

Cobb County School District

Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

June 30, 2024



MAULDIN & JENKINS

CPAs & ADVISORS



Cobb County School District

Auditor's Discussion & Analysis

Financial & Compliance Audit Summary

June 30, 2024

Presented by:

Adam Fraley, CPA

www.mjcpa.com



Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

PURPOSE OF ANNUAL AUDITOR'S DISCUSSION & ANALYSIS

- ◆ Engagement Team and Firm Information:
 - The Governmental Practice
 - Additional Information Regarding Other Industries and Services

- ◆ Overview of:
 - Independent Auditor's Report
 - Review of the Annual Comprehensive Financial Report
 - Overview of the Financial Statements, Footnotes, and Supplementary Information
 - Compliance Reports (Internal Controls and Laws and Regulations)

- ◆ Required Communications under Government Auditing Standards

- ◆ Accounting Recommendations and Related Matters

- ◆ Free Continuing Education and Newsletters

- ◆ Closing Thoughts


- ◆ Answering Your Questions

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

MAULDIN & JENKINS BY THE NUMBERS




CONSISTENTLY RANKED AS A TOP ACCOUNTING FIRM IN THE U.S.


100+ year
HISTORY
OF QUALITY SERVICE

Serve 725+
GOVERNMENT CLIENTS


GOVERNMENTAL PARTNERS & DIRECTORS **25**




150+ TEAM MEMBERS DEDICATED TO SERVING THE GOVERNMENTAL INDUSTRY



220+
SINGLE AUDITS PERFORMED LAST YEAR COVERING OVER \$6 BILLION OF FEDERAL GRANTS

 **156,000+**
HOURS ANNUALLY PROVIDED TO GOVERNMENTAL CLIENTS

175+ CURRENT CLIENTS AWARDED THE GFOA CERTIFICATE OF EXCELLENCE

6 STATES | **14** OFFICES 

Engagement Team Leaders Include:

- Adam Fraley - Engagement Lead Partner - over 25 years' experience
- Christopher McKellar - Assisting Partner - 20 years' experience
- Holly Dugas - Engagement Manager - 9 years' experience

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

MAULDIN & JENKINS – ADDITIONAL INFORMATION

Other Industries & Services by Mauldin & Jenkins:

Each of Mauldin & Jenkins' offices provides a wide variety of services to a broad range of clientele. We have partners and managers who are responsible for specialized practice areas of auditing and accounting, taxes and management advisory services. Their purpose, as leaders in the particular practice area, is to establish policies with respect to technical matters in these specific areas and ensure that the quality of the Firm's practice is maintained.

Industries Served: Over the years, our partners have developed expertise in certain industries representative of a cross section of the Georgia economy, including:

- Governmental Entities (state entities, cities, counties, school systems, business type operations, libraries, and other special purpose entities)
- SEC Registrants
- Wholesale Distribution
- Agri-Businesses
- Manufacturing
- Professional Services
- Employee Benefit Plans
- Financial Institutions (community banks, savings and loans, thrifts, credit unions, mortgage companies, and finance companies)
- Non-Profit Organizations
- Retail Businesses
- Long-term Healthcare
- Construction & Development
- Individuals, Estates and Trusts
- Real Estate Management

Services Provided: This diversity of practice enables our personnel to experience a wide variety of business, accounting and tax situations. We provide the traditional and not-so-traditional services such as:

- Financial Audit/Review/Compilation
- Compliance Audits and Single Audits
- Agreed-Upon Procedures
- Forensic Audits
- Bond Issuance Services
- Performance Audits
- State Sales Tax Matters
- International Tax Matters
- Business and Strategic Planning
- Profitability Consulting
- Budgeting
- Buy-Sell Agreements and Business Valuation Issues
- Income Tax Planning and Preparation
- Multi-State Income Tax Issues
- Information Systems Consulting
- Cost Accounting Analysis
- Healthcare Cost Reimbursement
- Outsourced Billing Services
- Fixed Asset Inventories
- Succession and Exit Strategy Consulting
- Estate Planning
- Management Information Systems
- Employee Benefit Plan Administration
- Merger/Acquisition and Expansion Financing

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

INDEPENDENT AUDITOR'S REPORT

The independent auditor's report has specific significance to readers of the financial report.

Management's Responsibility for the Financial Statements

The financial statements are the responsibility of management.

Auditor's Responsibility

Our responsibility, as external auditors, is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We planned and performed our audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinion

We have issued an unmodified audit report (i.e., "clean opinion"). The respective financial statements are considered to present fairly the financial position and results of operations as of, and for the year ended.

Other Matters

Certain required supplementary information and other information is included in the financial report, and as directed by relevant auditing standards, we have not expressed an opinion or provided any assurance on the respective information.

Other Reporting

Government Auditing Standards require auditors to issue a report on our consideration of internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. We have issued such a report and reference to this report is included in the independent auditor's report.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

REVIEW OF ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

General Information About the ACFR

The Annual Comprehensive Financial Report ("ACFR") goes beyond the normal financial reporting required by accounting principles generally accepted in the United States. The ACFR includes, at a minimum, the following elements/sections:

- **Introductory Section:** general information on the School District's structure and the services it provides.
 - Letter of Transmittal
 - Organizational Chart
 - Directory of Officials
 - Certificate of Achievement for Excellence in Financial Reporting
- **Financial Section:** basic financial statements, footnotes, and required supplementary information along with the auditor's report.
 - Independent Auditor's Report
 - Management Discussion & Analysis (MD&A)
 - Financial Statements and Footnotes
- **Statistical Section:** broad range of financial demographic information useful in assessing the School District's economic condition, and this information covers multiple years.
 - Financial Trends Information
 - Revenue Capacity Information
 - Debt Capacity Information
 - Operating Information

The ACFR goes far beyond the basic requirements of annual financial reporting, and the School District should be commended for going beyond the minimum and providing such a report.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

Recognition and Award

Once completed, the fiscal year 2023 ACFR was submitted to the Government Finance Officers Association ("GFOA") for determination if the report would merit the GFOA's Certificate of Achievement for Excellence in Financial Reporting. Due to the timing of the ACFR submission the results have been delayed. However, we fully expect the School District to be awarded the sought-after Certificate.

The 2023 GFOA Certificate has been made a part of the School District's 2024 fiscal year ACFR, and is included in the Introductory Section.

OVERVIEW OF FINANCIAL STATEMENTS

The School District's basic financial statements include three components:

- 1) Government-wide financial statements;
- 2) Fund financial statements; and
- 3) Notes to the financial statements.

The **government-wide financial statements** provide a broad overview of all of the School District's funds. The *Statement of Net Position* presents information on all assets (and deferred outflows) and liabilities (and deferred inflows) of the School District, with the resulting difference reported as net position. The *Statement of Activities* presents information showing how the School District's net position changed during the most recent fiscal year. Revenues are categorized as program revenues or general revenues. Expenses are categorized by function.

The **fund financial statements** more closely resemble the financial statements as presented prior to the adoption of GASB Statement No. 34. All of the funds of the School District can be divided into two (2) categories: governmental funds (includes the General Fund) and fiduciary funds.

The School District also includes, as part of the ACFR, the following information:

- 1) Special Purpose Local Option Sales Tax (SPLOST) Schedules, and
- 2) Single Audit schedules and reports.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Government-Wide (Full-Accrual) Financial Statements

As noted above, the financial report of the Government includes two (2) entity-wide financial statements: a *Statement of Net Position* and a *Statement of Activities*.

Highlights of the government-wide statements notes total assets (and deferred outflows of resources) of approximately \$3.6 billion offset by liabilities (and deferred inflows of resources) of approximately \$3.1 billion. This results in the School District reporting net position (or equity) of approximately \$496 million. Important to note the pension related deferred outflows and inflows along with the net pension liability (required of GASB Statement Nos. 68 and No. 71) all of which nets to a net liability effect of \$1.12 million. It is also important to note the OPEB related deferred outflows and inflows along with the net OPEB liability (required of GASB Statement No. 75) all of which nets to a net liability effect of \$790 million. A substantial element of the net position is composed of a net investment in capital assets in the approximate amount of \$1.7 billion. Restricted net position amounts to approximately \$248 million leaving unrestricted net position at a deficit of \$1.5 billion.

