



PORT OF OAKLAND
OAKLAND, CALIFORNIA

Port of Oakland Audit Committee

FY 2024/25 AUDIT RESULTS
FY 2025/26 AUDIT SERVICE PLAN

Contents

01 Audit Results

02 Required Communications

03 Audit Service Plan FY2025-26

Port of Oakland

Audit Results

Deliverables

Independent Auditor's Report

- Basic Financial Statements

Single Audit

- GAS Report
- UG Report
- Passenger Facility Charge (PFC) Program
- Customer Facility Charge (CFC) Program

Deferred Compensation Plan

Required Communications

Framework and Responsibilities

Financial Statements

- U.S. Generally Accepted Accounting Principles (GAAP)

Audit Standards

- U.S. Generally Accepted Auditing Standards (GAAS)
- Generally Accepted Government Auditing Standards (GAS)
- Title 2 U.S. Code of Federal Regulations Part 200, Uniform Guidance Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)
- Passenger Facility Charge Audit Guide for Public Agencies
- Applicable sections of the CA Civil and Government Codes related to Customer Facility Charges

Audit Results

Unmodified Opinion on the Basic Financial Statements

Unmodified Opinion on the Major Program and PFC and CFC

Unmodified Opinion on Deferred Compensation Plan

No financial statement findings

No compliance findings

Required Communications FY2024-25

Management's Responsibilities	Auditor Responsibilities	Planned Scope and Timing	Accounting Policies and Practices	Audit Adjustments and Uncorrected Misstatements	Other Information Included in Annual Reports	Observations About the Audit Process
<ul style="list-style-type: none"> Fair presentation of the financial statements Design and implementation of internal controls Provide information and access during audit 	<ul style="list-style-type: none"> Perform the audit under GAAS and GAS Provide an opinion or reasons why we are unable Communicate results, including findings (deficiencies in internal control and/or compliance) 	<ul style="list-style-type: none"> No changes 	<ul style="list-style-type: none"> Accounting policies and practices** Unusual transactions Judgements and estimates 	<p>Corrected Items:</p> <ul style="list-style-type: none"> No material adjustments <p>Uncorrected Items:</p> <ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Supplementary Information Required Supplementary Information <ul style="list-style-type: none"> MDA Pension and OPEB schedules Other Information <ul style="list-style-type: none"> Introduction Section Statistical Section 	<ul style="list-style-type: none"> No disagreements w/ management No consultations with other accountants No significant issues discussed No difficulties encountered Independence Internal Control Matters Written Communications with Management

****New GASBs:**

GASB Statement No. 101, *Compensated Absences*

GASB Statement No. 102, *Certain Risk Disclosures*

Group Audit Arrangement with City's Auditors (also MGO)

Scope of Audits

- Annual Comprehensive Financial Report
- Single Audit
- Passenger Facility Charge compliance audit
- Customer Facilities Charge compliance audit
- Deferred Compensation Plan

Required Communications with Those Charged with Governance

Planning

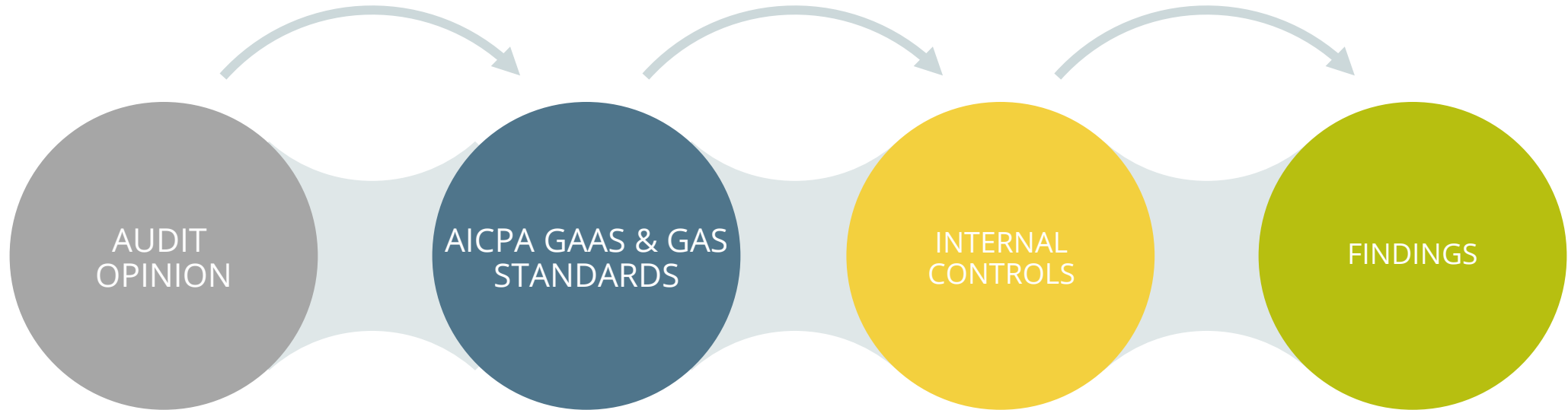
- Auditor's responsibility under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance
- Planned scope and timing of audit

Results

- Significant audit findings
- Qualitative aspects of accounting practices
- Difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- Management representations
- Management consultations with other independent accountants
- Other audit findings or issues

Our Responsibility

Our responsibility under U.S. *Generally Accepted Auditing Standards* and *Generally Accepted Government 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.

