

GUIDE FOR QUALITY CONTROL REVIEWS OF SINGLE AUDITS



**Council of Inspectors General on
Integrity & Efficiency (CIGIE)**

2016 Edition

References, Definitions and Acronyms

References included are current as of the date of publication of this guide. The reviewer should identify and use the requirements and standards in effect for the audit being reviewed, and cite them in any pertinent documentation or communications. The reviewer should also be familiar with and have available the Office of Management and Budget (OMB) Compliance Supplement in effect for the period audited. Below are abbreviations used to refer to the requirements and standards referenced as applicable criteria in this guide, as well as some definitions and acronyms commonly found in Single Audit reports:

- 2 CFR 200: *OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* at 2 CFR Part 200 (2 CFR 200) as issued on December 19, 2014. The Council on Financial Assistance Reform's (COFAR) Frequently Asked Questions, updated September 2015, provide additional information on applicability to awards, subawards, and system changes.
- AAG-GAS: "AICPA Audit Guide - *Government Auditing Standards* and Single Audits," with conforming changes as of April 1, 2016
- AICPA: American Institute of Certified Public Accountants
- AU-C: Reference to section number for Statement on Auditing Standards in AICPA *Professional Standards*
- CFDA: Catalog of Federal Domestic Assistance
- DR: Desk Review
- GAAS: Generally Accepted Auditing Standards
- GAGAS: Generally Accepted Government Auditing Standards
- GAS: *Government Auditing Standards* (December 2011 Revision)
- OMB: Office of Management and Budget
- QCR: Quality Control Review
- Reporting Package: Submission of single audits in accordance with 2 CFR 200.512(c)
- SEFA: Schedule of Expenditures of Federal Awards
- SF-SAC: Standard Form - Single Audit Collection (also known as the Data Collection Form)
- W/P Ref.: Working Paper Reference

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Introduction

Objectives

The objectives of this quality control review (QCR) guide are to:

1. determine whether the audit was conducted in accordance with applicable standards, which include Generally Accepted Government Auditing Standards (GAGAS) and Generally Accepted Auditing Standards (GAAS), and meets the requirements of Office of Management and Budget (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance);
2. identify any follow-up work needed to support the conclusions and opinions contained in the reporting package; and,
3. identify issues that may require appropriate management official¹ attention.

The QCRs performed with this guide may provide evidence of the reliability of the Uniform Guidance single audits for auditors of Federal agency financial statements, such as those required by the Chief Financial Officers Act, and others.

Applicability and Use

This guide is effective for QCRs of single audits conducted in accordance with the Uniform Guidance for audits of fiscal years beginning on or after December 26, 2014. It is intended that this guide serve as the minimum documentation to support the QCR. **This guide revision addresses the changes to Single Audits under the Uniform Guidance.**

Agencies may modify or supplement this guide to meet their needs. The guide is arranged in sections so that the reviewer may select the parts/sections of the guide to meet their QCR objectives, in accordance with their agency's policies and procedures.

This guide can also be used when joint reviews are performed. Joint reviews are those QCRs performed with the assistance of staff from several agencies. A member of the lead agency should assume the "Team Leader" position and overall responsibility for the QCR. The reasons for procedure/step changes should be documented in the notes section of the QCR guide.

This guide is designed for use by reviewers who are knowledgeable about single audit requirements. Reviewers using this guide should have access to and be familiar with the contents of the Uniform Guidance (including the COFAR Frequently Asked Questions and the Compliance Supplement), GAGAS, and the American Institute of Certified Public Accountants (AICPA) Audit Guide "*Government Auditing Standards* and Single Audits" (AAG-GAS). Reviewers should update the guide to reflect any subsequent changes to the auditing standards and AAG-GAS.

¹ Appropriate management official could include auditee management, Federal program management, or other grantors.

This guide does not contain information regarding performing an audit under OMB Circular A-133. Auditors performing audits under OMB Circular A-133 must refer to the 2015 edition of the guide for information and guidance.

Guide Format and Instructions

This guide is generally organized by audit standards and elements of a single audit, focusing on the portions of the single audit that are of most interest to Federal officials.

The initial step of any QCR is to perform a desk review of the reporting package, using the desk review guide (CIGIE Guide for Desk Reviews of Single Audit Reports). Based upon an evaluation of the desk review results, reviewers should adapt the QCR guide to address any specific areas of concern.

