

**MANAGEMENT LETTER OF
COLUMBIA PUBLIC SCHOOL DISTRICT
COLUMBIA, MISSOURI
JUNE 30, 2002**



GERDING, KORTE & CHITWOOD

Professional Corporation ♦ Certified Public Accountants
20 South Fifth Street ♦ Columbia, Missouri 65201

SECTION ONE

Our Responsibility Under Generally Accepted Auditing Standards

As stated in our engagement letter dated September 26, 2002, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute

assurance about whether the financial statements are free of material misstatement. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control of the Columbia Public School District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any

Consultations with Other Independent Accountants

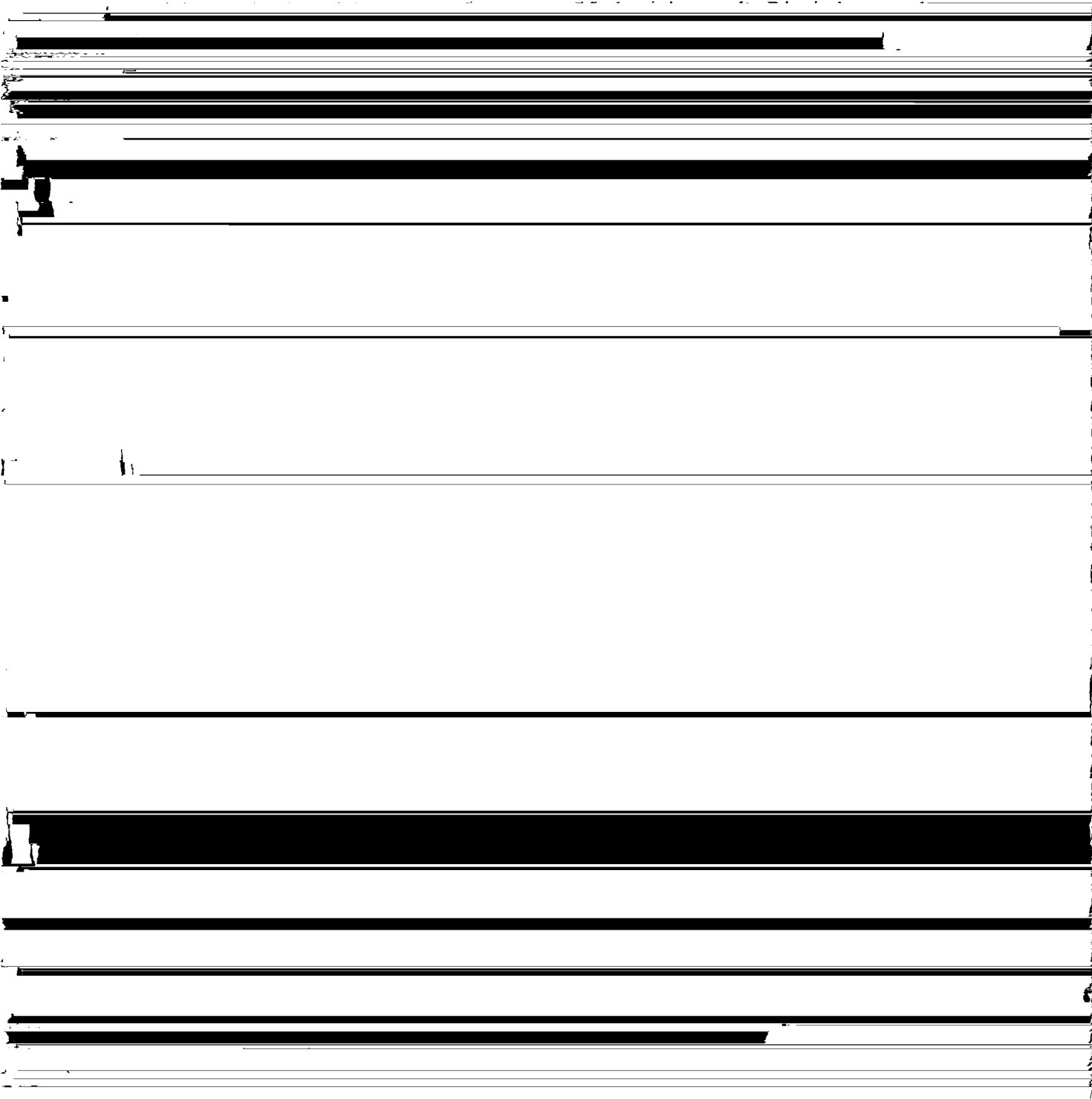
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements, a

determination of the type of auditors' opinion that may be expressed on those financial statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

SECTION TWO

Financial Reporting Issues

Independent Auditors' Report



financial statements.