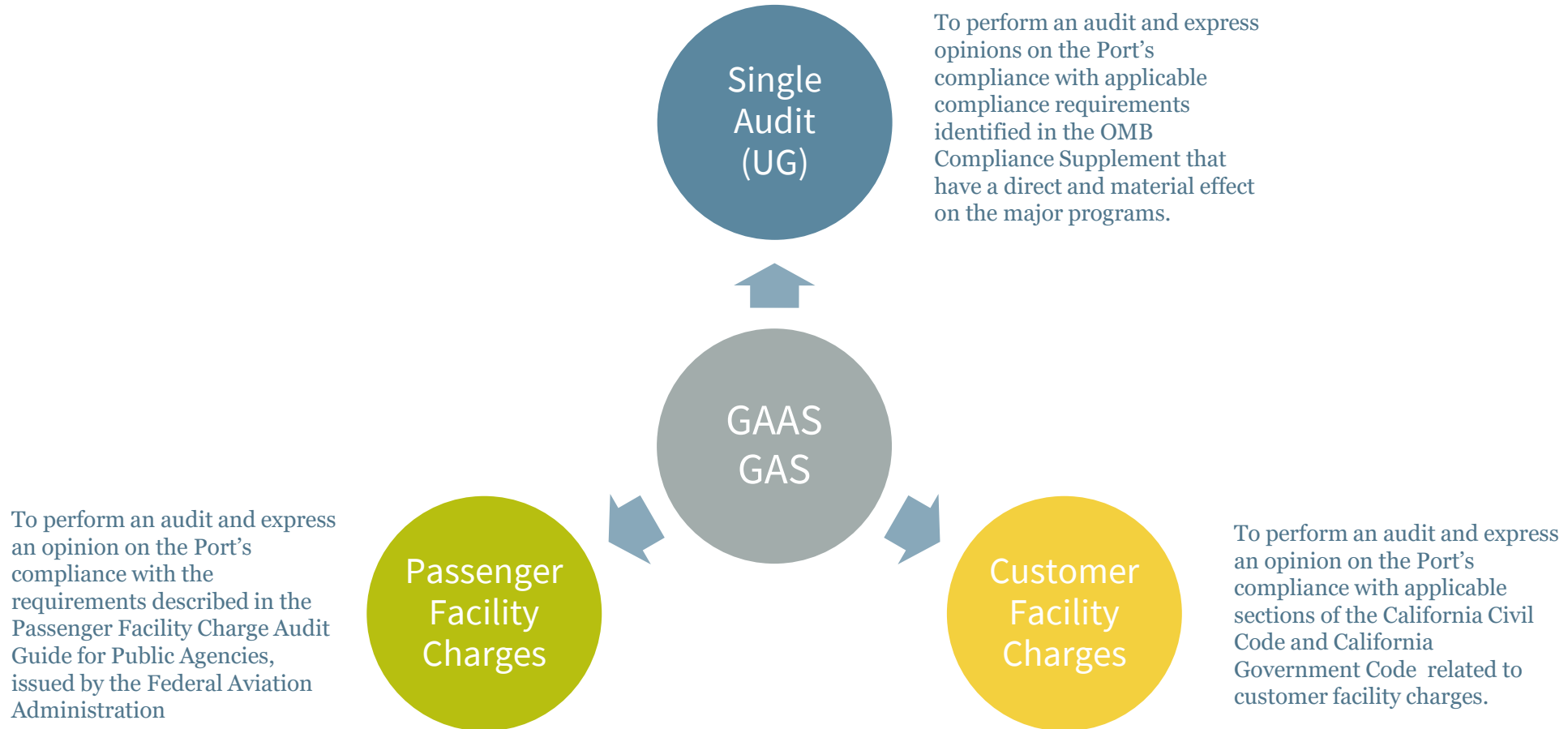
To perform an audit in accordance with generally accepted auditing standards issued by the AICPA and *Government Auditing Standards* (GAS), and to design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. We will also consider internal controls over financial reporting and compliance with provisions of law regulations, contracts, and grant agreements.

To obtain an understanding of the Port 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.