The QCR guide is arranged by the following sections.

1. Introduction
2. General Information
3. Overall Conclusions
4. Review of General Requirements (GR)
5. Review of Single Audit Specific Requirements² (RS)
6. Review of Financial Statement and Related Requirements³ (FS)
7. Review of Major Federal Program Internal Control and Compliance Requirements (Attachment 1 (AT1))
8. Summary of Reviewer's Assessment of Major Federal Program Internal Control and Compliance Requirements (Attachment 1-A (AT1-A)) [This tool is provided to support the answers to questions AT1-2b, AT1-4a through AT1-4d, and AT1-11 for each compliance requirements.]

At the start of the QCR, reviewers should discuss the scope of the review with their management (and the Team Leader if performing a joint review) to determine whether modifications to this guide are necessary. When the audit covers multiple major Federal programs, the QCR plan should include a review of audit documentation for a sufficient number of major Federal programs to support the overall conclusions about the quality of the single audit.

"Yes" answers mean the reviewer did not identify quality deficiencies with the auditor's related work. "No" answers must be fully explained and cross referenced to the QCR documentation that supports and/or explains the quality deficiency. The reviewer should include a comment explaining the "N/A" answers if the reason would not be apparent to a supervisor or a person not participating in the QCR.

² This section describes requirements applicable to the entire reporting package.

³ This section describes requirements applicable to performing a financial statement audit under GAGAS.

Evaluation of QCR Results

When reaching specific and overall conclusions on the quality of the audit, the reviewer should exercise professional judgment and document the basis for their final conclusions. A “No” answer, by itself, does not indicate that the audit does not meet standards.

General Information

G-1	Auditee:	
G-2	Audit period covered by single audit:	
G-3	Auditor(s) / audit organization(s) (including primary auditor contact and location):	
G-4	Date of Single Audit Reporting Package ⁴ :	
G-5	Federal cognizant or oversight agency:	
G-6	Results of Desk Review (including potential deficiencies identified, if applicable):	
G-7	Name and contact information for primary QCR team leader:	
G-8	Dates of QCR site visit:	

G-9	QCR team members:			
	Name	Agency	Contact Information	Role in QCR

⁴ If there are different dates for the opinion on financial statements, report on internal control over financial reporting, and opinion on compliance with applicable Federal requirements, the reviewer should enter the latest date.

Overall Conclusions

Summary Evaluation of Each QCR Section			
QCR Section	Section or Questions Not Reviewed in QCR (if applicable)	Conclusion <i>(Pass, Pass with Deficiencies, Fail)</i>	Reviewer Reference(s)
Desk Review (DR):			
General Requirements (GR):			
Single Audit Specific Requirements (RS):			
Financial Statement and Related Requirements (FS):			
Summary of Attachment 1 (AT1) for All Programs Reviewed:			
<i>AT1, Major Federal Program A- CFDA #</i>			
<i>AT1, Major Federal Program B- CFDA #</i>			
<i>AT1, Major Federal Program C- CFDA #</i>			
<i>AT1, Major Federal Program D- CFDA #</i>			
<i>AT1, Major Federal Program E- CFDA #</i>			

Overall QCR Evaluation Summary			
C-1. Based on our review, the overall rating assigned to the auditor's work is:	[]	Pass	Audit documentation contains no quality deficiencies or only minor quality deficiencies that do not require corrective action.
	[]	Pass with Deficiencies	Audit documentation contains quality deficiencies that should be brought to the attention of the auditor (and auditee, where appropriate) for correction in future audits.
	[]	Fail⁵	Audit documentation contains quality deficiencies that affect the reliability of the audit results and/or audit documentation does not support one or more of the opinions expressed in the audit report(s), and require correction for the audit under review.

⁵ When the overall rating is “fail” and additional audit work is necessary to support one or more of the opinions expressed as a result of the audit, auditors should be advised to follow AU-C 585, Consideration of Omitted Procedures After the Report Release Date and AU-C 935.43, Compliance Audits with respect to reissuance of the audit report(s).