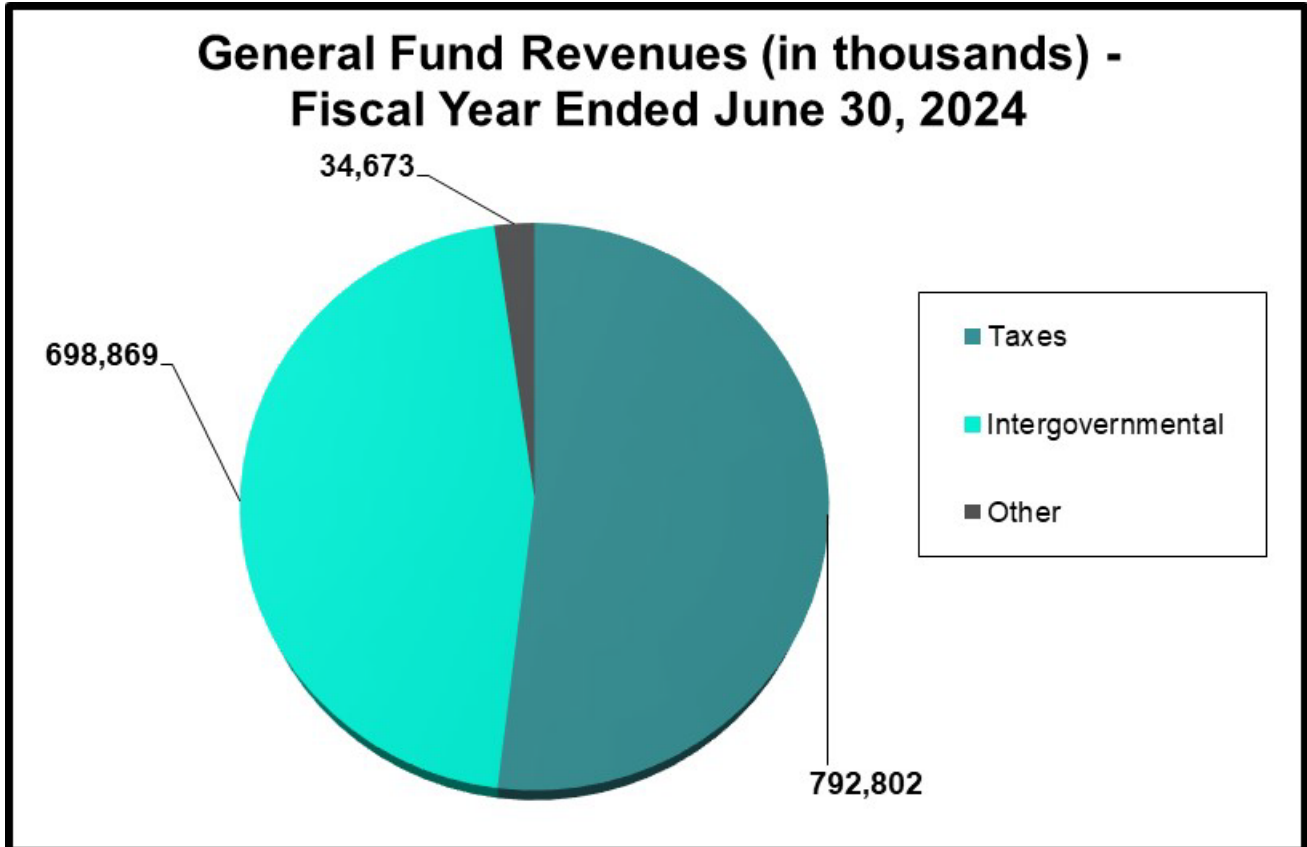
The *Statement of Activities* attempts to report expenses in the first column with direct offsetting program revenues to the adjacent columns to arrive at a net cost of the functional areas of operation. General revenues (primarily property taxes and sales taxes) come to the rescue of the net cost functional areas resulting in the Government reporting a decrease in net position of approximately \$108 million for the fiscal year ended June 30, 2024.



Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

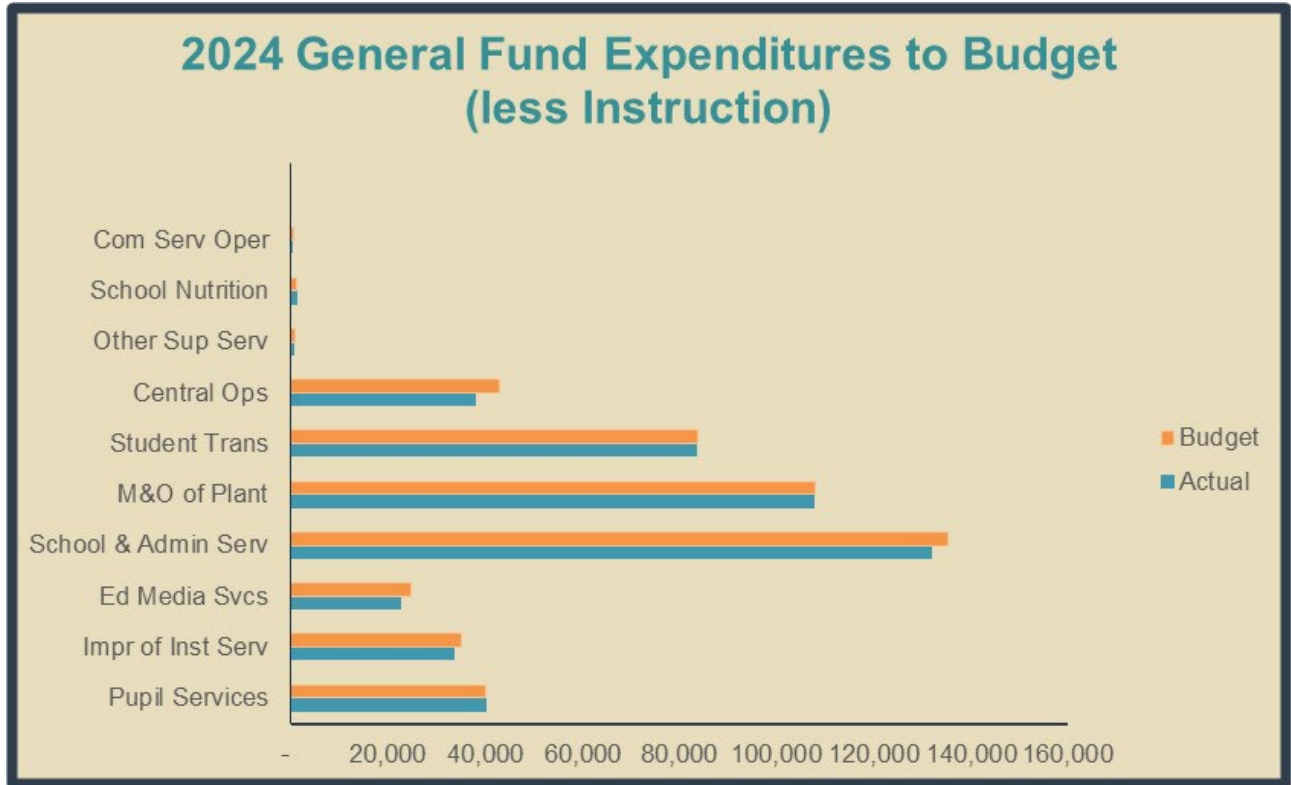
General Fund

Of primary interest to the School District is the **General Fund**, which accounts for the majority of revenues received and funds expended in the operations of the School District. The following charts present the sources of revenues, the expenditures of the General Fund (in thousands) for the fiscal year ended June 30, 2024:



Total General Fund revenues for the fiscal year ended June 30, 2024 were \$1.5 billion. Revenues of the prior year were \$1.4 billion. The most significant variances were increases in tax and intergovernmental revenues of \$78 million and \$65 million, respectively.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024



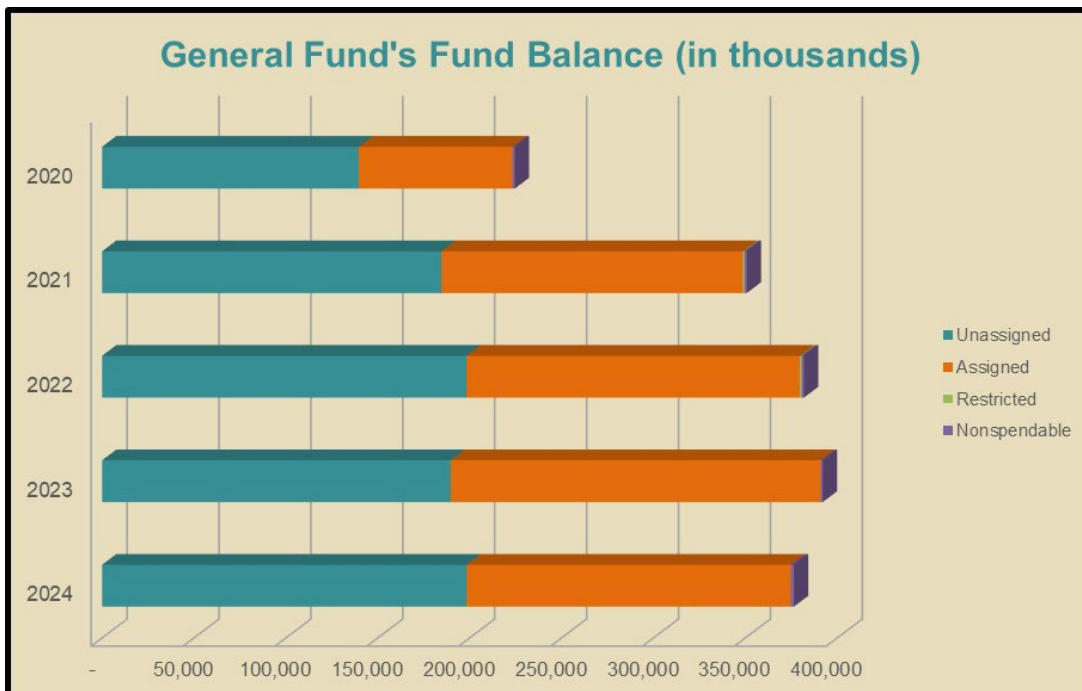
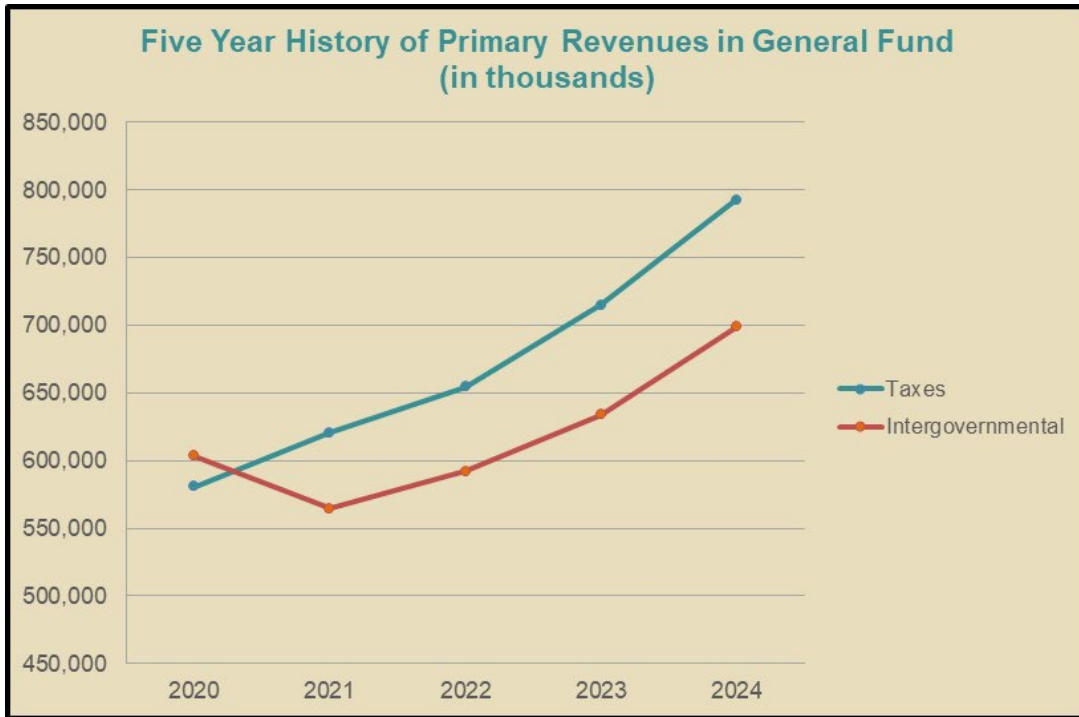
Total expenditures, including transfers out, during the year ended June 30, 2024 were \$1.6 billion, of which \$1.1 billion related to instructional costs. Expenditures, including transfers out, of the prior year were \$1.3 billion, of which \$960 million related to instructional costs. The most significant variance was an increase in instructional expenditures of \$127 million.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

More detailed explanations of variances can be found in the Management's Discussion and Analysis section of the financial statements. An analysis of General Fund revenues and fund balance for each of the last four fiscal years is as follows:



Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Fund balance of the General Fund at June 30, 2024 was \$376.5 million, a decrease from the prior year's balance of \$15.7 million. It is important to note that fund balance does not necessarily equate to funds on hand available to spend. Fund balance is the difference between assets and liabilities, only some of which is cash and investments. Additionally, certain amounts of fund balance are nonspendable (0.45%) or assigned by the School District for specific purposes (46.87%). This leaves the remaining 52.69% of the School District's fund balance at June 30, 2024 available for spending.

Other Governmental Funds

The School District also maintains twenty-one (21) *special revenue funds*. These funds account for revenues derived from specific sources which are legally restricted to finance particular functions or activities. *Capital projects funds* are used to account for revenues and expenditures related to the renovation and/or construction of major capital assets. Five (5) capital projects funds are maintained by the School District.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Footnotes

Note 1 – Accounting Policies: This footnote discusses the overall organization of the School District and the nature of its operations. This note also discloses pertinent information regarding the governing body of the School District.

This footnote continues by sharing with a reader of the financial statements the significant accounting policies and principles utilized in the preparation of the financial statements.

Note 2 – Legal Compliance – Budgets: This footnote discloses the School District's procedures in establishing its annual budgets and discloses the School District's excesses of actual expenditures over appropriations for the year.

Note 3 – Cash Equivalents, Deposits, and Investments: This disclosure addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk.

Note 4 – Nonmonetary Transactions: This disclosure addresses the donated commodities received from other governments.

Note 5 – Capital Assets: This footnote discloses the School District's capital asset activity and its related accumulated depreciation for the year.

Note 6 and 7 – Interfund Receivables, Payables, and Transfers: This footnote discloses detailed information on the School District's interfund balances and transfers and the purpose of these balances and transactions.

Note 8 – Risk Management: This footnote discloses the contingencies from potential litigation, claims, and assessments filed against the School District.

Notes 9, 10, and 11 – Short-Term Notes and Long-Term Obligations: These footnotes disclose the School District's short-term note and long-term debt activity for the year, and other information for the compensated absences of the School District.

Note 12 – On Behalf Payments: This footnote discloses the amount of health insurance and retirement contributions paid on behalf of the School District by other governments.

Note 13 – Commitments and Contingencies: This footnote discloses information regarding the School District's various contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

Note 14 – Pension Plans: This footnote discloses information regarding the School District's pension plan, including funding policies and the amount of required contributions as compared to actual contributions.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Note 15 – Other Postemployment Benefits (OPEB): This footnote discloses information regarding the School District's other postemployment benefits, including funding policies and the amount of required contributions as compared to actual contributions.

