificate of Progress Payment. SBE form 7 is only for construction contracts. We noted Exhibit 1 and 2 of the contract listed out schedule of prices and the payment schedule, respectively. KPMG reviewed the respective invoices and purchase orders, as well as the progress payment certification memo signed by SFMTA and the contract's Project Manager and vouched the payment detail to the bank statement.
 - Samples #18, #23, and #25 were authorized by DPW, thus payment processing was performed according to work authorization procedures published by SFMTA for work authorizations between SFMTA & DPW in December 2016. DPW is authorized to charge expenditures and encumbrances to relevant index codes. KPMG reviewed the support (contractor invoices, approved progress payment form 9 – HRC Payment Affidavit, completed progress payment checklist, payment approval support), to ensure "documents supporting all charges" were appropriately included.
 - Sample #27 included a retention amount of \$63,211 that was deducted from the payment amount, as well as a \$21,938 earning amount from a separate phase of the project. As such, the encumbrance amount was the $\$1,242,291 + \$21,938 = \$1,264,229$ and the total progress payment amount for this project that we agreed to payment documentation was the $\$1,264,229 - \$63,211 = \$1,201,017.29$. We obtained the encumbrance entries as well as the progress payment documents submitted by the vendor, noting no exceptions.
 - Samples #10, #26, #28, #31, and 39 includes a 5% retention amount, which is the difference between the progress payment amount and the bank statement amount that is outlined on the progress payment form.
 - Sample #30 is a sales tax transaction, so progress payment form 7 is not required for this transaction as noted in the documentation provided by management.
 - Samples #35 and #37 consisted of employee salaries, and samples #34 and #38 were related to division overhead. For these samples, KPMG obtained relevant supporting documents including payroll register, timecards, and departmental overhead allocation rates to recalculate the sample amount.

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Sample #	Project name	Project title	Transaction type	Transaction
1	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	\$ 15,105,353
2	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	10,258,087
3	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	8,799,634
4	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	1,829,988
5	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	1,829,988
6	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	6,319,038
7	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	5,323,600
8	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	4,802,409
9	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	3,988,150
10	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	3,958,014
11	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	3,659,975
12	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	3,515,058
13	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT641	High Dollar Value	3,446,368
14	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	3,175,000
15	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	3,175,000
16	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	3,007,492
17	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	2,976,563
18	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	2,624,292
19	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT641	High Dollar Value	2,555,422
20	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	2,495,438
21	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	2,482,599
22	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	2,326,267
23	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	2,226,817
24	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	High Dollar Value	1,996,350
25	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	High Dollar Value	1,928,441

Samples #4 and #5 were replaced with new selections after initial sampling due to the original selections were requested by SFMTA to be recorded on the general ledger but it was not approved by City and County of San Francisco Controller's (Controller) office. The recording of the journal entries is a two-step approval process where the final approval is made by the Controller's office.

Sample #	Project name	Project title	Transaction type	Transaction
26	Masonic Avenue Complete Streets	PW Masonic Ave Infra Impr	Small Assorted	\$ 1,867,421
27	Van Ness Corridor Transit Improvement Project	MT Van Ness Ave BRT-CPT640	Small Assorted	1,242,291
28	Infrastructure Improvements at Parking Garages-PARCS	PW MTA Prkg Controls Improve	Small Assorted	269,807
29	Broadway Chinatown Improvements Project	MS Jean Parker Sr2s Project	Small Assorted	119,399
30	Warriors Arena Improvements-King St Substation Upgrade	MT King St Substat Upgr-CPT735	Small Assorted	51,000
31	Lombard Garage Waterproofing & Improvement Construction	PW MTA Lombard Wtrprf Façade	Small Assorted	314,862
32	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Small Assorted	27,734
33	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Small Assorted	26,012
34	Columbus Avenue Safety Project	PW Columbus Ave Infra Impr	Small Assorted	22,432
35	Broadway Chinatown Streetscape Project Phase IV	MT Rail & Bus Services	Small Assorted	21,661

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Sample #	Project name	Project title	Transaction type	Transaction
36	Mission and Valencia Streets Green Gateway	PW Polk St Infra Impr	Small Assorted	\$ 17,389
37	Columbus Avenue Safety Project	PW Columbus Ave Infra Impr	Small Assorted	11,752
38	Broadway Chinatown Improvements Project	PW Broadway Chinatown Phase IV	Small Assorted	9,119
39	Mission and Valencia Streets Green Gateway	PW Polk St Infra Impr	Small Assorted	7,667
40	Masonic Avenue Complete Streets	PW Masonic Ave Infra Impr	Small Assorted	6,140

Sample #31 was replaced with a new selection after initial sampling due to the original selection was requested by SFMTA to be recorded on the general ledger but it was not approved by the Controller's office. The recording of the journal entries is a two-step approval process where the final approval is made by the Controller's office.

Results: No exceptions found as a result of applying the above procedures.