<p>C-2. Did the audit evidence identify any condition/issue that should have been, but was not, reported as a finding? <input type="checkbox"/> Yes or <input type="checkbox"/> No. If yes, describe the condition, including the DR or QCR step and reviewer’s workpaper reference to support reviewer’s statement. <i>[Note: Reviewers should consider notifying the agency/department management officials of the unreported conditions.]</i></p>	
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<p>C-3. Summarize QCR results and identify any follow-up work needed to support the reliability of the audit results and/or the opinion(s) expressed in the audit report(s).</p>	
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Reviewer Signature and Date:	
Reviewer Name and Title:	

Supervisor Signature and Date:	
Supervisor Name and Title:	

Review of General Requirements

General Requirements (GR)

[Note: Unfavorable (“No”) answers to GR-1 through GR-6 are indications of potential high risk areas related to the audit under review and should be fully explained in the notes section].

Question	Criteria	Yes	No	N/A	W/P Ref.	
Auditor Qualifications						
GR-1	Did those responsible for planning, directing, performing audit procedures, and reporting on the audit meet the GAGAS continuing professional education requirements?	GAS 3.76-3.81				
Independence						
GR-2	Was the audit documentation ⁶ free of indications that the auditor was not independent?	GAS 3.02-3.59; AU-C 200.15				
GR-3	Did the audit documentation include support that the auditor applied the GAGAS conceptual framework at the audit organization, audit, and individual auditor level including:	GAS 3.07-3.26, 3.59; AU-C 200.15				
	GR-3a	Identifying threats to independence?	GAS 3.08(a), 3.36, 3.45-3.58			
	GR-3b	Evaluating the significance of any threats, individually and in the aggregate?	GAS 3.08(b)			
	GR-3c	Applying safeguards as necessary to eliminate the threats or reduce them to an acceptable level?	GAS 3.08(c), 3.28-3.31			
Professional Judgment/Due Professional Care						
GR-4	Did the audit documentation support that the auditor used professional judgment in planning and performing the audit and in reporting the results? <i>[Note: Reviewers should answer this question within the context of the scope of their review and based on the results of the QCR.]</i>	GAS 3.60-3.68; AU-C 200.17-.18				
GR-5	If there were scope limitations identified in the audit documentation, did the auditor properly disclose all limitations, restrictions, or impairments in the auditor's report?	GAS 2.24; AU-C 705.07, .11-.28; AU-C 935.34				

⁶ For all questions that refer to “audit documentation,” reviewers should answer the question based on their review of all applicable information contained in the auditors’ engagement file.

Review of General Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
Quality Control						
GR-6	Did the audit organization have an external peer review performed by reviewers independent of the audit organization within the last 3 years? Obtain a copy of the most recent peer review report and any other written communications (if applicable). <i>[Note: Document the impact of the peer review results on the QCR planning process.]</i>	GAS 3.82, 3.96				
Fieldwork						
GR-7	Was the audit documentation (including the audit program) sufficient to support that the audit was adequately planned, performed, and supervised? <i>[Note: Reviewers should answer this question after completing all of the other steps in this guide.]</i>	GAS 4.15; AU-C 230; AU-C 300; AU-C 330; AU-C 935.28				
GR-8	Did the auditors document any departures from GAGAS requirements and the impact on the audit and conclusions? <i>[Note: Reviewers should answer this question after completing all of the other steps in this guide.]</i>	GAS 4.15(b)				
GR-9	Does the audit documentation include the identification of engagement team member(s) who performed the audit work and the dates performed?	AU-C 230.09(b)				
GR-10	Does the audit documentation demonstrate that, on or before the date of the auditor's report, the engagement partner (or comparable supervisor) conducted a review of the evidence in support of the findings, conclusions, and recommendations included in the auditor's report?	GAS 4.15(a); AU-C 220.19; AU-C 230.09(c)				
GR-11	Does the audit documentation provide evidence that the auditor considered and applied relevant criteria as part of the planning, testing, and reporting?	2 CFR 200.514; GAS 4.01, 4.11				
GR-12	Audit documentation should provide sufficient evidence that the auditors planned and performed procedures to detect material misstatements and/or noncompliance due to fraud. Did the documentation include:					
GR-12a	A discussion among the key audit personnel regarding the risks of material misstatement due to fraud and consideration of such a discussion with respect to the risks of material noncompliance due to fraud?	AU-C 240.15; AU-C 935.12				

