

**Fresno State Programs for Children, Inc.**

**Campus Children's Center  
Early Education Center**

**2011-12 Annual Report**

Approved by the Board of Directors  
September 26, 2012

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 CAMPUS CHILDREN'S CENTER/EARLY EDUCATION CENTER  
 TABLE OF CONTENTS**

June 30, 2012

	<b>PAGE</b>
General Information	1
Corporate Information	2
Independent Auditor's Report	3
Financial Statements:	
Statements of Financial Position	4
Statements of Activities	5
Statements of Cash Flows	6
Notes to the Financial Statements	7 - 11
Additional Information:	
Combining Statement of Financial Position	12
Combining Statement of Activities	13
Schedule of Expenditures of Federal and State Awards	14
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With <u>Government Auditing Standards</u>	15 - 16
Schedule of Findings and Questioned Costs	17
Current Status of Prior Year Findings	18 - 20
Combining Schedule of Administrative Costs	21
Combining Schedule of Expenditures by State Categories	22
Schedule of Renovation and Repair Expenditures	23
Schedule of Equipment Expenditures	24
Audited Final Attendance and Fiscal Report Forms:	
Audited Final Attendance and Fiscal Report for State Preschool Programs (CSPP)	25 - 26
Audited Final Attendance and Fiscal Report for Child Development Programs (CCTR)	27 - 29
Audited Final Revenue & Expenditure Report for One-Time Only Contracts (CRPM)	30
Additional Information for California State University, Fresno	31
Schedule of Net Assets	32
Schedule of Revenues, Expenses and Changes in Net Assets	33
Other Information	34 - 35

GENERAL INFORMATION

Fresno State Programs For Children, Inc.

Campus Children's Center/Early Education Center

Federal Grant Project No. 10-Q621-00-5136-1

Federal Grant Project No. 10-Q621-00-3609-1

Child Development Contract Project No. 10-Q621-00-3254-1

Child Development Contract Project No. 10-Q621-00-3038-1

Federal Grant Project No. 10-Q621-00-5136-1

Federal Grant Project No. 10-Q621-00-3609-1

Child Development Contract Project No. 10-Q621-00-3254-1

Child Development Contract Project No. 10-Q621-00-4861-9

Federal Grant Project No. 10-Q621-00-5010-9

Nonprofit Corporation

Address:

California State University, Fresno Auxiliary Corporations  
2771 E. Shaw Avenue  
Fresno, California 93710-8205  
(559) 278-0800

For the period July 1, 2011 through June 30, 2012

Days of Operation: 236

Schedule of Operation Each Day:  
Opening Time - 7:30 a.m. - Sites II, III, IV  
Closing Time - 5:30 p.m. - Sites II, III, IV

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**CORPORATE INFORMATION**  
For the Fiscal Year Ended June 30, 2012

**BOARD OF DIRECTORS**

Deborah S. Adishian-Astone	Fresno, California
Ellen Junn (7/1/11-1/13/12)	Fresno, California
Selena Farnesi (6/1/11-5/31/12)	Fresno, California
Arthur Montejano (6/1/12-6/30/12)	Fresno, California
Don Romsa	Fresno, California
Colleen Torgerson	Fresno, California
Sandra Witte	Fresno, California
Mehrzad Zarrin	Fresno, California
Alma Zechman	Fresno, California

**CORPORATE OFFICERS**

Ellen Junn (7/1/11-1/13/12)	Chair
Sandra Witte (effective 3/1/12)	Chair
Colleen Torgerson	Vice Chair
Deborah S. Adishian-Astone	Chief Financial Officer
Alma Zechman	Secretary

**CORPORATE DATA**

Executive Offices	2771 East Shaw Avenue Fresno, California 93710-8205 Telephone (559) 278-0800
Auditors	Price Paige and Company 677 Scott Avenue Clovis, California 93612 Telephone (559) 299-9540



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Fresno State Programs for Children, Inc.  
Fresno, California

We have audited the accompanying statements of financial position of Fresno State Programs for Children (a nonprofit organization) as of June 30, 2011 and 2012, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of Fresno State Programs for Children, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the overall effectiveness of the Organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fresno State Programs for Children, Inc. as of June 30, 2011 and 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2012, on our consideration of the Fresno State Programs for Children, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of federal and state awards on page 14 and the information reflected on pages 12 to 13 and 21 to 30 is presented as required by the *Audit Guide for Audits of Child Development and Nutritional Programs* issued by the California Department of Education. The information reflected on pages 32 to 35 is presented as required by the Chancellor of the California State University. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.

*Price Paige & Company*

Clovis, California  
September 17, 2012

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2011 AND 2012**

<b>ASSETS</b>	<u>2011</u>	<u>2012</u>
Current Assets:		
Cash and Cash Equivalents (Note 3)	\$ 471,533	\$ 539,181
Accounts Receivable - Contracts	100,526	57,556
Accounts Receivable - Other	20,382	102,635
Prepaid Expenses - Deposits	<u>8,552</u>	<u>14,752</u>
Total Current Assets	<u>600,993</u>	<u>714,124</u>
Fixed Assets:		
Equipment	44,656	44,656
Less Accumulated Depreciation	<u>(36,947)</u>	<u>(39,358)</u>
Total Fixed Assets	<u>7,709</u>	<u>5,298</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 608,702</u></u>	<u><u>\$ 719,422</u></u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable and Accrued Expenses (Note 5)	<u>\$ 80,821</u>	<u>\$ 95,802</u>
Net Assets:		
Unrestricted:		
Undesignated	527,881	573,620
Designated	<u>-</u>	<u>50,000</u>
Total Unrestricted Net Assets	<u>527,881</u>	<u>623,620</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 608,702</u></u>	<u><u>\$ 719,422</u></u>

