

January 21, 2022

To the Board of Directors

History San Jose

We have audited the financial statements of History San Jose (the "Organization") for the year ended June 30, 2020, and have issued our report thereon dated January 21, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards. Professional standards also require that we communicate to you the following information related to our audit. We have communicated such information in our letter to you dated August 8, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 2 to the financial statements. As described in Note 2, the Organization adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958): Not for Profit Entities* as of and for the year ended June 30, 2020. The requirements of the ASU have been applied retrospectively to all periods presented as if the policy had always been used. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of property and equipment.
- The collectability of receivables.
- The accrual for compensated absences.
- Functional allocation of expenses.



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These estimates are based on a number of assumptions about future events. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statements disclosures are neutral, consistent, and clear. Certain financial statement disclosures can be particularly sensitive because of their significance to financial statement users. We noted no disclosures that we consider to be particularly sensitive.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. One of the corrections we proposed was to adjust net assets at the beginning of the year to agree to the prior year's ending net assets per the audited financial statements. The total amount of the adjustment to net assets was \$24,319.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as 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.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 21, 2022.

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Management Consultations with Other Independent Accountants

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 the Organization'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 History San Jose's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of History San Jose and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



GRANT BENNETT ASSOCIATES
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