Review of General Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
	GR-12b	Inquiries of management, those charged with governance, and others within the entity to obtain their views about the risks of fraud, including whether there is knowledge of any fraud or suspected fraud affecting the entity, and how the risks of fraud were addressed?				
	GR-12c	Evaluation of whether fraud risk factors were identified during the risk assessment?				
	GR-12d	Identification and assessment of the risks of material misstatement and/or noncompliance due to fraud, including a presumption that risks of fraud exist in revenue recognition?				
	GR-12e	Overall responses to the assessed risk of material misstatement and/or noncompliance due to fraud, including those designed to address the risk of management override of controls?				
GR-13	If the auditor identifies a material misstatement and/or noncompliance, did the audit documentation support that the auditor:					
	GR-13a	Evaluated whether the misstatement and/or noncompliance is indicative of fraud and, if so, the impact on the audit of the financial statements and Federal programs?				
	GR-13b	Reported fraud in accordance with the requirements of GAGAS and the Uniform Guidance?				
GR-14	If the work of an internal auditor was used, did the audit documentation support that GAAS were followed?					

Review of General Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
GR-15	If the audit is a Group Audit (as defined in AU-C 600), did the audit documentation support that the group auditor: <i>[Note: In addition to the group financial statements specifically addressed in AU-C 600, most of this section also applies to compliance audits when another auditor performs a portion of the audit work, as noted in AU-C 935.A41.]</i>	AU-C 600; AU-C 935.12				
GR-15a	Appropriately considered whether to accept or continue a group audit engagement based on whether the group auditor will be able to obtain sufficient appropriate audit evidence through the group auditor's work or the use of the work of component auditors?	AU-C 600.14- .17				
GR-15b	Established and approved an overall group audit strategy and group audit plan including an assessment of the extent to which the components auditors' work would be used and whether the report would make reference to the component auditor's work?	AU-C 600.18- .19				
GR-15c	Gained a sufficient understanding of the group, the components, and environment?	AU-C 600.20- .21				
GR-15d	Gained sufficient understanding of the component auditor(s) to determine (1) whether the component auditor(s) understands and will comply with the ethical requirements that are relevant to the group audit and is independent, (2) a component auditor's professional competence, (3) the extent, if any, to which the group auditor will be able to be involved in the work of the component auditor, (4) whether the group auditor will be able to obtain information from the component auditor(s), and (5) whether a component auditor(s) operates in a regulatory environment that actively oversees auditors?	AU-C 600.22- .23				
GR-15e	Made appropriate materiality considerations?	AU-C 600.32				

Review of General Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
	GR-15f	Designed and implemented appropriate responses to address the assessed risks of material misstatement and performed further audit procedures as required for the consolidation process?				
	GR-15g	Performed procedures to identify subsequent events for the components that occur between the dates of component financial information and the date of the report from the group auditor and, if applicable, the component auditor? <i>[Note: See AU-C 600.59 for additional requirements that apply when the group auditor is assuming responsibility for the work of a component auditor.]</i>				
	GR-15h	Communicated with the component auditor on a timely basis in accordance with GAAS?				
	GR-15i	Evaluated the sufficiency and appropriateness of audit evidence obtained?				
	GR-15j	Had appropriate communications with group management and those charged with governance of the group?				
	GR-15k	Met the additional requirements if assuming responsibility for the work of a component auditor?				
	GR-15l	Did the audit documentation support the group auditor's determination of whether to reference the component auditor in the audit report, and was the determination appropriate?				
GR-16	Were written management representations obtained concerning the financial statements and Federal awards?					
GR-17	Were appropriate actions taken if there was doubt on the reliability of written representations based on the audit or if requested written representations were not provided?					

Review of General Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
GR-18	Did the financial statement audit documentation support that sufficient appropriate audit evidence was obtained concerning litigation, claims, and assessments and that the required audit procedures were performed?	AU-C 501.16-.24				
GR-19	Did the auditor consider information about subsequent events relating to applicable compliance requirements that occurred after the end of the audit period and through the date of the auditor's report?	AU-C 560; AAG-GAS 10.47-.49				
GR-20	Was the audit documentation prepared in sufficient detail to provide a clear understanding of the work performed, the audit evidence obtained, and the conclusions reached for the following audit components:	GAS 4.15; AU-C 230; AU-C 500; AU-C 935.39-.42				
	GR-20a	Audit of the financial statements?				
	GR-20b	Audit of major Federal programs?				