The accompanying notes are an integral part of the financial statements

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2012**

	<b>2011</b>	<b>2012</b>
<b>CHANGES IN UNRESTRICTED NET ASSETS:</b>		
Revenues:		
State Apportionment	\$ 283,016	\$ 508,742
Federal Funds	595,065	288,540
One-Time Grants	5,112	11,159
CSU, Fresno Department Contributions (Note 7)	87,810	87,810
Day Care Fees - Parent Fees	259,461	285,657
Student Body Fees (Note 7)	329,616	339,155
Interest Income	1,209	1,476
Miscellaneous	16,286	21,368
Total Revenues	1,577,575	1,543,907
Expenses:		
Program Expenses - Child Care	1,429,952	1,333,343
Management and General	122,392	114,825
Total Expenses (Note 8)	1,552,344	1,448,168
Increase in Net Assets	25,231	95,739
Net Assets at Beginning of Year	502,650	527,881
Net Assets at End of Year	\$ 527,881	\$ 623,620

The accompanying notes are an integral part of the financial statements

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2011 AND 2012**

	<u>2011</u>	<u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase/(Decrease) in Net Assets	\$ 25,231	\$ 95,739
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided/(Used) by Operating Activities:		
Depreciation	2,956	2,411
Changes In:		
Accounts Receivable	(25,208)	(39,283)
Prepaid Expenses - Deposits	(3,095)	(6,200)
Accounts Payable and Accrued Expenses	<u>15,571</u>	<u>14,981</u>
Net Cash Provided/(Used) By Operating Activities	<u>15,455</u>	<u>67,648</u>
Net Increase/(Decrease) in Cash	15,455	67,648
Cash and Cash Equivalents at Beginning of Year	<u>456,078</u>	<u>471,533</u>
Cash and Cash Equivalents at End of Year	<u>\$ 471,533</u>	<u>\$ 539,181</u>
<b>CASH FLOW INFORMATION</b>		
Income Taxes Paid	<u>\$ 8,405</u>	<u>\$ 2,613</u>

The accompanying notes are an integral part of the financial statements



**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011 AND 2012**

**Note 1 - General Information**

The Fresno State Programs for Children, Inc. ("Programs for Children") was incorporated on December 3, 1996, and began operations on July 1, 1999, as a separate non-profit corporation. The Corporation provides child care services primarily for college students, faculty, staff and local community members in three sites at California State University, Fresno.

**Note 2 - Summary of Significant Accounting Policies**

The financial statements of the Programs for Children have been prepared on the accrual basis of accounting. This method accounts for revenues and expenses in the period in which they are considered to have been earned and incurred, respectively. The significant accounting policies of the Programs for Children are described below to enhance the usefulness of the financial statements.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fund Accounting**

The Programs for Children receives revenues from state and federal grants for program operations. To ensure observance of limitations placed on the use of resources available to the Programs for Children, the accounts are maintained in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established in accordance to their nature and purpose. Federal and state child development contracts are reported as a single contract because the Programs for Children has been allowed to commingle expenditures. The Combining Statement of Financial Position and Combining Statement of Activities reflect the respective assets, liabilities, revenues, expenses and net assets of the General Child Development Program Fund and Child Care Food Program Fund.

**Cash and Cash Equivalents**

For purposes of the Statements of Cash Flows, cash includes short-term highly liquid investments with an initial maturity of three months or less.

**Accounts Receivable-Other**

Accounts receivable—other are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. At June 30, 2011 and 2012, the organization considers all amounts to be fully collectible; therefore, no allowance for doubtful accounts is reflected.

## **Note 2 – Summary of Significant Accounting Policies, continued**

### **Fixed Assets**

Fixed Assets are reflected on the financial statements at cost less accumulated depreciation. Depreciation is computed using straight-line rates based on the estimated useful lives, ranging from three to ten years. The organization capitalizes all expenditures in excess of \$5,000.

### **401(k) Plan**

The organization has a 401(k) plan which covers eligible employees meeting age and length of service requirements. Eligible employees contribute to the plan with salary deferrals. The organization matches the first 5% of employee deferrals. Contributions to the plan for the years ended June 30, 2011 and 2012, totaled \$2,098 and \$2,553 and are included in employee benefits.

### **Tax Status**

The organization is organized and operated exclusively for educational purposes and is thus allowed tax exempt status under provisions of section 501(c)(3) of the Internal Revenue Code and section 23701(d) of the California Revenue and Taxation Code. However, income for certain activities not directly related to the organization's tax-exempt purpose is subject to taxation as unrelated business income.

### **Expense Allocation**

The costs of providing various programs and other activities have been summarized on a functional basis in Note 8 – Expenses by Natural Classification. Accordingly, certain costs have been allocated among programs and supporting services.

## **Note 3 – Cash and Cash Equivalents**

Cash at June 30 consisted of the following:

	<u>2011</u>	<u>2012</u>
Deposits:		
Cash On-Hand and in Banks	\$446,061	\$513,606
Pooled Funds:		
Cash in State of California Local Agency		
Investment Funds	<u>25,472</u>	<u>25,575</u>
Total	<u>\$471,533</u>	<u>\$539,181</u>

The Federal Depository Insurance Corporation (FDIC) insures cash balances held in interest-bearing accounts up to \$250,000 at June 30, 2011 and 2012, respectively. In addition, the FDIC insures cash balances held in noninterest-bearing accounts for unlimited amounts. At June 30, 2011 and 2012, the Programs for Children's uninsured cash balances at Citibank totaled \$0 and \$162,260 respectively.

Programs for Children maintains some of its cash in the State of California Local Agency Investment Fund. The state pools these funds with those of other organizations and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is remitted quarterly to the Programs for Children. Any investment losses are proportionately shared by all funds in the pool.

#### **Note 4 – Fair Value Measurements**

Effective May 1, 2008, the Programs for Children adopted Statement No. 157, *Fair Value Measurements*, Statement of Financial Accounting Standards No. 157 (FAS 157), subsequently included in the Codification as ASC 820. ASC 820 applies to all financial statements that are being measured and reported on a fair value basis.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant observable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

**Level 1** – Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities. Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

**Level 2** – Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly. Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

**Level 3** – Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounts cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The table below presents the balance of assets measured at fair value (Level 1 Inputs) on a recurring basis at June 30:

	<u>Fair Value</u>	<u>Level 1</u>
<u>2011</u>		
Cash and Cash Equivalents	<u>\$471,533</u>	<u>\$471,533</u>
Totals	<u>\$471,533</u>	<u>\$471,533</u>
<u>2012</u>		
Cash and Cash Equivalents	<u>\$539,181</u>	<u>\$539,181</u>
Totals	<u>\$539,181</u>	<u>\$539,181</u>

#### **Note 5 – Accounts Payable and Accrued Expenses**

Included in accounts payable are the unspent California Department of Education (CDE) funds for the years ended June 30:

<u>Contract</u>	<u>2011</u>	<u>2012</u>
CCTR	\$18,393	\$20,060
CSPP	<u>14,386</u>	<u>0</u>
	<u>\$32,779</u>	<u>\$20,060</u>

The amounts will be repaid to the CDE only after the CDE has closed the years' contracts and has notified the Programs for Children to repay the funds.