Interdepartmental charges (Sample size 15) – Sample numbers 41-55 (Steps 2a-c described above)

- For each interdepartmental charge sample selected, we validated that the uses are solely for purposes per authorization resolution and applicable laws by obtaining the SFMTA Work Authorization to Department of Public Works (DPW) form, the general ledger screen shot, project description and project cost details provided by DPW and found the project descriptions on the work authorization form were for capital projects referenced in the respective bond authorization and resolution.
- For each interdepartmental charge sample selected, we validated that the project expenditures and encumbrance were for authorized projects by obtaining the Work Authorizations to DPW form and compared the project descriptions to the respective bond authorization and resolutions. We obtained related invoices, encumbrance amounts, the Certificate of Progress Payment that is approved by the Project Manager and contract administrator, and progress payment reports from management for each sample. We agreed the encumbrance amount to the amount on the progress payment report, agreed the invoice amount to the encumbrance amount and to the subcontractor or contractor payment (check copy or wire transfer form). For samples #51-52, and #54-55, progress payment reports were not provided because the related charges were not direct construction costs. We used the PeopleSoft payment screenshot from the general ledger system in place of the progress payment report. We obtained the SFMTA Work Authorization to DPW from management to confirm these are interdepartmental transfers by comparing the project descriptions on the Work Authorization to the project descriptions on the general ledger detail.
- For each interdepartmental charge sample selected, we validated the transactions were properly supported based on the City and Departmental policies and were processed in accordance with SFMTA's internal procedures by obtaining the work authorization from management and confirmed it was signed by a SFMTA project manager who verified that the documentation for charges was correct; the charges were in line with the project scope, schedule, and budget; and progress of work reasonably equated to the percentage of the budget expended. SFMTA's Work Authorization Procedure indicates that the SFMTA project manager is required to approve the charges related to DPW within 30 days of month-end for the applicable charges and requires that expenditures have a project description and project code to which the expenditures can be charged for tracking purposes. We obtained the invoices and work authorizations from management and compared the project descriptions to the project descriptions in the general ledger detail and to confirm that expenditures were for capital projects per authorization of bond revenues. We also confirmed that the invoices and supporting documents were submitted by DPW within 15 days of the month end, the general ledger screen shots were signed by a project manager, and the emails from DPW contained submission of the supporting documents. SFMTA established formal procedures for work authorization management and oversight with DPW in

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2016 as DPW delivers a significant number of projects for SFMTA. However, SFMTA does not have a similar formal procedure with other departments. We were informed by management that they will assess whether a similar formal procedure is needed for work authorization with other departments for future years, taking into account the relative volume as well as the functionality of the City's new financial system.

Sample #	Mapping project title	Project title	Transaction type	Transaction amount
41	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	\$ 844,040
42	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	537,834
43	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	1,042,952
44	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	801,748
45	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	449,369
46	Lombard Garage Waterproofing & Improvement Construction	PW MTA Lombard Wtrprf Façade	Interdepartmental	374,521
47	Infrastructure Improvements at Parking Garages-PARCS	PW MTA Prkg Controls Improve	Interdepartmental	230,337
48	Lombard Garage Waterproofing & Improvement Construction	PW MTA Lombard Wtrprf Façade	Interdepartmental	197,582
49	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	104,819
50	Broadway Chinatown Improvements	MS Jean Parker Sr2s Project	Interdepartmental	68,951
51	Geary Rapid Project	PW Baker/Geary Bulbs MF	Interdepartmental	38,122
52	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	25,096
53	Pedestrian Countdown Signals	PW Pedestrian Countdown Signal	Interdepartmental	22,016
54	Masonic Avenue Streetscape	PW Masonic Ave Infra Impr	Interdepartmental	11,720
55	Operator Convenience Facility Project	MT Operator Convenience-CPT729	Interdepartmental	4,177

Samples #41 and #42 were replaced with new selections after initial sampling due to the original selections were requested by SFMTA to be recorded on the general ledger but it was not approved by the Controller's office. The recording of the journal entries is a two-step approval process where the final approval is made by the Controller's office.

- We noted sample #50 was revised after the original progress payment invoice was sent to DPW on 10/6/17. KPMG notes the related purchase order (PO) was originally created in the FAMIS general ledger system and difficulties arose from the conversion of the FAMIS to PeopleSoft general ledger systems as the PO was not linked to the construction contract. As such, the invoice was unable to be processed as it had no related contract in the system to link and provide funding from. A revised progress payment invoice was sent on 10/31/17 that was appropriately linked to the correct project and was subsequently approved within 16 days of receipt by DPW.
- We noted sample #55 was for Overhead Allocation related to Public Utilities Commission (PUC) new service unit installation for the Operator Convenience Station on 3035 Fulton Street. We obtained the work authorization request and calculation and recalculated to the sample overhead amount, which is based on 78% of the labor cost for the period.
- We noted samples #52 and #54 is for an art project performed as part of the Masonic Avenue Infrastructure Improvement Project. As this is considered professional services, there was no encumbrance, certificate of progress payment, or payment declaration documentation. Instead, we

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obtained the invoice sent directly from the artist to SF Public Arts Commission, and agreed the amount and nature of the payment to the project.

