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### **Agreed-Upon Procedures Engagement Letter**

Friday, September 6, 2024

Housing Authority of the City of Needles  
908 Sycamore Dr.  
Needles, CA 92363

To the Governing Body of Housing Authority of the City of Needles:

We are pleased to confirm our understanding of the services we are to provide for the Housing Authority of the City of Needles ("Authority").

We will apply the agreed-upon procedure which the U.S. Department of Housing and Urban Development, Real Estate Assessment Center (REAC), has specified, as listed in the schedule, to the electronic submission and related hard copy documents listed in the schedule of REAC electronic submission for the Authority as of and for the year ended June 30, 2024. This engagement is solely to assist the Authority and the U.S. Department of Housing and Urban Development, REAC, in determining whether electronic submission of certain information agrees with the related hard copy documents included within the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) reporting package. Our engagement to apply the agreed-upon procedure will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The sufficiency of the procedure is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedure described in the schedule either for the purpose for which this report has been requested or for any other purpose. If, for any reason, we are unable to complete the procedure, we will describe any restrictions on the performance of the procedure in our report, or we will not issue a report as a result of this engagement.

We will submit a report listing the procedure performed and our findings. This report is intended solely for the use of the Authority and the U.S. Department of Housing and Urban Development, REAC, and should not be used by anyone other than these specified parties.

Our report will include a statement that we have not performed any additional auditing procedures after the date of our reports on the audited financial statements and supplemental information. Further, we take no responsibility for the security of the information transmitted electronically to the U.S. Department of Housing and Urban Development, REAC.



You agree to retain a copy of the Uniform Guidance reporting package in its entirety.

The attest documentation for this engagement is the property of Smith Marion & Co. and constitute confidential information. However, we may be requested to make certain attest documentation available to the Secretary of Housing and Urban Development, the HUD Inspector General, and the Government Accountability Office or their representatives, pursuant to Authority given to them by law or regulation. We will notify you of any such request. If requested, access to such attest documentation will be provided under the supervision of Smith Marion & Co. personnel. Furthermore, upon request, we may provide copies of selected attest documentation to HUD or the Government Accountability Office representatives. HUD and the Government Accountability Office may decide to distribute the copies or information contained therein to others, including other governmental agencies.

At the conclusion of our engagement, we will require a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the electronic submission and the financial statements and supplemental information included in the Uniform Guidance reporting package.

**Our fee for these services is as follows: \$500.** That fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, our agreement with you will need to be revised. It is customary for us to enumerate these revisions in an addendum to this letter. If additional specified users of the report are added, we will require that they acknowledge in writing their responsibility for the sufficiency of the procedure.

We very much appreciate the opportunity to serve you.

Respectfully,

Cole Monroe, CPA | Partner  
Smith Marion & Co.  
4068 Rural Plains Circle, Suite 180  
Franklin, TN 37064

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Housing Authority of the City of Needles by:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_