

STATUS OF PRIOR YEAR'S MANAGEMENT LETTER COMMENTS

Status of Prior Year's Management Letter Comments

Nature of Comment	Type of Comment	Current Year Status
Expenditures in excess of budgetary authorization	Material Noncompliance	Resolved. Comment not repeated.
Noncompliance with procurement regulations	Material Noncompliance	Resolved. Comment not repeated.
Weaknesses in monitoring of expenditures and processing invoices	Material Weakness	Partially resolved – The original budget for fiscal year 2002 was timely entered into the system on 10/01/01. Weakness in processing special education invoices noted as a management letter comment.
Weaknesses in accounting for Medicaid expenditures	Material Weakness	Repeat as a material weakness.
Weaknesses in processing capital projects expenditures	Material Weakness	Downgraded to a management letter comment.
Weaknesses in payroll processing of employees pay increases	Material Weakness	Reportable Condition.
Payroll process management	Reportable Condition	Reportable Condition.
Monitoring of expenditures against open procurements	Reportable Condition	Resolved. Comment not repeated.
Payroll allocation	Reportable Condition	Reportable Condition.
Fixed asset management	Reportable Condition	Downgraded to a management letter comment.
Improper recording of capital leases	Management Letter Comment	Resolved. Comment not repeated.
Inadequate internal audit function	Management Letter Comment	Eliminated-new staffing and processes to be evaluated in FY 2003 audit.