

EXHIBIT A-4: Report on Compliance for Each Major Federal Program and State Project; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards and State Projects Required by the Uniform Guidance, Florida Single Audit Act, and Chapter (10.550 or 10.650, as applicable) Rules of the Auditor General

(Qualified Opinion on Compliance for One Major Federal Program or State Project; Unmodified Opinion on Compliance for Each of the Other Major Federal Programs and State Projects; Material Weaknesses and Significant Deficiencies in Internal Control Over Compliance Identified)

(AUDITOR’S LETTERHEAD)

Independent Auditor’s Report

(Appropriate Entity Official Addressee)

Report on Compliance for Each Major Federal Program and State Project

Qualified and Unmodified Opinions

We have audited (Entity’s) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement*, and the requirements described in the Florida Department of Financial Services’ *State Projects Compliance Supplement*, that could have a direct and material effect on each of (Entity’s) major Federal programs and State projects for the year ended (month day, 20XX). (Entity’s) major Federal programs and State projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

Qualified Opinion on [Identify Major Federal Program or State Project]

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, (Entity) complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on *[identify the major Federal program or State project]* for the year ended (month day, 20XX).

Unmodified Opinion on Each of the Other Major Federal Programs and State Projects

In our opinion, (Entity) complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major Federal programs and State projects identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended (month day, 20XX).

Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance),

Section 215.97, Florida Statutes (Florida Single Audit Act), and Chapter (10.550 or 10.650 as applicable), Rules of the Auditor General. Our responsibilities under those standards and Uniform Guidance, Florida Single Audit Act, and Rules of the Auditor General are further described in the Auditor’s Responsibilities for Audit Compliance section of the report.

We are required to be independent of (Entity) and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinion on compliance for each major Federal program and State project. Our audit does not provide a legal determination of (Entity’s) compliance with the compliance requirements referred to above.

Matter(s) Giving Rise to Qualified Opinion on [Identify Major Federal Program or State Project]

As described in the accompanying schedule of findings and questioned costs (Entity), did not comply with requirements regarding *[identify major Federal Program or State project and associated finding number(s) matched to the types(s) of compliance requirements; for example, the Head Start Cluster as described in finding numbers 20XX-001 for Equipment and Real Property Management and 20XX-002 for Reporting]*.

Compliance with such requirements is necessary, in our opinion, for (Entity) to comply with the requirements applicable to that program (or project).

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to (Entity’s) Federal programs and State projects.

Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on (Entity’s) compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, Florida Single Audit Act, and Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about (Entity’s) compliance with the requirements of each major Federal program and State project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or

error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding (Entity's) compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of (Entity's) internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Uniform Guidance and Florida Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of (Entity's) internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and Chapter (10.550 or 10.650, as applicable), Rules of the Auditor General, and which are described in the accompanying schedule of findings and questioned costs as items [*list the reference numbers of the related findings, for example, 20XX-003 and 20XX-004*]. Our opinion on each major Federal program and State project is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on (Entity's) response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. (Entity's) response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses, or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program or State project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items [*list the reference numbers of the related findings, for example 20XX-005 and 20XX-006*] to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or as combination of deficiencies, in internal control over compliance with the type of compliance requirement

of a Federal program or State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items *[list the reference numbers of the related findings, for example 20XX-007, and 20XX-008]* to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance, Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on (Example Entity's) response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. (Example Entity's) response was not subject to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter (10.550 or 10.650, as applicable), Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Projects Required by Uniform Guidance and Chapter (10.550 or 10.650, as applicable), Rules of the Auditor General

We have audited the financial statements of (Entity) as of and for the year ended (month day, 20XX), and have issued our report thereon dated (month day, 20XX) which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on financial statements as a whole. The accompanying schedule of expenditures of Federal awards and State projects is presented for purposes of additional analysis as required by the Uniform Guidance, Florida Single Audit Act, and Chapter (10.550 or 10.650, as applicable), Rules of the Auditor General, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of Federal awards and State projects is fairly stated in all material respects in relation to the financial statements as a whole.

[Auditor's Signature]
[Auditor's City and State]
[Date of the Auditor's report]