## **Note 6 - Contingencies**

The Programs for Children has received California Department of Education funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowance under terms of the grants, it is believed that any required reimbursements will not be material. The organization receives approximately 52% of its revenues from State and Federal contracts. A reduction in the amounts obtained from contracts could impact the operations of the organization.

## **Note 7 - Related Parties**

The Programs for Children had transactions with California State University, Fresno during the year ended June 30 as follows:

An allocation was received from the University's Division of Student Affairs to supplement the Programs for Children operations of \$31,560 for each of the years ended June 30, 2011 and June 30, 2012.

The Jordan College of Agriculture Science and Technology contributed \$27,440 for each of the years ended June 30, 2011 and June 30, 2012. The School of Education and Human Development contributed \$28,810 for each of the years ended June 30, 2011 and June 30, 2012.

Student Body Fee income allocated to Programs for Children amounted to \$329,616 for the year ended June 30, 2011 and \$339,155 for the year ended June 30, 2012. At June 30, 2011, the Programs for Children had a receivable from the University of \$2,183. At June 30, 2012, the Programs for Children had a receivable from the University of \$86,371 for Student Body Fee income and a payable to the University of \$30,612 for salary/wages reimbursement.

Facility Lease for use of University premises. Reimbursement of University resources has been set forth by the Memorandum of Understanding (MOU), which expired on June 30, 2009 and is currently being renegotiated. Based on the rates set forth by the MOU, Programs for Children paid to the University \$0 for both years for administration fees and \$4,146 and \$3,982 for facilities/maintenance fees for the years ended June 30, 2011 and 2012, respectively.

In addition to the University, Programs for Children is related to California State University, Fresno Association ("Association") due to common management of the two entities. Programs for Children had the following transactions with the Association during the years ended June 30, 2011 and 2012:

Pursuant to a management services agreement, Programs for Children pays administrative fees to the Association for management services. The administrative fees for the years ended June 30, 2011 and 2012 were \$75,200 for both years, respectively, based on services rendered.

The Programs for Children has transactions with Agricultural Foundation of California State University, Fresno. The amounts due the Agricultural Foundation from the Programs for Children were \$0 and \$397 at June 30, 2011 and 2012, respectively.

## **Note 8 – Expenses by Natural Classification**

The following is a detailed list of expenses by natural classification for the year ended June 30:

	2011			2012		
	Program	General & Administrative	Total	Program	General & Administrative	Total
Certificated Salaries:						
Teachers	\$381,274		\$381,274	\$355,682		\$355,682
Supervisors	150,344		150,344	143,666		143,666
Classified Salaries:						
Instructional Aides	308,636		308,636	281,710		281,710
Clerical	52,535		52,535	43,109		43,109
Other	47,524		47,524	53,054		53,054
Administration Fees		\$122,392	122,392		\$114,825	114,825
Employee Benefits	278,126		278,126	256,560		256,560
Food Services:						
Food	75,006		75,006	69,037		69,037
Personnel	63,311		63,311	44,841		44,841
Other Food Expenses	4,321		4,321	3,578		3,578
Instructional Supplies	10,774		10,774	21,535		21,535
Other Supplies	9,785		9,785	9,092		9,092
Travel/Training	1,411		1,411	5,884		5,884
Telephone	3,203		3,203	3,482		3,482
Depreciation	2,956		2,956	2,411		2,411
Other Operating Expenses	40,746		40,746	39,702		39,702
	<u>\$1,429,952</u>	<u>\$122,392</u>	<u>\$1,552,344</u>	<u>\$1,333,343</u>	<u>\$114,825</u>	<u>\$1,448,168</u>

## **Note 9 – Subsequent Events**

Subsequent events have been evaluated through September 17, 2012, which is the date the financial statements were available to be issued, noting no matters requiring disclosure in the financial statements for the year ended June 30, 2012.

## **Note 10 - Uncertain Tax Positions**

Generally Accepted Accounting Principles (GAAP) requires the Organization to determine and assess all material tax positions taken in any income or information returns, including all significant uncertain positions, in all tax years that are still subject to assessment or challenge by relevant taxing authorities. GAAP addresses the recognition and measurement of income tax positions using a "more-likely-than-not" (MLTN) threshold. The MLTN threshold means that:

- A benefit related to an uncertain tax position may not be recognized in the financial statements unless it is MLTN that the position will be sustained based on its technical merits; and
- There must be more than a 50 percent likelihood that the position would be sustained if challenged and considered by the highest court in the relevant jurisdiction.

Management evaluated all material tax positions as required by GAAP and determined that this requirement had no impact on the organizations financial statements.

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 CAMPUS CHILDREN'S CENTER/ EARLY EDUCATION CENTER  
 COMBINING STATEMENT OF FINANCIAL POSITION  
 JUNE 30, 2012**

<b>ASSETS</b>	<b>General Child Development Program</b>	<b>Child Care Food Program</b>	<b>Total</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 539,181	-	\$ 539,181
Accounts Receivable - Contracts	46,226	\$ 11,330	57,556
Accounts Receivable - Other	102,635	-	102,635
Prepaid Expenses - Deposits	14,752	-	14,752
Due from Child Care Food Program	9,624	(9,624)	0
<b>Total Current Assets</b>	<u>712,418</u>	<u>1,706</u>	<u>714,124</u>
<b>Fixed Assets:</b>			
Equipment	44,656	-	44,656
Less Accumulated Depreciation	<u>(39,358)</u>	<u>-</u>	<u>(39,358)</u>
<b>Total Fixed Assets</b>	<u>5,298</u>	<u>-</u>	<u>5,298</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 717,716</u></u>	<u><u>\$ 1,706</u></u>	<u><u>\$ 719,422</u></u>
 <b>LIABILITIES AND NET ASSETS</b>			
<b>Current Liabilities:</b>			
Accounts Payable and Accrued Expenses	\$ 94,096	\$ 1,706	\$ 95,802
<b>Unrestricted Net Assets</b>	<u>623,620</u>	<u>-</u>	<u>623,620</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 717,716</u></u>	<u><u>\$ 1,706</u></u>	<u><u>\$ 719,422</u></u>