Review of Single Audit Specific Requirements

Single Audit Specific Requirements (RS)

Question	Criteria	Yes	No	N/A	W/P Ref.
Schedule of Expenditures of Federal Awards					
RS-1	Did the auditor plan and perform procedures to determine whether the SEFA was presented fairly in all material respects in relation to the auditee's financial statements as a whole?	2 CFR 200.514(b)			
RS-2	Does the audit documentation support that the auditor:	AAG-GAS Chapter 7			
RS-2a	Determined whether the auditee prepared the SEFA for the period covered by the financial statements and that the amounts reconciled to the financial statements or the accounting records used to prepare the financial statements?	2 CFR 200.502, 508(b), .510(b); AU-C 725 .05(a)-(b), .07(d); AAG-GAS 7.05, 7.13			
RS-2b	Determined that the entity had sufficient internal controls in place and operating to prepare and fairly present the required information in the SEFA?	AAG-GAS 7.14			
RS-2c	Determined whether the auditee accurately identified all Federal programs in the SEFA and that programs were properly presented in the level of detail required by the Uniform Guidance, including the appropriate level of detail for program clusters, pass-through awards, loans and loan guarantee programs, and the value of noncash awards?	AU-C 725.07(b); 2 CFR 200.502, .508(b), .510(b)			
RS-2d	Considered whether a significant deficiency or material weakness exists if the auditee was unable to identify Federal expenditures separately and/or the SEFA was not adequately prepared?	2 CFR 200.510(b), .516(a)(1); GAS 4.23-.24; AAG-GAS 7.16			
RS-2e	Determined whether the auditee included notes to the SEFA that describe (1) significant accounting policies used in preparing the schedule, (2) whether or not the auditee elected to use the 10% de minimis cost rate as covered in 2 CFR 200.414, and (3) the balances of loan or loan guarantees outstanding at the end of the audit period?	2 CFR 200.510(b)(5- 6)			

Review of Single Audit Specific Requirements

Question	Criteria	Yes	No	N/A	W/P Ref.
Determination of Major Federal Programs					
<p><i>[Note: The reviewer should answer the following questions incorporating the results from the desk review questions DR-21, DR-22, and DR-23. The “Major Federal Program Determination Worksheet” tool is provided as an attachment to the desk review guide.]</i></p>					
RS-3	Did the audit documentation support the auditor’s determination of whether the auditee was a low-risk auditee?	2 CFR 200.520			
RS-4	If the auditors identified low-risk Type A programs, does the audit documentation support that the identification is in accordance with the Uniform Guidance requirements?	2 CFR 200.518(c)			
RS-5	Does the audit documentation support that the major Federal programs were selected in accordance with the Uniform Guidance requirements? At a minimum, did the auditor audit all of the following as major Federal programs:				
RS-5a	All Type A Federal programs not identified as low risk?	2 CFR 200.518(e)(1)			
RS-5b	All Type B Federal programs identified as high-risk using professional judgement and the criteria in 2 CFR 200.519?	2 CFR 200.518(d), (e)(2)			
RS-5c	Federal programs that are requested by a Federal agency or pass-through entity to be audited as major?	2 CFR 200.503(e)			
RS-5d	Such additional Federal programs as may be necessary to comply with the percentage of coverage rule?	2 CFR 200.518(e)(3), (f)			
RS-6	If the auditors identified low-risk Type A Federal programs, did the audit documentation support the auditor’s performance of required Type B Federal program risk assessments?	2 CFR 200.518(d), (g), .519			
RS-7	If the prior year SEFA or a preliminary estimate of expenditures was used for an initial determination of major programs, was there a final analysis to determine whether those programs were still appropriately classified as major or whether any additional programs should be classified as major based on actual federal expenditure amounts?	AAG-GAS 8.03			