COMPLIANCE REPORTS

The financial report package contains two (2) compliance reports.

Yellow Book Report: The first compliance report is a report on our tests of the School District's internal controls and compliance with laws, regulations, etc. The tests of internal controls were those we determined to be required as a basis for designing our financial statement auditing procedures. Such tests also considered the School District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. In accordance with the respective standards, the report is **not** intended to provide an opinion, but to provide a form of negative assurance as to the School District's internal controls and compliance with applicable rules and regulations.

Single Audit Report: The second compliance report is a report on our tests of the School District's internal controls and compliance with laws, regulations, etc. relative to certain Federal grant programs and the respective expenditures. Our tests were performed on the Government's major programs (as defined by the relevant Federal guidelines), and were not applied to each and every Federal grant expended by the Government. In accordance with the respective standards, we did provide an unmodified (or positive) opinion on the School District's compliance based on our audit. However, we were not required to provide an opinion on the relevant internal controls, but to provide a form of negative assurance on such controls.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

REQUIRED COMMUNICATIONS

**The Auditor's Responsibility Under *Government Auditing Standards*
and Auditing Standards Generally Accepted in the United States of America**

Our audit of the financial statements of Cobb County School District (the "School District") for the year ended June 30, 2024, was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether caused by error, fraudulent financial reporting or misappropriation of assets. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Accordingly, the audit was designed to obtain reasonable, rather than absolute, assurance about the financial statements. We believe our audit accomplishes that objective.

In accordance with *Government Auditing Standards*, we have also performed tests of controls and compliance with laws and regulations that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on the School District's internal control or compliance with laws and regulations.

Accounting Policies

Management has the ultimate responsibility for the selection and use of appropriate accounting policies used by the School District. There are several new accounting standards which will be required to be implemented in the coming years. These are discussed later in this document.

In considering the qualitative aspects of the School District's accounting policies, we did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The School District's policies relative to the timing of recording of transactions are consistent with GAAP and typical government organizations.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. Management has informed us they used all the relevant facts available to them at the time to make the best judgments about accounting estimates and we considered this information in the scope of our audit. We considered this information and the qualitative aspects of management's calculations in evaluating the School District's significant accounting policies. Estimates significant to the financial statements include such items as the estimated incurred-but-not-reported liabilities.

Financial Statement Disclosures

The footnote disclosures to the financial statements are also an integral part of the financial statements. The process used by management to accumulate the information included in the disclosures was the same process used in accumulating the financial statements, and the accounting policies described above are included in those disclosures. The overall neutrality, consistency, and clarity of the disclosures was considered as part our audit and in forming our opinion on the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management relating to the performance of the audit.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Representation from Management

We requested written representations from management relating to the accuracy of information included in the financial statements and the completeness and accuracy of various information requested by us, during the audit. Management provided those written representations without a problem.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Management's Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

There were no significant issues discussed with management related to business conditions, plans, or strategies that may have affected the risk of material misstatement of the financial statements. We are not aware of any consultations management had with us or other accountants about accounting or auditing matters. No major issues were discussed with management prior to our retention to perform the aforementioned audit.

Audit Adjustments

During our audit of the School District's basic financial statements as of and for the year ended June 30, 2024, there were no audit adjustments proposed to the funds of the School District. There were some adjustments proposed and provided by the School District during the audit process, which are attached to this AD&A.

Uncorrected Misstatements

We had no passed adjustments.

Independence

We are independent of the School District, and all related organizations, in accordance with auditing standards promulgated by the American Institute of Public Accountants and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited basic financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the School District.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

Required Supplementary Information

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of Proportionate Share of Net Pension Liability – Teachers Retirement System of Georgia, Schedule of Contributions – Teachers Retirement System of Georgia, Schedule of Proportionate Share of Net Pension Liability – Public School Employee Retirement System of Georgia, Schedule of Proportionate Share of the Net OPEB Liability – School OPEB Fund, and the Schedule of Contributions – School OPEB Fund, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Supplementary Information

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, the SPLOST IV schedule of expenditures of Special Purpose Local Option Sales Tax Projects, the SPLOST V schedule of expenditures of Special Purpose Local Option Sales Tax Projects, and the SPLOST VI schedule of expenditures of Special Purpose Local Option Sales Tax Projects (the "supplementary information"), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

ACCOUNTING RECOMMENDATIONS AND RELATED MATTERS

Recommendation for Improvement and Other Matters

During our audit of the financial statements as of and for the year ended June 30, 2024, we noted some areas within the accounting and internal control systems that we believe can be improved, which we wish to communicate to you in an effort to keep the School District abreast of accounting matters that could present challenges in financial reporting in future periods. Our recommendations and proactive thoughts and communications are presented in the following paragraphs.

Recommendation for Improvement (Management Points)

1) Local Schools

During our audit of Cobb County Local Schools, we noted the limited number of employees involved in the various schools and the resulting overlapping of duties cause segregation of duties to be difficult. The following are weaknesses in internal controls that were noted during interviews regarding internal control procedures. During our test procedures, we noted the bookkeeper is responsible for collecting, recording, reconciling collections, preparing deposits and depositing cash. The bookkeeper is responsible for recording entries into the activity ledger, receiving purchases, safeguarding blank checks and mailing signed checks. Without some segregation of duties within these functions, there is increased exposure that someone could intentionally or unintentionally misappropriate assets of the School District. We recommend the School District review its processes and determine where it can effectively segregate duties to alleviate the segregation of duties issues as described above and strengthen internal controls.

Management's Response: Management agrees segregation of duties at the school level are a challenge for the School District because of limited amount of staff resources to handle financial duties. This is not uncommon for School Districts. Financial Services recommends schools utilize their backup Bookkeepers and other clerical staff to mitigate the risks associated with the inadequate separation of bookkeeper duties of receiving purchases, disbursement, recording processes, safeguarding blank checks, as well as mailing the signed checks. Additionally, Financial Services recommends schools utilize the backup Bookkeeper for collecting, recording and preparing deposits. Management will continually review current processes to minimize this concern.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

1) New Governmental Accounting Standards Board (GASB) Standards



As has been the case for the past 10 years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 101, *Compensated Absences*** was issued in June 2022 and is effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

- b) Statement No. 102, *Certain Risk Disclosures*** was issued in December 2023 and is effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:

- The concentration or constraint.
- Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements.
- Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

- c) Statement No. 103, *Financial Reporting Model Improvements*** was issued in April 2024 and is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

Management's Discussion and Analysis

This statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Unusual or Infrequent Items

This statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position

This statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

Major Component Unit Information

This statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

Budgetary Comparison Information

This statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

- d) **Statement No. 104, *Disclosure of Certain Capital Assets***, was issued in September 2024 and is effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The objective of this statement is to clarify which types of capital assets must be disclosed separately in the notes to the financial statements as well as to establish disclosure requirements for capital assets that are held for sale.

The following types of capital assets should be disclosed separately in the capital asset rollforward in the notes to the financial statements:

- Lease assets reported in accordance with Statement No. 87 by major class of underlying asset
- Intangible right-to-use assets recognized by an operator in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, by major class of underlying public-public partnership asset
- Subscription assets reported in accordance with Statement No. 96

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

- Intangible assets other than those three (3) items noted above; specifically, intangible assets that represent the right to use a type of underlying asset should not be disclosed in the same major class as any owned assets of that type.