The accompanying notes are an integral part of the financial statements

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 CAMPUS CHILDREN'S CENTER/ EARLY EDUCATION CENTER  
 COMBINING STATEMENT OF ACTIVITIES  
 JUNE 30, 2012**

<b>Changes in Unrestricted Net Assets:</b>	<b>General Child Development Program</b>	<b>Child Care Food Program</b>	<b>Total</b>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Revenues:			
State Apportionment	\$ 505,219	\$ 3,523	\$ 508,742
Federal Funds	219,531	69,009	288,540
One-Time Grants	11,159	-	11,159
CSU, Fresno Department Contributions	87,810	-	87,810
Day Care Fees - Parent Fees	285,657	-	285,657
Student Body Fees	339,155	-	339,155
Interest Income	1,476	-	1,476
Miscellaneous	21,368	-	21,368
	<u>1,471,375</u>	<u>72,532</u>	<u>1,543,907</u>
Total Revenues			
Expenses:			
Program Expenses - Child Care	1,260,811	72,532	1,333,343
Management and General	114,825	-	114,825
	<u>1,375,636</u>	<u>72,532</u>	<u>1,448,168</u>
Total Expenses			
Increase in Net Assets	95,739	-	95,739
Net Assets at Beginning of Year	<u>527,881</u>	<u>-</u>	<u>527,881</u>
Net Assets at End of Year	<u>\$ 623,620</u>	<u>\$ -</u>	<u>\$ 623,620</u>

The accompanying notes are an integral part of the financial statements

FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 CAMPUS CHILDREN'S CENTER/ EARLY EDUCATION CENTER  
 CHILD CARE FOOD PROGRAM - CENTERS  
 SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
 FOR THE YEAR ENDED JUNE 30, 2012

Program Name	Federal CFDA Number	Program Or Award Amount	Revenue Recognized	Expenditures
Federal:				
U.S. Department of Health and Human Services				
Pass-through California Department of Education				
Child Care Food Program 10-JO41-01-04549	10.558	\$ 69,009	\$ 69,009	\$ 69,009
Child Care and Development (CCDF) Cluster				
Child Development Programs 3609-1	93.596	87,294	87,294	87,294
Child Development Programs 5136-1	93.575	48,117	36,942	36,942
Child Development Programs 3609-1	93.596	73,796	61,575	61,575
Child Development Programs 5136-1	93.575	40,561	33,720	33,720
ARRA Child Development Programs 4861-9	93.713	13,330	5,142	5,142
ARRA Child Development Programs 5010-9	93.713	<u>6,665</u>	<u>6,017</u>	<u>6,017</u>
Total U.S. Department of Health and Human Services		<u>338,772</u>	<u>299,699</u>	<u>299,699</u>
Total Federal Assistance		<u>\$ 338,772</u>	<u>\$299,699</u>	<u>\$ 299,699</u>
State:				
California Department of Education				
State Meal Reimbursement		\$ 3,523	\$ 3,523	\$ 3,523
Child Development Programs 3254-1		258,512	249,578	249,578
Child Development Programs 3254-1		219,323	219,323	219,323
Child Development Programs 3038-1		<u>36,318</u>	<u>36,318</u>	<u>36,318</u>
Total California Department of Education		<u>517,676</u>	<u>508,742</u>	<u>508,742</u>
Total State Assistance		<u>\$ 517,676</u>	<u>\$508,742</u>	<u>\$ 508,742</u>

**BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal and State Awards (the Schedule) presents the activity of all federal and state award programs of the Fresno State Programs for Children, Inc. The Schedule includes federal awards passed through other agencies and nonfederal awards.

The accompanying Schedule is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.





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

To the Board of Directors of  
Fresno State Programs for Children, Inc.  
Fresno, California

We have audited the financial statements of Fresno State Programs for Children, Inc. (a nonprofit organization) as of and for the year ended June 30, 2012, and have issued our report thereon dated September 17, 2012. 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.

Internal Control over Financial Reporting

Management of Fresno State Programs for Children, Inc. is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Fresno State Programs for Children, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fresno State Programs for Children, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Fresno State Programs for Children, Inc.'s financial statements are free of material misstatement, we performed tests of its 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. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, others within the entity, the Board of Directors, and the State of California Department of Education and is not intended to be and should not be used by anyone other than these specified parties.

*Price Page & Company*

Clovis, California  
September 17, 2012

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**I. Summary of Auditor's Results**

Financial Statements:

Type of auditor's report issued:	<u>Unqualified</u>	
Internal control over financial reporting:		
Material weakness(es) identified?	_____ Yes	<u>  X  </u> No
Significant deficiencies identified that are not considered to be material weakness(es)?	_____ Yes	<u>  X  </u> No
Noncompliance material to financial statements noted?	_____ Yes	<u>  X  </u> No

**II. Findings – Financial Statement Audit**

None reported

**III. Findings and Questioned Costs – Grant Award Programs**

None reported

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
CURRENT STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2012**

**I. Findings – Financial Statement Audit**

None reported

**II. Findings and Questioned Costs – Federal and State Awards**

Finding 11-1: Child Care and Development Programs – Eligibility

Federal Grantor: U.S. Department of Health and Human Services  
Programs: Child Care and Development (CCDF) Cluster  
CFDA No: 93.596 and 93.575

***Condition:***

During our audit of the forty-eight family data files for the eligibility requirements, we noted that there were three files that did not have a signed Form CD 9600A or have an SSN included on the CD 9600.

***Criteria:***

According to the Instructions for Completing Form CD 9600, Form CD 9600A, the Child Care Data Collection/ Privacy Notice and Consent Form, must be completed and signed by all heads of household in all CDE-funded programs. If the head of household gives consent to use their Social Security Number (SSN), the SSN should be inserted on the CD 9600. If the head of household does not give consent, leave the SSN space blank on the CD 9600. In "family of one" situations, the SSN will not be collected; therefore, completion of the CD9600A is not required.

