



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

AUDIT SERVICES

October 26, 2021

Subject: **CPA-21-06** – Proprietary School Higher Education Emergency Relief Fund Compliance Engagement Example Practitioner’s Reports Reflecting Changes for SSAE No. 21

Dear Certified Public Accountant:

This letter amends the March 2021 Audit Guide, *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Guide) to replace example practitioner’s reports in Section D.6-2 of Chapter 2 for periods after adoption of Statement on Standards for Attestation Engagements Number (SSAE No.) 21.

[\(Enclosure 1\)](#)

Example Practitioner’s Reports Applicability

SSAE No. 21 revised practitioner’s examination reports and is effective for reports dated on or after June 15, 2022, with early implementation permitted. The example examination reports included in this letter as Enclosure 1 reflect changes from SSAE No. 21 and should be used for compliance attestation engagements performed in accordance with this Guide once you have adopted that standard. You should continue to use the example reports published in the Guide for periods before adoption of SSAE No. 21.

You should revise the example reports as needed in different situations. Using professional judgment, you may adapt these examples to other situations not specifically addressed within the illustrations. Certain conditions that may make revisions necessary are described in the footnote to the example reports.

Contact for Questions

Questions pertaining to this letter may be directed to the Office of Inspector General’s Non-Federal Audit Team via email to OIGNon-FederalAudit@ed.gov.

Respectfully,

/s/

Bryon S. Gordon
Assistant Inspector General for Audit

Replace Chapter 2, Section D.6-2 of the *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Pages 49 -54)

D.6. ILLUSTRATIVE COMPLIANCE ATTESTATION ENGAGEMENT REPORTS, SCHEDULES, AND FORMS

D.6-2a Report on Management’s Assertions on Compliance for the Higher Education Emergency Relief Fund Grant Program Required by the *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Unmodified Opinion, No Reportable Findings)

Independent Accountant’s Report

[*Appropriate Addressee*]

We have examined management of [Entity’s] assertions that [Entity] complied with the compliance requirements regarding Activities Allowed or Unallowed, Allowable Costs and Cost Principles, Earmarking, Period of Performance, Procurement Suspension and Debarment, and Reporting described in Chapter 2 of the March 2021 edition of the U. S. Department of Education’s *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Guide) relative to [Entity’s] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date].¹ [Entity’s] management is responsible for its assertions. Our responsibility is to express an opinion on management’s assertions about [Entity’s] compliance with the compliance requirements referred to above, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the examination to obtain reasonable assurance about whether management’s assertions about compliance with the compliance requirements referred to above are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management’s assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management’s assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management’s assertions that [Entity] complied with the compliance requirements referred to above for the year ended [Date], are fairly stated, in all material respects.²

¹ Only those compliance requirements which are applicable to the school, and therefore examined as part of the compliance attestation engagement, should be listed in this paragraph.

² The opinion should be modified, as appropriate, depending on the specific circumstances of the engagement.

The purpose of this report is to examine management's assertions about compliance with the compliance requirements referred to above relative to [Entity's] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date]. The report is not suitable for any other purpose.

[Practitioner's signature]

[Practitioner's City and State]

[Date of practitioner's report]

D.6-2b Report on Management’s Assertions on Compliance for the Higher Education Emergency Relief Fund Grant Program Required by the *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Unmodified Opinion, Reportable Findings)

Independent Accountant’s Report

[Appropriate Addressee]

We have examined management of [Entity’s] assertions that [Entity] complied with the compliance requirements regarding Activities Allowed or Unallowed, Allowable Costs and Cost Principles, Earmarking, Period of Performance, Procurement Suspension and Debarment, and Reporting described in Chapter 2 of the March 2021 edition of the U. S. Department of Education’s *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Guide) relative to [Entity’s] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date].³ [Entity’s] management is responsible for its assertions. Our responsibility is to express an opinion on management’s assertions about [Entity’s] compliance with the compliance requirements referred to above, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the examination to obtain reasonable assurance about whether management’s assertions about compliance with the compliance requirements referred to above are fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management’s assertions. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management’s assertions, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, management’s assertions that [Entity] complied with the compliance requirements referred to above for the year ended [Date], are fairly stated, in all material respects.⁴

In accordance with *Government Auditing Standards* and this Guide, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control over compliance and noncompliance with provisions of laws, regulations, contracts or grant agreements and instances of fraud that are material to management’s assertions about [Entity’s] compliance with the compliance requirements referred to above. We are also required

³ Only those compliance requirements which are applicable to the school, and therefore examined as part of the compliance attestation engagement, should be listed in this paragraph.

⁴ The opinion should be modified, as appropriate, depending on the specific circumstances of the engagement.

to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether management's assertions about compliance with the compliance requirements referred to above are fairly stated, in all material respects, and not for the purpose of expressing an opinion on the internal control over compliance or on compliance and other matters; accordingly, we express no such opinions. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and this Guide, and those findings, along with the views of responsible officials, are described in the attached Schedule of Findings and Questioned Costs.

The purpose of this report is to examine management's assertions about compliance with the compliance requirements referred to above relative to [Entity's] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date]. The report is not suitable for any other purpose.

[Practitioner's signature]

[Practitioner's City and State]

[Date of practitioner's report]

D.6-2c Report on Compliance for the Higher Education Emergency Relief Fund Grant Program Required by the *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Qualified Opinion, Reportable Findings)

Independent Accountant's Report

[Appropriate Addressee]

We have examined [Entity's] compliance with the compliance requirements regarding Activities Allowed or Unallowed, Allowable Costs and Cost Principles, Earmarking, Period of Performance, Procurement Suspension and Debarment, and Reporting described in Chapter 2 of the 2021 edition of the U. S. Department of Education's *Guide for Compliance Attestation Engagements of Proprietary Schools Expending Higher Education Emergency Relief Fund Grants* (Guide) relative to [Entity's] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date].⁵ [Entity's] management is responsible for [Entity's] compliance with the compliance requirements referred to above. Our responsibility is to express an opinion on [Entity's] compliance with the compliance requirements referred to above, based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the examination to obtain reasonable assurance about whether [Entity] complied with the compliance requirements referred to above, in all material respects.

An examination involves performing procedures to obtain evidence about [Entity's] compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

As described in the accompanying Schedule of Findings and Questioned Costs, our examination disclosed [*describe condition(s) that, individually or in the aggregate, resulted in noncompliance material to the compliance requirements*].

In our opinion, except for the effects of the material noncompliance described in the preceding paragraph, [Entity] complied with the compliance requirements referred to above for the year ended [Date], in all material respects.

⁵ Only those compliance requirements which are applicable to the school, and therefore examined as part of the compliance attestation engagement, should be listed in this paragraph.

In accordance with *Government Auditing Standards* and this Guide, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control over compliance and noncompliance with provisions of laws, regulations, contracts or grant agreements and instances of fraud that are material to the [Entity's] compliance with the compliance requirements referred to above. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. We performed our examination to express an opinion on whether [Entity] complied with the compliance requirements referred to above, in all material respects, and not for the purpose of expressing an opinion on the internal control over compliance; accordingly, we express no such opinion. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and this Guide, and those findings, along with the views of responsible officials, are described in the attached Schedule of Findings and Questioned Costs.

The purpose of this report is to evaluate compliance with the compliance requirements referred to above relative to [Entity's] participation in the Higher Education Emergency Relief Fund grant program, for the year ended [Date]. The report is not suitable for any other purpose.

[*Practitioner's signature*]

[*Practitioner's City and State*]

[*Date of practitioner's report*]