In addition, the statement requires that a capital asset held for sale should continue to be reported in the capital asset rollforward within the appropriate major class of asset. However, a government should disclose the historical cost and accumulated depreciation, as of the financial statement date, of capital assets held for sale, by major class of asset. In order to be considered held for sale, the statement specifies that:

- A government has decided to pursue the sale of the asset; and
- It is probable (likely to occur) that the sale will be finalized within one year of the financial statement date.

e) Other Pending or Current GASB Projects. As noted by the numerous pronouncements issued by GASB over the past decade, the GASB continues to research various projects of interest to governmental units. Subjects of note include:

- **Going Concern Uncertainties and Severe Financial Stress** is a major project where the goal is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government's exposure to severe financial stress is necessary to disclose. This technical topic is being examined by the GASB due to a wide diversity in practice regarding required presentation on the face of the financial statements, disclosures, etc. A preliminary views document on this topic is expected by late 2024 with an exposure draft to follow in 2025.
- **Infrastructure Assets** is a project that will address issues related to accounting and financial reporting for infrastructure assets. The project will evaluate standard-setting options related to reporting infrastructure assets to make information (1) more comparable across governments and more consistent over time, (2) more useful for making decisions and assessing government accountability, (3) more relevant to assessments of a government's economic condition, and (4) better reflect the capacity of those assets to provide service and how that capacity may change over time. Preliminary views document has been issued with comments due back to GASB by the end of January 2025.

Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

- **Subsequent Events—Reexamination of Statement No. 56** is a project that will improve the accounting and financial reporting for subsequent events. The project will reexamine existing requirements related to subsequent events in Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*, to address issues related to (1) confusion about and challenges associated with applying the existing standards, (2) inconsistency in practice in the information provided about subsequent events, and (3) the usefulness of the information provided about subsequent events. Exposure draft on this topic is expected by late 2024.
- **Revenue and Expense Recognition** is a major project where the overall objective is to develop a comprehensive, principles-based model that would establish categorization, recognition, and measurement guidance applicable to a wide range of revenue and expense transactions. Achieving that objective will include: (1) development of guidance applicable to topics for which existing guidance is limited, (2) improvement of existing guidance that has been identified as challenging to apply, (3) consideration of a performance obligation approach to the GASB's authoritative literature, and (4) assessment of existing and proposed guidance based on the conceptual framework. The expected outcome of the project is enhanced quality of information that users rely upon in making decisions and assessing accountability. The GASB is currently reviewing comments and other input received from the stakeholder community during the preliminary views stage that was completed in 2021. An exposure draft is expected in early 2025.

Summations of Thoughts Noted Above

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

FREE QUARTERLY CONTINUING EDUCATION AND NEWSLETTERS FOR GOVERNMENTAL CLIENTS

Free Continuing Education. We provide free quarterly continuing education for all of our governmental clients. Each quarter, we pick a couple of significant topics tailored to be of interest to governmental entities, and offer the sessions several times per quarter at a variety of client provided locations resulting in greater networking among our governmental clients. We normally see approximately 100 people per quarter. We obtain the input and services of experienced outside speakers along with our in-house professionals.

"I've been a CPA for 32 years. Today's CPE class by Mauldin & Jenkins has been the best of my career". Terry Nall, CPA, City of Dunwoody (GA) Council Member



"They are always on top of new accounting pronouncements and provide training well before implementation deadlines. This is a very valuable resource for our organization". Laurie Puckett, CPA, CPFO, Gwinnett County (GA), Accounting Director

Examples of subjects addressed in past quarters include:

- Accounting for Debt Issuances
- Achieving Excellence in Financial Reporting
- Best Budgeting Practices, Policies and Processes
- Budget Preparation
- Capital Asset Accounting Processes and Controls
- Coaching and Mentoring
- Closing Out and Audit Preparation
- Collateralization of Deposits and Investments
- Component Units
- Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
- Cybersecurity Risk Management
- Detecting Fraud in Revenues and Expenditures
- Evaluating Financial and Non-Financial Health of a Local Government
- Financial Report Card – Where Does Your Government Stand?
- Financial Reporting Model Improvements
- GASB Nos. 74 & 75, New OPEB Standards
- GASB No. 77, Tax Abatement Disclosures
- GASB No. 84, Fiduciary Activities
- GASB No. 87, Leases
- GASB No. 96, SBITAs
- GASB No. 100, Accounting and Error Corrections



Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

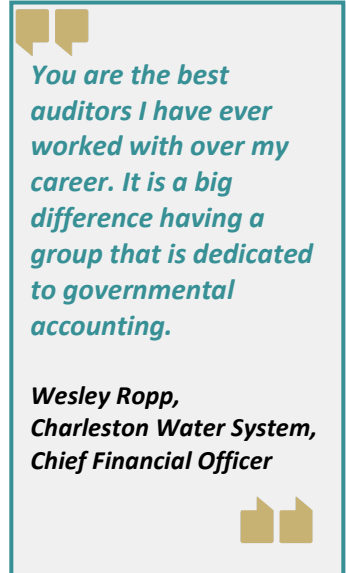


- GASB No. 101, Compensated Absences
 - GASB No. 102, Certain Risk Disclosures
 - GASB Projects & Updates (ongoing and several sessions)
 - Grants (Accounting and Auditing)
 - Human Capital Management
 - Information Technology (IT) Risk Management
 - Internal Controls Over Accounts Payable, Payroll and Cash Disbursements
- Internal Controls Over Receivables & the Revenue Cycle
 - Legal Considerations for Debt Issuances & Disclosure Requirements
 - Navigating IRS Communications with Success
 - Policies and Procedures Manuals
 - Presenting Financial Information to Non-Financial People
 - Procurement Card Red Flags
 - Risk, Efficiency, & Effectiveness in Governments
 - Single Audits for Auditees
 - SPLOST Accounting, Reporting & Compliance
 - Uniform Grant Guidance

Governmental Newsletters. We periodically produce newsletters tailored to meet the needs of governments. The newsletters have addressed a variety of subjects and are intended to be timely in their subject matter. The newsletters are authored by Mauldin & Jenkins partners and managers, and are not purchased from an outside agency. The newsletters are intended to keep you informed of current developments in the government finance environment.

In the past several years, the following topics have been addressed in our monthly newsletters:

- Are Your Government's Funds Secure?
- COVID-19 Updates (several)
- Cybersecurity Awareness
- Changes to FEMA's Disaster Recovery Grant Program
- Deposit Collateralization
- Employee vs Independent Contractor
- Escheat Laws on Unclaimed Property
- Federal Funding and Accountability Transparency Act
- Financial Data Transparency Act
- Forensic Audit or Financial Audit?
- Form PT 440
- GASB No. 72, Fair Value, It is Not Totally About Disclosure
- GASB Nos. 74 & 75, Other Postemployment Benefits (OPEB)
- GASB No. 77, Abatements – Go Viral with GASB No. 77
- GASB No. 84 Fiduciary Activities (Series)



Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

- GASB No. 87, Leases
- GASB No. 89, Accounting for Interest Cost Incurred Before the End of Construction
- GASB No. 91, Conduit Debt Obligations
- GASB No. 93, Replacement of Interbank Offered Rates
- GASB No. 100, Accounting Changes and Error Corrections
- General Data Protection Regulation (GDPR)
- GFOA announces new COA Submission Requirement
- Grants Management
- IRS Imposing ACA Penalties – Including to Governmental Entities
- OMB Compliance Supplements
- OPEB, What You Need to Know
- Public Funds and Secure Deposit Program
- Rotating or Not Rotating Auditors
- Property Tax Assessments
- Remote Auditing Best Practices
- Refunding Debt
- Sales & Use Taxes on Retail Sales of Jet Fuel
- Sales Tax Collections and Remittances by the State
- SAS Clarity Standards and Group Audits
- Single Audit, including Uniform Guidance (several)
- Social Security Administration (SSA) Incentive Payments
- Special Purpose Local Option Sales Taxes (SPLOST) Expenditures
- Subrecipient Risk Assessment Tool
- Supplemental Social Security for Inmates
- The New Tax Cuts and Jobs Act – Impact on Bond Refunding
- Uniform Guidance & New Procurement Requirements
- What's Happening with Property Tax Assessments

Communication. In an effort to better communicate our free continuing education plans and newsletters, please email Paige Vercoe at pvercoe@micpa.com (send corresponding copy to afrale@micpa.com), and provide individual names, mailing addresses, email addresses, and phone numbers of anyone you wish to participate and be included in our database.

