

July 1, 2022

Housing Commission
Yolo County Housing
147 W. Main St.
Woodland, CA 95695

This letter is provided in connection with our engagement to audit the financial statements of the business-type activities and the discretely presented component unit of Yolo County Housing (YCH) as of and for the year ended June 30, 2022. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit.

Our Responsibilities

As stated in our engagement letter dated June 15, 2022, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), *Government Auditing Standards* of the Comptroller General of the United States of America, the requirements of the Single Audit Act, as amended; and the provisions of the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) for the purpose of forming and expressing an opinion(s) about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit does not relieve you or management of your respective responsibilities.

Accounting principles generally accepted in the United States require that certain required supplementary information (RSI) accompany the basic financial statements. The RSI including the Management Discussion and Analysis, the Cost-sharing Defined Benefit Pension Plan Schedule of the Authority's Proportionate share of the Net Pension Liability, the Cost-sharing Defined Benefit Pension Plan Schedule of Contributions, the Schedule of Changes in Net Other Post-employment Benefits (OPEB) Liability and Related Ratios, and the Schedule of OPEB Plan Contributions, will not be subjected to the auditing procedures applied in our audit and we will not express an opinion or provide any assurance on the RSI.

Our responsibility relating to the supplementary information other than RSI accompanying the basic financial statements including the combining schedules of net position, revenues, expenses and changes in net position, and cash flows, the Schedule of Public Housing Capital Fund, the Schedule of Expenditures of Federal Awards and the Financial Data Schedule (FDS) required by HUD is to evaluate its presentation for the purpose of forming and expressing an opinion as to whether the information is fairly stated in all material respects in relation to the financial statements as a whole.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Our audit procedures will also include determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget OMB *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of YCH's major federal programs. Because of this concept of reasonable assurance

and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or material noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, the requirements of the Single Audit Act, as amended; and the provisions of the Uniform Guidance.

Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. However, we will communicate to you at the conclusion of our audit any material weaknesses or significant deficiencies identified. We will also communicate to you:

- Any violation of laws or regulations that come to our attention;
- Our views relating to qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures;
- Significant difficulties, if any, encountered during the audit;
- Disagreements with management, if any, encountered during the audit;
- Significant unusual transactions, if any;
- The potential effects of uncorrected misstatements on future-period financial statements; and
- Other significant matters that are relevant to your responsibilities in overseeing the financial reporting process.

We expect to begin our audit during July 2022 and issue our report by November 30, 2022. Ahamadou Alainchar Bocar is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Housing Commission and management of Yolo County Housing and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Ahamadou Alainchar Bocar". The signature is written in a cursive, slightly slanted style.

Ahamadou Alainchar Bocar, CPA
Partner, CohnReznick LLP