Review of Single Audit Specific Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
Schedule of Findings and Questioned Costs						
RS-8	Based on the audit work performed, did the Financial Statement Findings Section and the Federal Award Findings and Questioned Costs Section of the Schedule of Findings and Questioned Costs include:	2 CFR 200.515 (d)(2-3); GAS 4.23-.27				
RS-8a	Significant deficiencies and material weaknesses in internal control over financial reporting?	GAS 4.23-.24				
RS-8b	Instances of fraud and noncompliance with provisions of laws or regulations that have a material effect on the audit and any other instances that warrant the attention of those charged with governance?	GAS 4.23, .25(a)				
RS-8c	Noncompliance with provisions of contracts or grant agreements that has a material effect on the audit?	GAS 4.23, .25(b)				
RS-8d	Abuse that has a material effect on the audit?	GAS 4.23, .25(c)				
RS-8e	Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs?	2 CFR 200.516(a)(1)				
RS-8f	Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program?	2 CFR 200.516(a)(2)				
RS-8g	Known or likely questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program?	2 CFR 200.516(a)(3)				
RS-8h	Known questioned costs that are greater than \$25,000 for a Federal program which is not audited as a major program?	2 CFR 200.516(a)(4)				
RS-8i	The circumstances concerning why the auditor's report on compliance for each major program is other than an unmodified opinion, unless such circumstances are otherwise reported as an audit finding(s)?	2 CFR 200.516(a)(5)				
RS-8j	Known or likely fraud affecting a Federal award, unless such fraud is otherwise reported as an audit finding(s)?	2 CFR 200.516(a)(6)				

Review of Single Audit Specific Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
	RS-8k	Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with 2 CFR 200.511(b) materially misrepresents the status of any prior audit finding?				
Summary Schedule of Prior Audit Findings						
RS-9	Does the audit documentation support that the auditor performed procedures to assess the reasonableness of the summary schedule of prior audit findings?					
RS-10	Did the auditor report all instances in which the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee materially misrepresents the status of any prior audit finding?					
Summary of Attachment 1 Results						
Complete an Attachment 1 for each major Federal program reviewed. The following questions capture the overall summary of results relating to major Federal programs for which Attachment 1 was completed. <i>[Note: All Federal programs reviewed in the QCR (as identified in question G-10) should be accounted for in either RS-11 or RS-12.]</i>						
RS-11	Identify the major Federal programs for which the auditor performed and documented work that was determined to be “pass” or “pass with deficiencies” (met the Uniform Guidance, GAGAS, and GAAS requirements):					
	A					
	B					
	C					
RS-12	Identify the major Federal programs for which the work performed and documented was determined to be “fail” (did not meet the Uniform Guidance, GAGAS, and GAAS requirements):					
	A					
	B					
	C					

Review of Financial Statement and Related Requirements

Financial Statement and Related Requirements (FS)

Question	Criteria	Yes	No	N/A	W/P Ref.
Risk Assessment Procedures					
<i>[Note: Questions FS-1 through FS-2 may be answered for either the entity as a whole or for any specific account balance or assertion considered material to the financial statements and that is of concern to the reviewer.]</i>					
Account Balance(s)/Assertion(s) Reviewed (if applicable):					
FS-1	Did the auditor gain a sufficient understanding of the entity and its environment, including internal control, to identify and assess the risks of material misstatements of the financial statements (whether due to error or fraud), and to design the nature, timing, and extent of further audit procedures?	AU-C 315			
FS-2	Does the audit documentation support that the nature, timing, and extent of audit procedures are based on, and are responsive to, the auditor’s assessment of risk? <i>[Note: The auditor must test the operating effectiveness of internal controls if relying on those controls in determining the nature, timing, and extent of substantive procedures.]</i>	AU-C 330.05-.24			
Identification and Evaluation of Audit Findings					
FS-3	If the auditor determined controls were missing or the design of controls was not capable of preventing, detecting, or correcting material misstatements, did the auditor document the evaluation and disposition of control deficiencies for reporting purposes?	AU-C 265.07-.09			
FS-4	If the auditor identified control deficiencies or instances of noncompliance, did the audit documentation:				
FS-4a	Support the determination as to whether control deficiencies either individually or in combination were a significant deficiency or a material weakness?	AU-C 230.08(c); AU-C 265.09-.10			
FS-4b	Support the basis for the auditor’s conclusion if exceptions identified in the audit documentation were not reported (“proper disposition of exceptions”)?	AU-C 230.08(c); AU-C 265.08-.10			

Review of Financial Statement and Related Requirements

Question		Criteria	Yes	No	N/A	W/P Ref.
Communication of Audit Findings						
FS-5	If the auditor's procedures disclose instances or indications of fraud or noncompliance with provisions of laws or regulations that have a material effect on the financial statements or other financial data significant to the audit objectives, did the auditor inform those charged with governance of the details of the fraud and noncompliance?	GAS 4.25(a), 4.27				
Compliance with AICPA Standards						
FS-6	If there were conditions identified that indicated that there could be substantial doubt about the entity's ability to continue as a going concern, did the audit documentation support that the auditor complied with AU-C 570?	AU-C 570				
FS-7	If the financial statements were prepared in accordance with a Special Purpose Framework, does the audit documentation support that the auditor complied with AU-C 800?	AU-C 800				