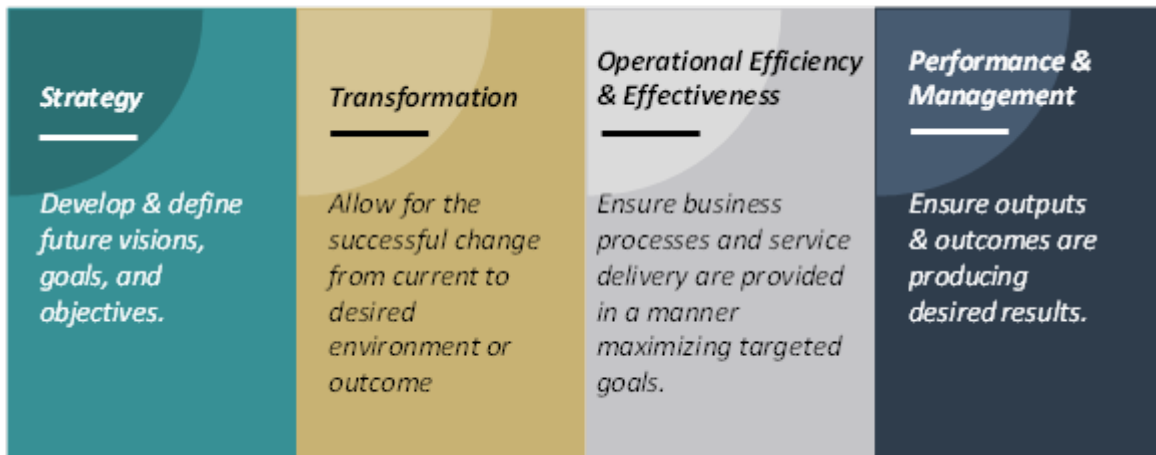
Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

Governmental Advisory Services

Beyond traditional audit and accounting services and IT services, we provide advisory services that are wide-ranging in nature. Our experienced government advisory team helps governments, governmental agencies and special purpose governmental organizations balance fiscal responsibility with the latest business strategies to achieve targeted and overarching objectives. Our advisory services can be summarized via the following bubbles.



David Roberts Partner, Governmental Advisory Services

David Roberts has more than 22 years of experience as a consultant and trusted advisor providing operational/organizational assessments and similar transformational projects for federal, state, and local governments across the country. David's experience includes leading numerous enterprise-wide/departmental/functional assessments and transformations over his career measuring the efficiency and effectiveness of organizational structures and culture, performance management, technology systems and strategies, staffing models, service delivery models, and customer satisfaction.



David helps his clients turn visions and goals into reality. He has helped multiple clients win national government industry awards for innovation, transformation, and cost savings.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

David leads our Government Advisory practice, where he focuses on helping governments and individual agencies fulfill and exceed their financial, operational, and regulatory obligations to the public.

David has completed hundreds of projects over his career. Below are representative sample management consulting projects demonstrating David's depth and breadth completed within the past 12 months:

Operational and Performance Assessment – Walton County, Georgia

David led a multidepartment Operational and Performance Assessment for Walton County. The scope included assessing organizational structure, operational efficiency, staffing levels and resource utilization, comparison to leading practices, and observations and recommendations to assist the County in achieving the desired future state. The final report included numerous observations with associated recommendations and a detailed Roadmap/Implementation Plan.

Outsourcing Feasibility Study – City of Rocky Mount, North Carolina

David led a feasibility study for the City of Rocky Mount to assess its current service delivery model for providing parks maintenance and landscaping services. City operations used a hybrid model of both internal resources and third-party contractors to provide parks maintenance and landscaping. The project evaluated the pros and cons (both financial and non-financial) of 1) maintaining the hybrid model, 2) performing all services in-house, and 3) performing all services externally.

Finance Functional Assessment – Richland County Library, South Carolina

David led a functional assessment of the Library's finance department. The project consisted of understanding the current state – current service provision, performance, workflow, business processes, internal controls, organizational structure, reporting, and communications. The current state was compared to leading practices and gaps were identified. An implementation roadmap was created that aligned recommendations to leaderships' vision to help the organization achieve its desired future state.

Technology Utilization Assessment – Mt. Pleasant Waterworks, South Carolina

David led an objective evaluation of the organization's system usage and governance related to the existing financial system (Microsoft Dynamics) and the existing workorder management system (Maximo). The organization wanted to maximize the efficiency and effectiveness of both systems while maintaining internal controls and system of record. The project consisted of numerous interviews, data review, system mapping, and a collaborative workshop among stakeholders to define a future state.

Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024

Grant Compliance Audit – Decide DeKalb, Georgia

David led a Grant Compliance Assessment of various development projects for Decide DeKalb. The project reviewed the established grant and contractual criteria to be maintained by developers and compared with tenant information related to low income occupants. The project identified areas of compliance, non-compliance, and recommendations for remediation.

Forensic Audit – Confidential City

David led a forensic investigation into questionable cash management activity for a City Parks and Recreation department. The project reviewed bank account activity, cancelled checks, cash withdrawals, and purchased item documentation as well as conducted interviews with account cardholders to determine the collection, handling, and use of several hundred thousand dollars collected in fees, sponsorships, and contributions made to the City. Numerous observations and corresponding recommendations were developed to enhance internal controls, written policies, and procedures to correct conflicts of interest, mishandling of funds, and misappropriation of funds.

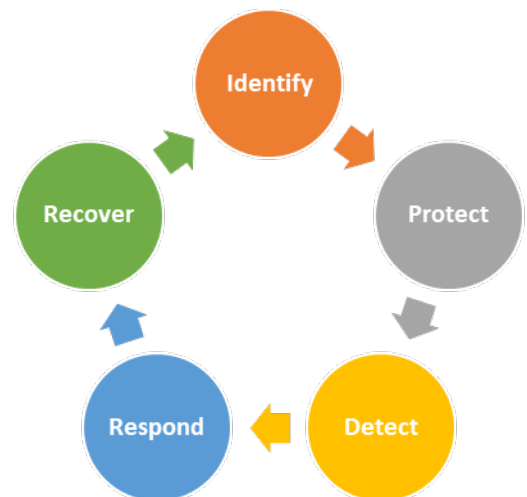
Governmental IT Solutions

Beyond traditional audit and accounting services, Mauldin & Jenkins performs various IT attestation and non-attestation services. The following are three such services.

Cybersecurity Framework Engagements

With governments dealing with IT ransoms, cybersecurity is one of the top issues on the minds of nearly every government (large and small). Managing this business issue is especially challenging. A government with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner.

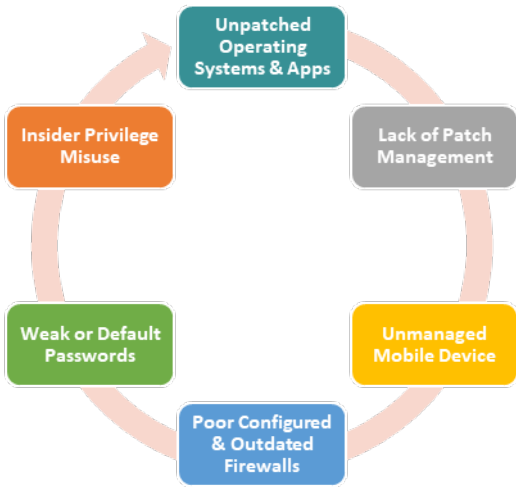
Services can be provided via: 1) attestation engagements or 2) consulting engagements. The AICPA has established standards for performing attestation engagements in this arena with the issuance of the SOC for Cybersecurity as part of its suite of System and Organization Controls (SOC) reporting. Consulting services can be provided while not compromising auditor independence.