Internal Control

We are not reporting any material weaknesses in the internal controls of the District.

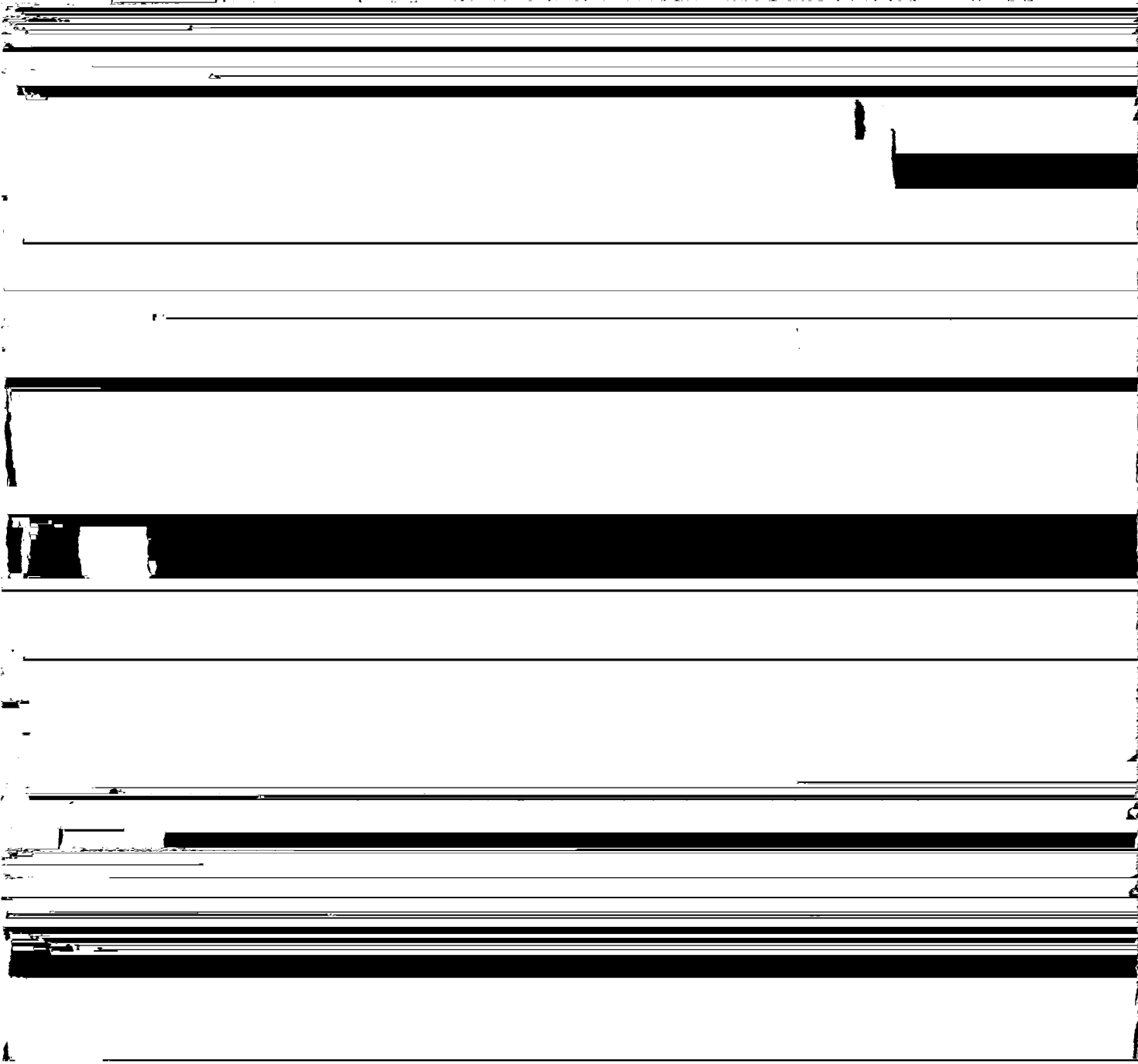
SECTION THREE

Observations and Recommendations

During our audit, we became aware of matters that are opportunities for strengthening internal controls. The following paragraphs summarize our comments and suggestions regarding those matters.

Grants

We noted no change, as compared to prior audits, in compliance with the District's procedures in accounting for and reporting grant activity. Several final expenditure reports were filed without





MEMORANDUM

FROM: Jim Ritter *JR*
SUBJECT: Auditors' Management Letter
DATE: December 6, 2002

At the conclusion of the annual audit it is customary for the auditors to provide the