Review of Major Federal Program Internal Control and Compliance Requirements (Attachment 1)

Major Federal Program Internal Control and Compliance Requirements (AT1)	
Name of Major Federal Program:	
CFDA Number(s):	
<i>[Note: Reviewers may choose to use the tool provided at Attachment 1-A to support their answers to questions 2b, 4a through 4d, and 11 as they apply to the individual compliance requirements for this major Federal program.]</i>	

Question		Criteria	Yes	No	N/A	W/P Ref.
Considerations Related to Audit of Major Federal Program						
AT1-1	Does the audit documentation support that the auditor determined the compliance requirements in effect for the period under audit and planned the audit procedures accordingly? <i>[Note: Reviewers should ensure the auditor selected the correct version of Part 3 for expenditures in each major program tested.]</i>	2 CFR 200.514(d); AAG-GAS 10.21-.22; AAG-GAS 10.79				
AT1-2	Does the audit documentation support that the audit procedures for evaluating major Federal program compliance included:					
	AT1-2a The auditor’s determination of materiality in relation to the major Federal program?	AU-C 935.13; AAG-GAS 6.47, 10.11				
	AT1-2b The basis for the auditor’s determination of direct and material compliance requirements, and was the determination reasonable?	2 CFR 200.514(d); AU-C 935.14; AAG-GAS 10.17-.20				
Sampling - Major Federal Program (Internal Control and Compliance)						
AT1-3	Does the audit documentation support that the samples selected were appropriate to meet the audit objectives of the individual compliance requirements tested? Specifically, does the audit documentation support that the auditor:	AU-C 530.02, .04; AAG-GAS Ch. 11				
	AT1-3a Selected a sample that is representative of the population and of appropriate size to obtain sufficient and appropriate audit evidence?	AU-C 530.06-.08				
	AT1-3b Considered the specific characteristics of the individual transactions in the sample?	AU-C 530.06				
	AT1-3c Performed the planned sampling procedures and evaluated the results, or if the sampling plan was not followed, any deviations from that plan were documented and reasonable?	AU-C 530.09-.14				

Review of Major Federal Program Internal Control and Compliance Requirements (Attachment 1)

Question		Criteria	Yes	No	N/A	W/P Ref.
	AT1-3d	If dual purpose testing was used, did the auditor’s documentation of internal control and compliance tests include a clear distinction between the audit objectives and test results for each test so that separate conclusions were reached on the internal control attributes and compliance attributes tested?				
Testing of Internal Control over Compliance						
AT1-4	For those compliance requirements that the auditor determined to be direct and material to the major Federal program, does the audit documentation support that the auditor:					
	AT1-4a	Gained an understanding of internal controls over the Federal program sufficient to plan the audit to support a low assessed level of control risk of noncompliance for major programs?				
	AT1-4b	Identified and planned the tests of relevant controls to (1) support a low assessed level of control risk for the assertions (audit objectives) relevant to each direct and material compliance requirement and (2) allow the auditor to reach a conclusion on the effectiveness of internal control for preventing or detecting noncompliance?				
	AT1-4c	Performed the planned testing of internal control?				
	AT1-4d	Assessed the remaining risk of material noncompliance based on the results of procedures performed related to internal control?				
AT1-5	If the auditor omitted testing of controls for any direct and material compliance requirement because the auditor concluded that internal controls over compliance were not implemented or were not likely to be effective, do the report and audit documentation include the following:					
	AT1-5a	A significant deficiency or material weakness as part of the audit findings?				