- We noted samples #51, #52, #54, and #55 did not have a progress payment report because it is not a direct construction contract; there we obtained the PeopleSoft payment screenshot as a replacement.

Results: No exceptions were found as a result of applying these procedures.

Budget Funding (Sample Size 5) Sample numbers 56–60 (Steps 2a-c described above)

- For the budget funding samples, we validated the uses of funds were solely for purposes per authorization resolution and applicable laws by obtaining the SFMTA Work Authorization Request from management and compared the project description to the respective bond authorization and resolution.
- For the budget funding samples, we validated the project expenditures and encumbrances were for authorized capital projects by obtaining the SFMTA Work Authorization Request from management and confirmed the form was signed by a project manager. The five samples all related to capital outlays for buildings, structures, and improvement projects. We were informed by management that the work authorization request is used for establishing up the budget amount for the job order. The signature of a project manager authorizes that the funds are ready to be transferred from SFMTA to DPW (or another department).

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- For the budget funding samples, we validated the transactions were properly supported based on City and Departmental policies and are processed in accordance with SFMTA's internal procedures by obtaining the work authorization request which requires an expenditure or encumbrance have a project description and a project code to which the expenditures can be charged for tracking purposes. All the work authorizations obtained had the project description and project code. We found the SFMTA project manager signed the request form prior to transactions being entered into the general ledger system by comparing the dates on the request form to the general ledger entry. We inspected general ledger screen shots that showed the funds authorized to be used for specific projects by code and we found the entry to the system agreed to the amount authorized on the Work Authorization Request.

Sample #	Mapping project title	Project title	Transaction type	Transaction amount
56	Series 2013 Bond	MTA Rev Bond S2013 – Transit	Budget Funding	\$ 3,631
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(3,632)
57	Series 2017 Bond	MTA Rev Bond S2017 – Transit	Budget Funding	96,812,547
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(1,000,000)
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(1,000,000)
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(94,762,547)
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(50,000)
58	5 Fulton Rapid	MT Var Loc Fultn T 3 Co CPT739	Budget Funding	130,000
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(130,000)
59	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(3,775,625)
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(1,349,375)
	Procurement of Light Rail Vehicles	MT PROCUREMENT OF NEW LIGHT RA	Budget Funding	(15,875,000)
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT735	Budget Funding	100,000
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT736	Budget Funding	350,000
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT737	Budget Funding	50,000
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT738	Budget Funding	570,000
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT739	Budget Funding	650,000
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT740	Budget Funding	834,804
	UCSF Mission Bay Arena Platform Upgrade	MT UCSF PlatfRm Ext & C-CPT741	Budget Funding	12,290,196

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Sample #	Mapping project title	Project title	Transaction type	Transaction amount
	Warriors Arena Improvements-King St Substation Upgrade	MT King St Substat Upgr-CPT735	Budget Funding	\$ 5,379,531
	Warriors Arena Improvements-King St Substation Upgrade	MT King St Substat Upgr-CPT735	Budget Funding	775,469
60	Safe Routes to School- Tenderloin	MS Tenderloin SRTS	Budget Funding	46,000
	Laurel Heights/Jordan Park Traffic Calming Project	MS Traffic Calming Backlog Imp	Budget Funding	(46,000)

Results: No exceptions were found as a result of performing these procedures.

Trustee Payments (Sample Size 5) Sample numbers 61–65 (Steps 2d-e described above)

- For the five trustee payments, we validated that the trustee payments for debt service amounts paid were correct and the payments were paid by the due date by obtaining the monthly payment request and bank statement from management, and comparing the due date on the monthly payment request to the payment date on the bank statement to show whether the payment date was before the due date. We also agreed each trustee payment amount selected to the amount on the bank statement.
- For the five trustee payments, we validated if bond balances were correct and if they were supported with a payment by obtaining the debt service schedules for Series 2012A, 2012B, 2013, 2014, and 2017 bonds as part of the fiscal year 2018 audit and agreeing each amount to the corresponding debt service schedule.
- We sent out third-party confirmations to the banks and confirmed the balance due (for both interest and principal) for each bond series. We agreed the confirmed amount from the creditor’s information to the debt roll forward and debt service schedule provided by management.

Sample #	Project name	Project title	Transaction type	Transaction Amount
61	Debt Service Revenue Bond 2017	Bond interest-expense	Trustee payment	\$ 846,129
62	Debt Service Revenue Bond 2017	Bond redemption	Trustee Payment	789,167
63	Debt Service Revenue Bond 2017	Bond interest-expense	Trustee Payment	604,378
64	Debt Service Revenue Bond 2017	Bond interest-expense	Trustee Payment	846,129
65	Debt Service Revenue Bond 2017	Bond redemption	Trustee Payment	789,167

Samples #61-#63 were replaced with new selections after initial sampling due to the original selections were requested by SFMTA to be recorded on the general ledger but it was not approved by the Controller's office. The recording of the journal entries is a two-step approval process where the final approval is made by the Controller's office.

Results: No exceptions were found as a result of applying these procedures.