Cobb County School District

Auditor's Discussion & Analysis (AD&A)

June 30, 2024



System Vulnerability Assessments Engagements

This is the process of defining, identifying, classifying and prioritizing vulnerabilities in computer systems, applications and network infrastructures, and providing an assessment with necessary knowledge, awareness and risks to understand the threats to determine appropriate reactions. Using specialized tools and applications, we can access networks to scan with automated tools and interrogate every device connected to a network with the objective of searching for misconfigurations, unsupported software, missing software updates and patches, etc.

Penetration Testing Engagements

This is the practice of testing a computer system to find security vulnerabilities that a hacker/attacker could exploit using automation or manual applications. The process involves gathering information about the target before the test, identifying possible entry points, attempting to break in – actually or virtually – and reporting back the findings. Tests come from external or internal angles of entry. Our main objective is to identify security weaknesses. Penetration testing can also be used to: test an organization's security policy; its adherence to compliance requirements; its employees' security awareness; and the School District's ability to identify and respond to security incidents.



Cobb County School District
Auditor's Discussion & Analysis (AD&A)
June 30, 2024

CLOSING

We believe the implementation of these suggestions will enhance both the control environment and the financial reporting process, making both more effective. We also believe these recommendations can be easily implemented, and all problems resolved quite timely should management elect to employ the corrective measures. If you have any questions regarding any comments, suggestions, or recommendations set forth in this memorandum, we will be pleased to discuss it with you at your convenience.

This information is intended solely for the use of the School District's management, and others within the School District's organization and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to serve Cobb County School District and look forward to serving the School District in the future. Thank you.



Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
0100-0000-0000-0000-000000-00-200500-000000-	DUE TO OTHER FUNDS		1,517,755.00	
0100-0000-0000-0000-000000-00-101532-000000-	ACCT RECEIVABLE - SCHOOLS			236,943.00
0100-0000-0000-0000-000000-00-101535-000000-	ACCT REC - LSA PCARD			1,280,812.00
Total			1,517,755.00	1,517,755.00
Adjusting Journal Entries JE # 2				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
0100-0000-0000-0000-000000-00-101410-000000-	INTERGOVMENTAL ACCTS REC-STATE		45,000.00	
0100-0000-9990-0000-50626-00-415001-000000-	INTEREST INCOME - DEL PROP TAX		13,063.00	
0100-1000-9990-0000-50401-60-561010-000000-	SUPPLIES		30,053.00	
0100-2210-9990-0147-50882-50-511310-000000-	SUBSTITUTE TEACHERS		5,425.00	
0100-2400-9990-0000-000000-40-561010-000000-	SUPPLIES		2,176.00	
0100-0000-0000-0000-000000-00-101010-000000-	EQUITY IN POOL - CASH & EQ			2,114.00
0100-0000-0000-0000-000000-00-101210-000000-	TAXES RECEIVABLE			13,063.00
0100-0000-0000-0000-000000-00-101532-000000-	ACCT RECEIVABLE - SCHOOLS			32,229.00
0100-1000-1041-0217-000000-30-581010-000000-	DUES & FEES			3,311.00
0100-2700-2413-0000-50222-50-438000-000000-	OTHER GRANTS GADDO			45,000.00
Total			95,717.00	95,717.00
Adjusting Journal Entries JE # 3				
To adjust cash balances per client prepared "paper" trial balances				
0100-0000-0000-0000-000000-00-101538-000000-	DUE FROM OTHER FUNDS		318,059.00	
0100-0000-0000-0000-000000-00-101538-000000-	DUE FROM OTHER FUNDS		253.00	
0100-0000-0000-0000-000000-00-101010-000000-	EQUITY IN POOL - CASH & EQ			318,059.00
0100-0000-0000-0000-000000-00-101010-000000-	EQUITY IN POOL - CASH & EQ			253.00
Total			318,312.00	318,312.00
Adjusting Journal Entries JE # 4				
To reclass negative cash for financial statement presentation				
0100-0000-0000-0000-000000-00-240201-000000-MJ	Due from other funds (negative cash)		14,138,824.24	
0100-0000-0000-0000-000000-00-101010-000000-	EQUITY IN POOL - CASH & EQ			14,138,824.24
Total			14,138,824.24	14,138,824.24
	Total Adjusting Journal Entries		16,070,608.24	16,070,608.24
	Total All Journal Entries		16,070,608.24	16,070,608.24

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJEs for Beginning Balances" provided 10/1/2024				
0313-0000-0000-0000-00000-00-379900-00000-	FUND BALANCE - UNRESERVED		1,250.00	
0313-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCT			1,250.00
Total			1,250.00	1,250.00
Adjusting Journal Entries JE # 2				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
0313-4000-9990-0000-00000-50-672010-00000-	CONSTRUCTION		8,461.00	
0313-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCT			8,461.00
Total			8,461.00	8,461.00
	Total Adjusting Journal Entries		9,711.00	9,711.00
	Total All Journal Entries		9,711.00	9,711.00

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJEs for Beginning Balances" provided 10/1/2024				
0318-0000-0000-0000-000000-00-379900-00000-	FUND BALANCE - UNRESERVED		196,671.00	
0318-0000-0000-0000-000000-00-379900-00000-	FUND BALANCE - UNRESERVED		4,225,680.00	
0318-0000-0000-0000-000000-00-242100-00000-	AP CONTROL ACCT			196,671.00
0318-0000-0000-0000-000000-00-242100-00000-	AP CONTROL ACCT			4,225,680.00
Total			4,422,351.00	4,422,351.00
Adjusting Journal Entries JE # 2				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
0318-4000-9990-0000-000000-50-672010-00000-	CONSTRUCTION		51,952.00	
0318-4000-9990-0000-000000-50-672010-00000-	CONSTRUCTION		3,724,070.00	
0318-0000-0000-0000-000000-00-242100-00000-	AP CONTROL ACCT			51,952.00
0318-0000-0000-0000-000000-00-242100-00000-	AP CONTROL ACCT			3,724,070.00
Total			3,776,022.00	3,776,022.00
Adjusting Journal Entries JE # 3				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
0318-0000-0000-0000-000000-00-101410-00000-	INTERGOVMENTAL ACCTS REC-STATE		2,343,363.00	
0318-0000-0000-0000-000000-00-101410-00000-	INTERGOVMENTAL ACCTS REC-STATE		192,174.00	
0318-0000-9990-0000-000000-00-436000-00000-	CAPITAL OUTLAY GRANTS			2,343,363.00
0318-0000-9990-0000-000000-00-449950-00000-	FEDERAL SOURCE - UNCLASSIFIED			192,174.00
Total			2,535,537.00	2,535,537.00
Total Adjusting Journal Entries			10,733,910.00	10,733,910.00
Total All Journal Entries			10,733,910.00	10,733,910.00

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
		PBC		
0323-4000-9990-0000-00000-50-672010-00000-	CONSTRUCTION		16,731.00	
0323-4000-9990-0000-00000-50-672010-00000-	CONSTRUCTION		496,739.00	
0323-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCT			16,731.00
0323-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCT			496,739.00
Total			513,470.00	513,470.00
Adjusting Journal Entries JE # 2				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
		PBC		
0323-0000-0000-0000-00000-00-101420-00000-	INTERGOVMENTAL AR -FEDERAL		2,057,727.00	
0323-0000-0000-0000-00000-00-245100-00000-	LOANS PAYBLE CURRENT		26,934,521.00	
0323-4000-9990-0000-00000-50-561610-00000-	EXP COMPUTER EQUIP < 5000		2,809,540.00	
0323-0000-0000-0000-00000-00-101021-00000-	SPLOST VI - CASH & EQ			26,934,521.00
0323-0000-0000-0000-00000-00-101021-00000-	SPLOST VI - CASH & EQ			2,057,727.00
0323-0000-9990-0000-00000-00-449950-00000-	E-RATE REVENUE			2,809,540.00
Total			31,801,788.00	31,801,788.00
Total Adjusting Journal Entries			32,315,258.00	32,315,258.00
Total All Journal Entries			32,315,258.00	32,315,258.00

