



**To the Superintendent and Members of
the Cobb County Board of Education
Marietta, Georgia**

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our audit of the basic financial statements of the Cobb County Board of Education ("Board") for the year ended June 30, 2011. We have also communicated to management other matters involving internal control over financial reporting (or other instances of noncompliance) that we consider to be material weaknesses, as defined by *Government Auditing Standards* issued by the Comptroller General of the United States. Please refer to the communications noted in the Report On Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 15, 2011.

The following items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the Board's practices and procedures.

- 1) During our testing of the Schedule of Expenditures of Federal Awards (SEFA) it was noted we were originally provided a draft from the finance department which excluded several expenditure amounts for grants being administered by other individuals within the District. The SEFA should be provided to us in its final form once all applicable Federal awards are included to allow us to efficiently and adequately test the accuracy and completeness of the schedule. We recommend management carefully review the SEFA for completeness and accuracy prior to being provided for auditing.

The District's Response

Grant Accounting will provide "final form" reports only, unless the requesting party indicates a "draft version" as acceptable, in writing. "Draft versions" will be clearly marked as such and, as works in progress, will be subject to modification and enhancement.

- 2) During our review of fund 692, the Self-Insurance Fund, we noted the District is reporting a negative equity position of approximately \$1,882,000 for the year ending June 30, 2011. While this is an improvement over the opening equity position of approximately \$2,214,000, we feel this deficit balance warrants the attention of management to determine if the current rate plan for charging out the costs incurred by this fund is sufficient to permit the District to cover the costs in this internal service fund and eliminate the deficit in the fund. In accordance with GASB Statement No. 34, paragraph 68, internal service funds should operate on a cost-reimbursement basis.

The District's Response

The District is reviewing its contribution rates in order to determine if adjustments are needed in order to eliminate the deficit.

- 3) During our testing of the Title I Cluster School Wide Comprehensive Plans, it was noted not all of the internally generated school wide plan checklists had documented approval noted by the reviewer. Per discussions with the Title I Director, it was noted all school wide plans are being reviewed by the Title I office upon receipt of the school wide plan from each individual school. Our testing revealed 5 out of the 35 school wide plan checklists were completed but did not contain documented approval by the reviewer. We recommend the reviewers of the school wide plan checklists ensure they have documented their review of the Title I school wide comprehensive plans.

The District's Response

Appropriate personnel will sign all Title I Comprehensive Plans.

This letter is intended solely for the information and use of the Cobb County Board of Education, and its management and other officials, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate serving the Cobb County Board of Education and would be happy to assist you in addressing and implementing any of the suggestions in this letter.

Mauldin & Jenkins, LLC

Atlanta, Georgia
December 15, 2011