***Cause of Condition:***

Fresno State Programs for Children, Inc. believed that the CD9600A forms were only necessary if a parent did not provide a social security number on their application for admission. Because a very large percentage of the applicants provided their SSN, the client did not include the CD9600A form in any of the family files.

***Effect on Condition:***

Fresno State Programs for Children, Inc. did not obtain the required Form CD 9600A, the Child Care Data Collection/Privacy Notice and Consent Form, from the heads of household. Fresno State Programs for Children, Inc. was not in compliance with the eligibility record-keeping requirements.

***Questioned Costs:***

Not applicable

***Recommendation:***

The Organization should issue Form CD 9600A to all families who apply for subsidized services. In previous years this was overlooked because if a family provided their social security number on their application it was assumed that they were giving consent to use their social security number.

***Management's Response:***

Management concurs. Effective July 1, 2011, Form CD 9600A (Child Care Data Collection Privacy Notice and Consent Form) is included as a part of required enrollment documentation for all certified families. Families that were enrolled prior to July 1, 2011, were provided with written notification of this change along with the form. If completed forms are not submitted to the PFC office manager, the eligibility file will be incomplete and the parent will receive a Notice of Action terminating services unless required documentation is submitted.

***Current Status:***

Implemented

FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
CURRENT STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2012

III. Findings and Questioned Costs – Federal and State Awards (Continued)

Finding 2011-2: Child Care and Development Programs – Program Income

Federal Grantor: U.S. Department of Health and Human Services  
Programs: Child Care and Development (CCDF) Cluster  
CFDA No: 93.596 and 93.575

**Condition:**

During our review of forty-eight family data files, we noted the following instances of noncompliance with program income requirements:

- There were four instances where parent fees were calculated incorrectly.

**Criteria:**

According to the *Guide for Audits of Child Development and Nutrition Programs* issued by the California Department of Education (CDE), the contractor is required to calculate program income in accordance with the stated criteria and record income earned on program funds in the accounting records and report to the CDE.

**Cause of Condition:**

The client used the incorrect number of months/paychecks in the calculation for billing.

**Effect on Condition:**

Families were overcharged or undercharged due to incorrect calculation of family income, which could result in the understatement of program income reported to the CDE.

**Questioned Costs:**

Not applicable

**Recommendation:**

The Organization should utilize income eligibility verification worksheets to help catch errors (applying the incorrect number of paychecks, etc.) in calculating monthly income. The Organization should develop an automated billing system for parent fees instead of manually calculating and entering amounts into the parent fee ledger for each family.

**Management's Response:**

Management concurs. An income verification worksheet will be used to verify fees. The program will explore the ability to procure an automated billing system.

**Current Status:**

Implemented

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
CURRENT STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2012**

**III. Findings and Questioned Costs – Federal and State Awards (Continued)**

Federal Grantor: U.S. Department of Health and Human Services  
Programs: Child Care and Development (CCDF) Cluster  
CFDA No: 93.596 and 93.575

Finding 2011-3: Child Care and Development Programs - Reporting

***Condition:***

During our review of forty-eight family data files, we noted one instance where a child that should not have been claimed was reported for three days of attendance.

***Criteria:***

California Department of Education General Child Care & Development (Center-based) Funding Terms and Conditions, California State Preschool Program Part-day and Full-day Funding Terms and Conditions (FT&C, sections VI.C, VI.D, and VI.F).

***Cause of Condition:***

In general, the Organization is allowed to claim days of service for children before they have all of their official documentation in. For the child that was claimed incorrectly, the Organization ended up not receiving the official documentation and the contract was never completed. Based on the timesheets the child in question attended for one day and was sick for two more days.

***Effect on Condition:***

Fresno State Programs for Children, Inc. has overstated enrollment on the Attendance and Fiscal Report (CDFS 9500) and monthly claim.

***Questioned Costs:***

The questioned costs for the three days of attendance for a full-time infant amount to \$175.

***Recommendation:***

The Organization should not add children to the attendance count before a contract is signed for services.

***Management's Response:***

Management concurs. Effective immediately, the Assistant Director, Center Directors or Program Director will review the file at the time of enrollment to make sure it is complete before allowing the child to attend.

***Current Status:***

Implemented

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 COMBINING SCHEDULE OF ADMINISTRATIVE COSTS  
 FOR THE YEAR ENDED JUNE 30, 2012**

	<u>CCTR-1036</u>	<u>CSPP-1069</u>
Supplies & Printing	\$ 5,714	\$ 3,469
Insurance	7,210	4,376
Accounting Fees	46,797	28,403
Audit Fees	10,598	6,432
Other Operating Expenses	<u>445</u>	<u>271</u>
 Total Administrative Costs	 <u>\$ 70,764</u>	 <u>\$ 42,951</u>

FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 CAMPUS CHILDREN'S CENTER/EARLY EDUCATION CENTER  
 COMBINING SCHEDULE OF EXPENDITURES BY STATE CATEGORIES  
 For the Year Ended June 30, 2012