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJEs for Beginning Balances" provided 10/1/2024				
0353-0000-0000-0000-00000-00-379900-00000-	FUND BALANCE - UNRESERVED		47,643.00	
0353-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCT			47,643.00
Total			47,643.00	47,643.00
Adjusting Journal Entries JE # 2				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
0352-4000-9990-0000-00000-50-672010-00000-	CONSTRUCTION		5,500.00	
0352-0000-0000-0000-00000-00-242100-00000-	AP CONTROL ACCOUNT			5,500.00
Total			5,500.00	5,500.00
Adjusting Journal Entries JE # 3				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
0353-0000-0000-0000-00000-00-101019-00000-	DISTRICT BLDG - CASH & EQ		1,398,360.00	
0353-0000-4475-0000-00000-60-449950-00000-	FEDERAL SOURCE - UNCLASSIFIED		2,809,540.00	
0353-0000-0000-0000-00000-00-101420-00000-	INTERGOVMENTAL AR -FEDERAL			1,398,360.00
0353-4000-4475-0000-00000-50-561210-00000-	SOFTWARE			385,079.00
0353-4000-4475-0000-00000-50-561610-00000-	EXP COMPUTER EQUIP < 5000			2,424,461.00
Total			4,207,900.00	4,207,900.00
	Total Adjusting Journal Entries		4,261,043.00	4,261,043.00
	Total All Journal Entries		4,261,043.00	4,261,043.00

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
0382-0000-0000-0000-00-101018-00000-	SYSTEMWIDE CW - CASH & EQ		26,934,521.00	
0382-0000-0000-0000-00-245100-00000-	LOANS PAYBLE CURRENT			26,934,521.00
Total			<u><u>26,934,521.00</u></u>	<u><u>26,934,521.00</u></u>
	Total Adjusting Journal Entries		<u><u>26,934,521.00</u></u>	<u><u>26,934,521.00</u></u>
	Total All Journal Entries		<u><u>26,934,521.00</u></u>	<u><u>26,934,521.00</u></u>

PBC

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0000-0000-00000-00-101	EQUITY IN POOL - CASH & EQ		4,003,613.89	
000-0000-00000-00-2402	DUE TO OTHER FUNDS			4,003,613.89
Total			<u>4,003,613.89</u>	<u>4,003,613.89</u>
Total Adjusting Journal Entries			<u>4,003,613.89</u>	<u>4,003,613.89</u>
Total All Journal Entries			<u>4,003,613.89</u>	<u>4,003,613.89</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0404-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		3,006,378.30	
0404-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			3,006,378.30
Total			<u><u>3,006,378.30</u></u>	<u><u>3,006,378.30</u></u>
	Total Adjusting Journal Entries		<u><u>3,006,378.30</u></u>	<u><u>3,006,378.30</u></u>
	Total All Journal Entries		<u><u>3,006,378.30</u></u>	<u><u>3,006,378.30</u></u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0406-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		112,785.56	
0406-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			112,785.56
Total			<u>112,785.56</u>	<u>112,785.56</u>
	Total Adjusting Journal Entries		<u>112,785.56</u>	<u>112,785.56</u>
	Total All Journal Entries		<u>112,785.56</u>	<u>112,785.56</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0414-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		792,303.36	
0414-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			792,303.36
Total			<u>792,303.36</u>	<u>792,303.36</u>
	Total Adjusting Journal Entries		<u>792,303.36</u>	<u>792,303.36</u>
	Total All Journal Entries		<u>792,303.36</u>	<u>792,303.36</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0432-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		115,321.29	
0432-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			115,321.29
Total			<u>115,321.29</u>	<u>115,321.29</u>
	Total Adjusting Journal Entries		<u>115,321.29</u>	<u>115,321.29</u>
	Total All Journal Entries		<u>115,321.29</u>	<u>115,321.29</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0448-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL- CASH & EQ		4,861,863.23	
0448-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			4,861,863.23
Total			<u>4,861,863.23</u>	<u>4,861,863.23</u>
	Total Adjusting Journal Entries		<u>4,861,863.23</u>	<u>4,861,863.23</u>
	Total All Journal Entries		<u>4,861,863.23</u>	<u>4,861,863.23</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0460-0000-0000-0000-00000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		195,605.48	
0460-0000-0000-0000-240201-00-00000-00000-MJ	DUE TO OTHER FUNDS			195,605.48
Total			<u>195,605.48</u>	<u>195,605.48</u>
	Total Adjusting Journal Entries		<u>195,605.48</u>	<u>195,605.48</u>
	Total All Journal Entries		<u>195,605.48</u>	<u>195,605.48</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJE's FY24 additional entries.xlsx" provided 10/8/2024				
		PBC		
0462-0000-0000-0000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		2,114.00	
0462-1000-1779-B000-00000-50-581010-00000-	DUES & FEES		3,473.00	
0462-0000-0000-0000-00-242200-00000-	ACCRUED PAYROLL -CURRENT			1,436.00
0462-0000-0000-0000-00-242210-00000-	ACCRUED BENEFITS -CURRENT			678.00
0462-2213-1779-C198-00000-50-511310-00000-	SUBSTITUTE TEACHERS			3,473.00
Total			<u>5,587.00</u>	<u>5,587.00</u>
Adjusting Journal Entries JE # 2				
To reclass negative cash for financial statement presentation				
0462-0000-0000-0000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		625,044.23	
0462-0000-0000-0000-00-240201-00000-MJ	DUE TO OTHER FUNDS			625,044.23
Total			<u>625,044.23</u>	<u>625,044.23</u>
	Total Adjusting Journal Entries		<u>630,631.23</u>	<u>630,631.23</u>
	Total All Journal Entries		<u>630,631.23</u>	<u>630,631.23</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
Client prepared entry "AJE's for FY24 L-5 L-6 and LSA" provided 10/4/2024				
		PBC		
500-25000	Student Activities		1,517,755.00	
500-14020	Due from Other Funds			1,517,755.00
Total			<u>1,517,755.00</u>	<u>1,517,755.00</u>
	Total Adjusting Journal Entries		<u>1,517,755.00</u>	<u>1,517,755.00</u>
	Total All Journal Entries		<u>1,517,755.00</u>	<u>1,517,755.00</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0510-0000-0000-0000-000000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		272,065.37	
0510-0000-0000-0000-000000-00-240201-00000-MJ	DUE TO OTHER FUNDS			272,065.37
Total			<u>272,065.37</u>	<u>272,065.37</u>
	Total Adjusting Journal Entries		<u>272,065.37</u>	<u>272,065.37</u>
	Total All Journal Entries		<u>272,065.37</u>	<u>272,065.37</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To reclass negative cash for financial statement presentation				
0532-0000-0000-0000-00-101010-00000-	EQUITY IN POOL - CASH & EQ		153,843.53	
0532-0000-0000-0000-00-240201-00000-MJ	DUE TO OTHER FUNDS			153,843.53
Total			<u>153,843.53</u>	<u>153,843.53</u>
	Total Adjusting Journal Entries		<u>153,843.53</u>	<u>153,843.53</u>
	Total All Journal Entries		<u>153,843.53</u>	<u>153,843.53</u>

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
To adjust cash balances per client prepared "paper" trial balances				
		PBC		
0600-0000-0000-0000-000000-00-101013-00000-	SNS - CASH & EQ		318,059.00	
0600-0000-0000-0000-000000-00-101538-00000-	DUE FROM OTHER FUNDS		9,958.00	
0693-0000-0000-0000-000000-00-101020-00000-	CATERED FOODS - CASH & EQ		10,211.00	
0600-0000-0000-0000-000000-00-101013-00000-	SNS - CASH & EQ			9,958.00
0600-0000-0000-0000-000000-00-200600-00000-	DUE TO OTHER FUNDS			318,059.00
0693-0000-0000-0000-000000-00-200693-00000-	DUE TO OTHER FUNDS			10,211.00
Total			338,228.00	338,228.00
	Total Adjusting Journal Entries		338,228.00	338,228.00
	Total All Journal Entries		338,228.00	338,228.00