Review of Major Federal Program Internal Control and Compliance Requirements (Attachment 1)

Question			Criteria	Yes	No	N/A	W/P Ref.
	AT1-5b	An assessment of control risk at maximum and a consideration of whether additional compliance tests were required?	2 CFR 200.514(c)(4)				
AT1-6	Did the auditor report all significant deficiencies and material weaknesses and significant instances of abuse that are identified in the audit documentation?		2 CFR 200.516(a)(1)				
AT1-7	Does the audit documentation include an evaluation of whether control deficiencies (either individually or in combination) were significant deficiencies or material weaknesses, in relation to the compliance requirement for the major Federal program?		AU-C 265.09-.10				
AT1-8	If exceptions identified in the audit documentation were not reported, does the audit documentation support the basis for the auditor’s conclusion (“proper disposition of exceptions”)?		AU-C 230.08(c); AU-C 265.08-.10				
AT1-9	In the judgment of the reviewer, were the nature and extent of the documented tests of controls sufficient to support the auditor’s conclusion on the effectiveness of internal control for preventing or detecting noncompliance relevant to the material compliance requirements for the major Federal program?		2 CFR 200.514(c); GAS 4.15; AU-C 230; AU-C 935.20, .28				
AT1-10	In the judgment of the reviewer, does the Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance accurately reflect the results of the internal control work for the major Federal program?						
Testing for Compliance with Direct and Material Compliance Requirements							
AT1-11	For those compliance requirements that the auditor determined to be direct and material to the major Federal program, does the audit documentation support that the auditor:		2 CFR 200.514(d)				
	AT1-11a	Planned and performed compliance testing sufficient to meet the audit objectives identified in the Compliance Supplement? <i>[Note: Reviewers should ensure the auditor applied the appropriate criteria.]</i>	AU-C 935.19, .21; AAG-GAS 10.77				
	AT1-11b	Evaluated and appropriately disposed of exceptions identified in the compliance testing?	AU-C 230.08(c); AU-C 935.28, .40				

Review of Major Federal Program Internal Control and Compliance Requirements (Attachment 1)

Question		Criteria	Yes	No	N/A	W/P Ref.
AT1-12	Did the auditor report:					
	AT1-12a	Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program?	2 CFR 200.516(a)(2)			
	AT1-12b	The circumstances concerning why the auditor's report on compliance for each major program is other than an unmodified opinion, unless such circumstances are otherwise reported as audit findings in the schedule of findings and questioned costs for Federal awards?	2 CFR 200.516(a)(5)			
	AT1-12c	Known or likely fraud affecting a Federal award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for Federal awards?	2 CFR 200.516(a)(6)			
	AT1-12d	Known or likely questioned costs that are greater than \$25,000 for a type of compliance requirement for a major program?	2 CFR 200.516(a)(3)			
AT1-13	In the judgment of the reviewer, does the audit documentation support:					
	AT1-13a	The auditor's consideration of instances of noncompliance, both individually and when aggregated, in determining the overall opinion on compliance?	AU-C 935.28-.29; AAG-GAS 10.12			
	AT1-13b	The work performed and the opinion reached on compliance for the major Federal program?	GAS 4.15; AU-C 230; AU-C 935.28-.29			
AT1-14	In the judgment of the reviewer, were the nature and extent of the documented tests of compliance sufficient to enable the auditor to determine whether the auditee complied with the direct and material compliance requirements for the major Federal program?	2 CFR 200.514(d)				
AT1-15	In the judgment of the reviewer, did the auditor render an appropriate opinion on the major Federal program in the "Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance"?					

Summary of Reviewer’s Assessment of Major Federal Program Internal Control and Compliance Requirements (Attachment 1-A (AT1-A))

Major Federal Program Name:												
CFDA Number(s):												
Compliance Requirement	AT1-2b: Assessment of “Direct and Material”			AT1-4a: Understanding of Internal Controls		AT1-4b through AT1-4d: Planned and Performed Testing of Internal Controls			AT1-11: Planned and Performed Compliance Testing			
	DM, NDM, N/A	Reason-able	W/P Ref	Y/N	W/P Ref	Plann-ed	Per-formed	W/P Ref	Plann-ed	Per-formed	W/P Ref	
A	Activities Allowed or Unallowed											
B	Allowable Costs and Cost Principles											
C	Cash Management											
D	Reserved											
E	Eligibility											
F	Equipment and Real Property											
	Matching											
G	Level of Effort											
	Earmarking											
H	Period of Availability											
	Procurement											
I	Suspension and Debarment											
J	Program Income											
K	Reserved											
L	Reporting											
M	Subrecipient Monitoring											
N	Special Tests and Provisions											

DM: Direct and Material to Program
 NDM: Not Direct and Material to Program

N/A: Not applicable to Program (Compliance Supplement or auditor’s assessment)
 Reasonable: Audit Documentation supports auditor’s assessment