Our Responsibility

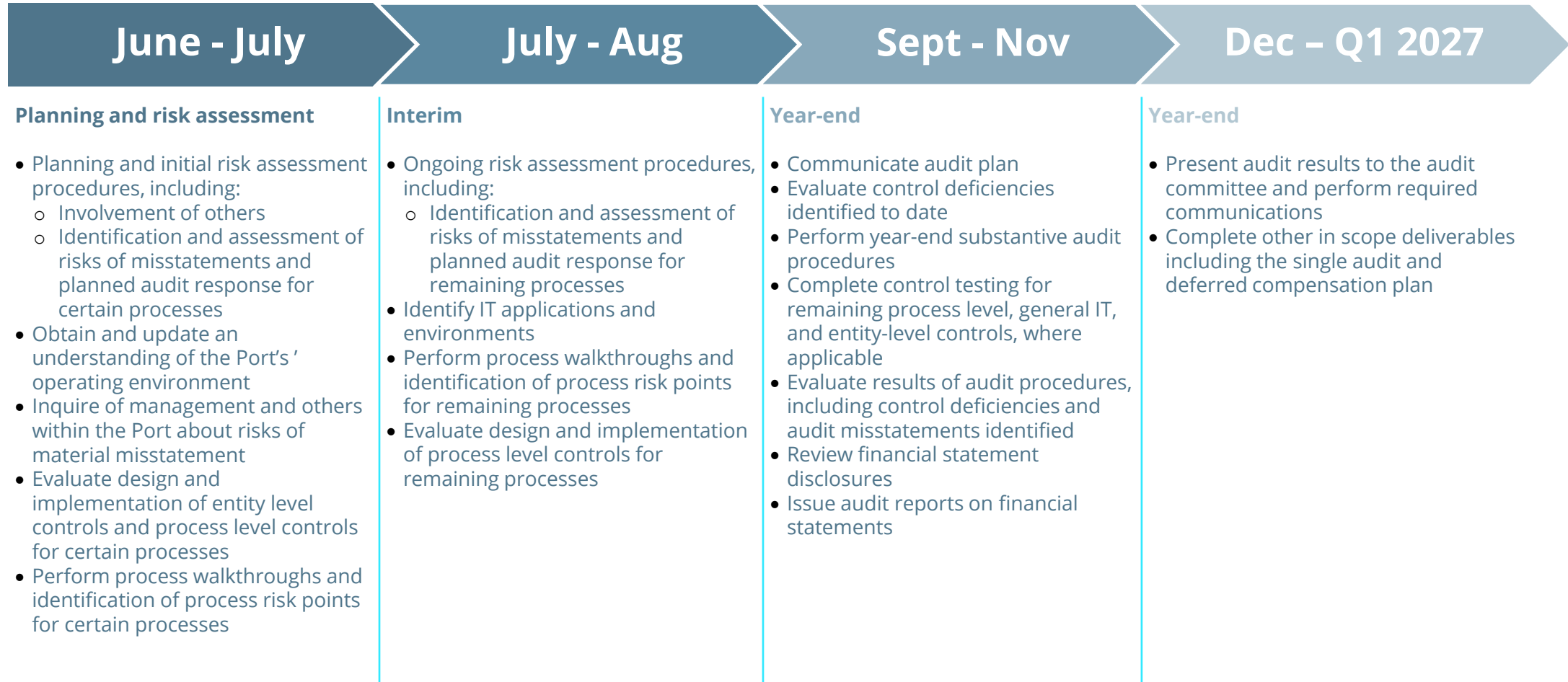
Our responsibility under U.S. *Generally Accepted Auditing Standards, Generally Accepted Government Auditing Standards, and other requirements.*



Management Responsibilities

Management responsibilities – Financial statements	<ul style="list-style-type: none">• Fairly presenting the financial statements, including disclosures in conformity with U.S. GAAP• Adjusting the financial statements to correct material misstatements and affirming in the representation letter that the effects of any uncorrected misstatements aggregated by the auditor are immaterial, both individually and in the aggregate, to the financial statements taken as a whole
Management responsibilities – ICFR	<ul style="list-style-type: none">• Design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
Management responsibilities – Other	<ul style="list-style-type: none">• To provide the auditor with:<ol style="list-style-type: none">1. access to all information of which management is aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters;2. additional information that the auditor may request from management for the purpose of the audit; and3. unrestricted access to persons within the entity from whom the auditor determines it necessary to obtain audit evidence• Identifying and ensuring that the entity complies with laws and regulations applicable to its activities, and for informing the auditor of any known material violations of such laws and regulations• Providing the auditor with a letter confirming certain representations made during the audit, that includes but is not limited to management's:<ol style="list-style-type: none">1. disclosure of all significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the entity's financial reporting2. acknowledgement of their responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud
Audit Committee responsibilities	<ul style="list-style-type: none">• Oversight of the financial reporting process and internal control over financial reporting (ICFR)• Oversight of the establishment and maintenance by management of programs and controls designed to prevent, deter, and detect fraud
Management and Audit Committee responsibilities	<ul style="list-style-type: none">• Setting the proper tone and creating and maintaining a culture of honesty and high ethical standards• Ensuring that the entity's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in the entity's financial statements.

Audit Timeline



Accounting, Compliance, and Audit Updates

Effective for fiscal year 2026

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- 2024 Uniform Guidance – Audit Requirements (2 CFR Subpart F)

Effective for fiscal year 2027

- Statement No. 105, *Subsequent Events*

Questions?

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