	Federal Meal Program	State Meal Program	One-Time Grants	Center Pre- School Programs	Center and Block Grant Child Development Programs	Total Reimbursed Expenses	Total Unreimbursed Expenses	Total Reported Expenses
<b>1000</b>	<b>Certificated Personnel Salaries</b>							
1100	0	0	0	134,343	221,339	355,682	0	355,682
1300	0	0	0	54,263	89,403	143,666	0	143,666
	Sub-Total							
	0	0	0	188,606	310,742	499,348	0	499,348
<b>2000</b>	<b>Classified Personnel Salaries</b>							
2100	0	0	0	79,917	131,669	211,586	0	211,586
2100	0	0	0	44,450	73,234	117,684	0	117,684
2100	0	0	0	2,075	3,418	5,493	0	5,493
2300	0	0	0	16,282	26,827	43,109	0	43,109
2500	27,067	837	0	16,937	0	44,841	0	44,841
	Sub-Total							
	27,067	837	0	159,661	235,148	422,713	0	422,713
<b>3000</b>	<b>Employee Benefits</b>							
3300	3,244	243	0	19,688	28,951	52,126	0	52,126
3400	7,019	526	0	42,604	62,649	112,798	0	112,798
3500	710	53	0	4,308	6,333	11,404	0	11,404
3600	3,239	243	0	19,659	28,908	52,049	0	52,049
3900	1,754	132	0	10,645	15,652	28,183	0	28,183
	Sub-Total							
	15,966	1,197	0	96,904	142,493	256,560	0	256,560
<b>4000</b>	<b>Books and Supplies</b>							
4300	0	0	0	1,888	3,112	5,000	0	5,000
4300	0	0	0	1,369	2,256	3,625	0	3,625
4300	0	0	0	934	1,540	2,474	0	2,474
4300	0	0	0	1,240	2,044	3,284	0	3,284
4300	0	0	0	884	1,455	2,339	0	2,339
4500	0	0	0	83	136	219	0	219
4600	0	0	0	1,427	2,352	3,779	0	3,779
4500	1,905	221	0	1,928	1,051	5,105	0	5,105
4500	0	0	0	221	364	585	0	585
4500	0	0	0	3,469	5,714	9,183	0	9,183
4500	0	0	0	3	6	9	0	9
4500	1,372	201	0	1,282	538	3,393	0	3,393
4710	20,999	775	0	26,076	21,287	69,037	0	69,037
4790	1,800	292	0	1,351	135	3,578	0	3,578
	Sub-Total							
	25,976	1,489	0	42,155	41,990	111,610	0	111,610
<b>5000</b>	<b>Services and Other Operating Expenses</b>							
5110	0	0	0	0	0	0	0	0
5200	0	0	0	2,223	3,661	5,884	0	5,884
5300	0	0	0	1,151	1,897	3,048	0	3,048
5440	0	0	0	4,376	7,210	11,586	0	11,586
5500	0	0	0	1,316	2,167	3,483	0	3,483
5500	0	0	0	1,504	2,478	3,982	0	3,982
5600	0	0	0	911	1,500	2,411	0	2,411
5600	0	0	0	0	0	0	0	0
5600	0	0	1,651	2,630	4,333	8,614	0	8,614
5800	0	0	0	28,403	46,797	75,200	0	75,200
5800	0	0	0	6,432	10,598	17,030	0	17,030
5800	0	0	0	6,493	10,698	17,191	0	17,191
6000	0	0	9,508	0	0	9,508	0	9,508
	Sub-Total							
	0	0	11,159	55,439	91,339	157,937	0	157,937
<b>Totals</b>	<b>69,009</b>	<b>3,523</b>	<b>11,159</b>	<b>542,765</b>	<b>821,712</b>	<b>1,448,168</b>	<b>0</b>	<b>1,448,168</b>

Federal and State Child Development contracts are recorded as a single contract because the center has been allowed to commingle expenditures.

The auditors have examined the claims for reimbursement and the original supporting records covering the transactions under these contracts to an extent considered necessary to assure themselves that the amounts claimed by the agency were proper.



FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 Schedule of Renovation and Repair Expenditures  
 For the Year Ended June 30, 2012

Item:	<u>CCTR-1036</u>	<u>Total Costs</u>
Miscellaneous Repairs	<u>4,334</u>	<u>4,334</u>
	<u>CSPP-1069</u>	<u>Total Costs</u>
Item: Miscellaneous Repairs	<u>2,630</u>	<u>2,630</u>
	<u>CRPM-9022</u>	<u>Total Costs</u>
Item: Miscellaneous Repairs	<u>11,159</u>	<u>11,159</u>
Total Repairs and Maintenance	<u><u>18,123</u></u>	<u><u>18,123</u></u>
<u>Unit Cost over \$10,000 with CDD Approval:</u>		
Item: None	-	-
<u>Unit Cost Over \$10,000 Without CDD Approval:</u>		
Item: None	-	-
Total:		
<u>Total Renovation and Repair Expenditures</u>	<u>\$ -</u>	<u>\$ -</u>

FRESNO STATE PROGRAMS FOR CHILDREN, INC.

Schedule of Equipment Expenditures  
Utilizing Contract Funds  
Fiscal Year Ended June 30, 2012

GRANTS		EXPENDITURES UNDER \$7,500 PER UNIT COST		EXPENDITURES OVER \$7,500 PER UNIT COST WITH CDD APPROVAL		EXPENDITURES OVER \$7,500 PER UNIT COST WITHOUT CDD APPROVAL	
PROJECT NO.	DESCRIPTION	COST	ITEM	COST	ITEM	COST	ITEM
CRPM-9022	Carpet Tiles/Infant Toy Boxes	475					
CRPM-9022	Infant Handrails	919					
CREM-9022	Toddler Toy Boxes	815					
CRPM-9022	Canopy w/ Posts and Pads	3,999					
CRPM-9022	Pour-in-Place Rubber Resurfacing	3,300					
		9,508					
	<b>Total Equipment</b>	<b>9,508</b>					

## AUDITED ATTENDANCE AND FISCAL REPORT

### for California State Preschool Programs

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year Ended: June 30, 2012 Contract No. CSPP-1069

Independent Auditor's Name: Price, Paige and Company

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	COLUMN B AUDIT ADJUSTMENTS	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	COLUMN D ADJUSTMENT FACTOR	COLUMN E ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Three and Four Year Olds</i>					
Full-time-plus	61		61	1.1800	71.980
Full-time	8,325		8,325	1.0000	8,325.000
Three-quarters-time	2,636		2,636	0.7500	1,977.000
One-half-time	707		707	0.6172	436.360
<i>Exceptional Needs</i>					
Full-time-plus	-		-	1.4160	-
Full-time	-		-	1.2000	-
Three-quarters-time	-		-	0.9000	-
One-half-time	-		-	0.6172	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-		-	1.2980	-
Full-time	-		-	1.1000	-
Three-quarters-time	-		-	0.8250	-
One-half-time	-		-	0.6172	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus	-		-	1.2980	-
Full-time	-		-	1.1000	-
Three-quarters-time	-		-	0.8250	-
One-half-time	-		-	0.6172	-
<i>Severely Disabled</i>					
Full-time-plus	-		-	1.7700	-
Full-time	-		-	1.5000	-
Three-quarters-time	-		-	1.1250	-
One-half-time	-		-	0.6172	-
<b>TOTAL DAYS OF ENROLLMENT</b>	<b>11,729</b>	<b>-</b>	<b>11,729</b>		<b>10,810.340</b>
<b>DAYS OF OPERATION</b>	<b>234</b>	<b>-</b>	<b>234</b>		
<b>DAYS OF ATTENDANCE</b>	<b>11,729</b>	<b>-</b>	<b>11,729</b>		

