



The Board of Trustees and Citizens' Oversight Committee
San Francisco Community College District
General Obligation Bond Funds
(Election of 2005 and Election of 2020)
San Francisco, California

We have audited the financial statements of the General Obligation Bond Funds (Election of 2005 and Election of 2020) of San Francisco Community College District (the "District") and the related notes to financial statements as of and for the year ended June 30, 2024 and have issued or report thereon dated February 13, 2025. We have also performed the performance audit of the District's General Obligation Bond Funds (Election of 2005 and Election of 2020). Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit of the District's General Obligation Bond Funds (Election of 2005 and Election of 2020) under Generally Accepted Auditing Standards and *Government Auditing Standards* and the Performance Audit under *Government Auditing Standards*.

As communicated in our letter dated February 13, 2025, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Additionally, our responsibility, as described by professional standards, is to conduct a performance audit in accordance with *Government Auditing Standards*. Our audit of the financial statements and performance audit does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, 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.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated February 13, 2025.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor's report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks". We have identified the following as significant risks.

- Management Override of Controls – Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified as a significant risk that management of the District may have the ability to override controls that the District has implemented. Management may override the District's controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the District's financial performance or with the intent of concealing fraudulent transactions.
- Revenue Recognition – We identified revenue recognition as a significant risk due to financial and operational incentives for the District to overstate revenues.
- Improper use of restricted resources

Qualitative Aspects of the Entity's Significant Accounting Practices

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by San Francisco Community College are described in Note 1 to the financial statements. No significant new accounting policies were adopted, and the application of existing policies was not changed.

We noted no transactions entered into by San Francisco Community College during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Qualitative Aspects of the Entity's Significant Accounting Practices, continued

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

Financial statement disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's General Obligation Bond Funds (Election of 2005 and Election of 2020) financial statements relate to:

- The summary of significant accounting policies in Note 1.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected and Corrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify, and we did not notify them of any uncorrected or corrected financial statement misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

Modification of the Auditor's Report

We have made the following modification to our auditor's report.

- Emphasis of Matter - As discussed in Note 1, the financial statements present only the General Obligation Bond Funds (Election of 2005 and Election of 2020), and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2024, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Management Representation

We will request certain representations from management that are to be included in the management representation letter dated September 9, 2024, the date of the finalized audit report.

Management Consultations with Other Independent Accountant

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to San Francisco Community College District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as San Francisco Community College District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We noted adjustments to Cash in County to be in compliance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Restriction on Use

This information is intended solely for the information and use of the governing board and management of San Francisco Community College District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



CWDL, Certified Public Accountants
San Diego, California