

SAMPLE

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Board of Education

**Compliance**

We have audited the compliance of the \_\_\_\_\_ (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The District's major federal programs are identified on the Schedule of Expenditures of Federal Awards on page 116. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. The results of our auditing procedures disclosed no instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133.

**Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

#### **Schedule of Expenditures of Federal Awards**

We have audited the basic financial statements of the District as of and for the year ended June 30, 2009, and have issued our report thereon dated October 30, 2008. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Education, management, others within the School District, and federal awarding agencies and pass-through entities and is not intended to be used by anyone other than these specified parties.

December 17, 2007

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

<b>Federal Grantor/ Pass-through Grantor/Program Title</b>	<b>Federal CIDFA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Education</b>		
Passed through Colorado Department of Education:		
Major Programs:		
Title I - ESEA	84.010	364,561
Twenty-First Century Community Learning Centers	84.287	128,058
Non-major Programs:		
Title II - Part A	84.367	77,438
Rural and Low Income	84.358	15,865
Carl Perkins Vocational	84.048	15,023
Gifted and Talented	84.206	11,088
Drug Free Schools	84.186	4,455
Education Technology State Grants	84.318	3,429
<b>U.S. Department of Agriculture</b>		
Passed through Colorado Department of Education:		
Non-major Programs:		
National School Lunch Program	10.555	122,345
School Breakfast Program	10.553	33,127
Food Distribution ( Commodities)	10.550	19,657
Summer Food Service Program	10.559	4,804
 <b>Total Federal Awards</b>		 <u>\$ 799,850</u>

The accompanying notes are an integral part to these statements

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

---

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the [redacted] and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2. SUBRECIPIENTS**

Of the federal expenditures presented in the schedule, the [redacted] provided no federal awards to subrecipients.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2009**

---

Section I – Summary of Auditors' Results

*Financial Statements*

Type of auditors' reports issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?             yes     no
- Significant deficiencies identified that  
are not considered to be  
material weaknesses?             yes     none reported

Noncompliance material to financial  
statements noted?             yes     no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?             yes     no
- Reportable condition(s) identified that  
are not considered to be material weaknesses             yes     none reported

Type of auditors' reports issued on compliance  
for major programs: Unqualified

Any audit findings disclosed that are  
required to be reported in accordance  
with section 510(a) of Circular A-133?             Yes     no

Identification of major programs:

*CFDA Numbers*

*Name of Federal Program*

10.555  
84.287

National School Lunch Program  
Twenty-First Century Community Learning  
Centers

Dollar threshold used to distinguish between  
type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?             yes     no

Section II – Financial Statement Findings            None

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FOR THE YEAR ENDED JUNE 30, 2009**

---

**PRIOR FINDINGS - FEDERAL AWARDS**

None