NO NONCERTIFIED CHILDREN - Check this box, omit page 2, and continue to Section III if no noncertified children were enrolled in the program

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT  
for California State Preschool Programs**

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year End: June 30, 2012 Contract No. CSPP-1069

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
<b>SECTION III - REVENUE</b>			
<b>RESTRICTED INCOME</b>			
Child Nutrition Programs	\$3,523	\$0	\$3,523
County Maintenance of Effort (EC § 8279)	0		0
Other (Specify):	0		0
<b>Subtotal</b>	<b>\$3,523</b>	<b>\$0</b>	<b>\$3,523</b>
Transfer from Reserve Contract #	0		0
Family Fees for Certified Children Contract # CSPP-1069	17,480		17,480
Interest Earned on Apportionments Contract #	0		0
<b>UNRESTRICTED INCOME</b>			
Family Fees for Noncertified Children	0		0
Head Start Program (EC § 8235(b))	0		0
Other (Specify):	0		0
<b>TOTAL REVENUE</b>	<b>\$21,003</b>	<b>\$0</b>	<b>\$21,003</b>

<b>SECTION IV - REIMBURSABLE EXPENSES</b>			
1000 Certificated Salaries	\$188,606	\$0	\$188,606
2000 Classified Salaries	159,661		159,661
3000 Employee Benefits	96,904		96,904
4000 Books and Supplies	42,155		42,155
5000 Services and Other Operating Expenses	57,394	(1,955)	55,439
6100/6200 Other Approved Capital Outlay	0		0
6400 New Equipment (program-related)	0		0
6500 Replacement Equipment (program-related)	0		0
Depreciation or Use Allowance	0		0
Start-Up Expenses (service level exemption)	0		0
Budget Impasse Credit	0		0
Indirect Costs. Rate: 0.00% (Rate is Self-Calculating)	0		0
<b>TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT</b>	<b>\$544,720</b>	<b>(\$1,955)</b>	<b>\$542,765</b>
<b>TOTAL ADMINISTRATIVE COSTS</b> (included in section IV above)	<b>\$42,951</b>	<b>\$0</b>	<b>\$42,951</b>

**FOR CDE-A&I USE ONLY:**

**Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Child Development Division:**

Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO):

YES

NO - Explain any discrepancies.

Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

YES

NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheets to explain adjustments:

NO SUPPLEMENTAL REVENUES OR EXPENSES - Check this box and omit page 4 if there are no supplemental revenues or expenses to report.

## AUDITED ATTENDANCE AND FISCAL REPORT

### for Child Development Programs

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year Ended: June 30, 2012 Contract No. CCTR-1036

Independent Auditor's Name: Price, Paige and Company

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus	-		-	2.006	-
Full-time	1,338		1,338	1.700	2,274.600
Three-quarters-time	710		710	1.275	905.250
One-half-time	101		101	0.935	94.435
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus	-		-	1.652	-
Full-time	-		-	1.400	-
Three-quarters-time	-		-	1.050	-
One-half-time	-		-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus	-		-	1.652	-
Full-time	3,186		3,186	1.400	4,460.400
Three-quarters-time	1,253		1,253	1.050	1,315.650
On-half-time	229		229	0.770	176.330
<i>Three Years and Older</i>					
Full-time-plus	-		-	1.180	-
Full-time	1,038		1,038	1.000	1,038.000
Three-quarters-time	829		829	0.750	621.750
One-half-time	635		635	0.550	349.250
<i>Exceptional Needs</i>					
Full-time-plus	-		-	1.416	-
Full-time	-		-	1.200	-
Three-quarters-time	-		-	0.900	-
One-half-time	-		-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-		-	1.298	-
Full-time	-		-	1.100	-
Three-quarters-time	-		-	0.825	-
One-half-time	-		-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus	-		-	1.298	-
Full-time	-		-	1.100	-
Three-quarters-time	-		-	0.825	-
One-half-time	-		-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus	-		-	1.770	-
Full-time	-		-	1.500	-
Three-quarters-time	-		-	1.125	-
One-half-time	-		-	0.825	-
<b>TOTAL DAYS OF ENROLLMENT</b>	<b>9,319</b>	<b>-</b>	<b>9,319</b>		<b>11,235.665</b>
<b>DAYS OF OPERATION</b>	<b>234</b>	<b>-</b>	<b>234</b>		
<b>DAYS OF ATTENDANCE</b>	<b>9,319</b>	<b>-</b>	<b>9,319</b>		

NO NONCERTIFIED CHILDREN - Check this box, omit page 2, and continue to Section III if no noncertified children were enrolled in the program.

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT  
for Child Development Programs**

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year Ended: June 30, 2012 Contract No. CCTR-1036

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children. DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus	-		-	2.008	-
Full-time	644		644	1.700	1,094.800
Three-quarters-time	2		2	1.275	2.550
One-half-time	28		28	0.935	26.180
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus	-		-	1.652	-
Full-time	-		-	1.400	-
Three-quarters-time	-		-	1.050	-
One-half-time	-		-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus	-		-	1.652	-
Full-time	1,387		1,387	1.400	1,941.800
Three-quarters-time	109		109	1.050	114.450
On-half-time	-		-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus	1		1	1.180	1.180
Full-time	3,050		3,050	1.000	3,050.000
Three-quarters-time	258		258	0.750	193.500
One-half-time	274		274	0.550	150.700
<i>Exceptional Needs</i>					
Full-time-plus	-		-	1.416	-
Full-time	-		-	1.200	-
Three-quarters-time	-		-	0.900	-
One-half-time	-		-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-		-	1.298	-
Full-time	-		-	1.100	-
Three-quarters-time	-		-	0.825	-
One-half-time	-		-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus	-		-	1.298	-
Full-time	-		-	1.100	-
Three-quarters-time	-		-	0.825	-
One-half-time	-		-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus	-		-	1.770	-
Full-time	-		-	1.500	-
Three-quarters-time	-		-	1.125	-
One-half-time	-		-	0.825	-
<b>TOTAL DAYS OF ENROLLMENT</b>	<b>5,753</b>	<b>-</b>	<b>5,753</b>		<b>6,575.160</b>

Comments - If necessary, attach additional sheets to explain adjustments:

**AUDITED ATTENDANCE AND FISCAL REPORT  
for Child Development Programs**

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year End: June 30, 2012 Contract No. CCTR-1036

Insert Any Commingled Contract No. \_\_\_\_\_

	<b>COLUMN A</b>	<b>COLUMN B</b>	<b>COLUMN C</b>
	<b>CUMULATIVE FISCAL YEAR PER FORM CDFS 9500</b>	<b>AUDIT ADJUSTMENT INCREASE OR (DECREASE)</b>	<b>CUMULATIVE FISCAL YEAR PER AUDIT</b>
<b>SECTION III - REVENUE</b>			
<b>RESTRICTED INCOME</b>			
Child Nutrition Programs	\$69,009	\$0	\$69,009
County Maintenance of Effort (EC § 8279)	0		0
Uncashed Checks to Providers	0		0
Other (Specify):			0
<b>Subtotal</b>	<b>\$69,009</b>	<b>\$0</b>	<b>\$69,009</b>
Transfer from Reserve	0		0
Contract #	0		0
Family Fees for Certified Children	12,468		12,468
Contract # CCTR-1036			
Contract #	0		0
Interest Earned on Apportionments	0		0
Contract #	0		0
<b>UNRESTRICTED INCOME</b>			
Family Fees for Noncertified Children	255,709		255,709
Other (Specify): Student Body Fees/CSUF Allocations/Misc Income	449,809		449,809
<b>TOTAL REVENUE</b>	<b>\$786,995</b>	<b>\$0</b>	<b>\$786,995</b>

**SECTION IV - REIMBURSABLE EXPENSES**

Direct Payments to Providers (FCCH Only)	\$0	\$0	\$0
1000 Certificated Salaries	310,742		310,742
2000 Classified Salaries	263,053		263,053
3000 Employee Benefits	159,656		159,656
4000 Books and Supplies	69,454		69,454
5000 Services and Other Operating Expenses	94,561	(3,222)	91,339
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Replacement Equipment (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Budget Impasse Credit			0
Contract #			0
Contract #			0
Indirect Costs. Rate: 0.00% (Rate is Self-Calculating)			0
<b>TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT</b>	<b>\$897,466</b>	<b>(\$3,222)</b>	<b>\$894,244</b>
<b>TOTAL ADMINISTRATIVE COSTS</b> (included in section IV above)	<b>\$70,764</b>	<b>\$0</b>	<b>\$70,764</b>

**FOR CDE-A&I USE ONLY:**

**Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Child Development Division:**

Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO):

YES

NO - Explain any discrepancies.

Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

YES

NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheets to explain adjustments:

NO SUPPLEMENTAL REVENUES OR EXPENSES - Check this box and omit page 4 if there are no supplemental revenues or expenses to report.

**AUDITED FISCAL REPORT  
for Child Development Support Contracts**

Agency Name: Fresno State Programs for Children, Inc. Vendor No. Q621

Fiscal Year End: June 30, 2012 Contract No. CRPM-9022

Multi-Year Contract? (Check "No" Box or Enter Contract Period): No:  or Period: July 1, 2009 - Jun 30, 2012

Independent Auditor's Name: Price, Paige and Company

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	LAST YEAR'S AUD 9529 ENDING BALANCE FOR THIS CONTRACT (Multi-Year Contract Only)	CURRENT FISCAL YEAR PER FORM CDFS 9529	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE THROUGH CURRENT FISCAL YEAR PER AUDIT
<b>SECTION I - REVENUE</b>				
RESTRICTED INCOME				
Match Requirement	\$0	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)	0			0
Other (Specify):	0			0
				0
<b>Subtotal</b>	\$0	\$0	\$0	\$0
INTEREST EARNED ON APPORTIONMENTS	0			0
UNRESTRICTED INCOME				
Other (Specify):	0			0
				0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0	\$0

<b>SECTION II - REIMBURSABLE EXPENSES</b>				
1000 Certificated Salaries	\$0	\$0	\$0	\$0
2000 Classified Salaries	0			0
3000 Employee Benefits	0			0
4000 Books and Supplies	0			0
5000 Services and Other Operating Expenses	2,509	1,651		4,160
6100/6200 Other Approved Capital Outlay	0			0
6400 New Equipment ( <i>program-related</i> )	2,603	6,208		8,811
6500 Replacement Equipment ( <i>program-related</i> )	3,076	3,300		6,376
Depreciation or Use Allowance				0
Indirect Costs. Rate: 0.00%				0
<b>TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT</b>	\$8,188	\$11,159	\$0	\$19,347
TOTAL ADMINISTRATIVE COSTS ( <i>included in section II above</i> )	\$0	\$0	\$0	\$0
FOR CDE-A&I USE ONLY:				

COMMENTS - If necessary, attach additional sheets to explain adjustments:

NO SUPPLEMENTAL REVENUES OR EXPENSES - Check this box and omit page 2 if there are no supplemental revenues or expenses to report.



ADDITIONAL INFORMATION  
FOR CALIFORNIA STATE UNIVERSITY, FRESNO

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**SCHEDULE OF NET ASSETS**  
**JUNE 30, 2012**  
 (for inclusion in the California State University)

**ASSETS**

**Current Assets:**

Cash and Cash Equivalents	\$ 513,606
Short-term Investments	25,575
Accounts Receivable, net	160,191
Prepaid Expenses and Other Assets	14,752
Total Current Assets	<u>714,124</u>

**Noncurrent Assets:**

Capital Assets, Net	<u>5,298</u>
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Total Assets	<u><u>\$ 719,422</u></u>
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**LIABILITIES**

**Current Liabilities:**

Accounts Payable	\$ 73,194
Accrued Salaries and Benefits Payable	3,427
Accrued Compensated Absences, Current Portion	2,500
Total Current Liabilities	<u>79,121</u>

**Noncurrent Liabilities:**

Accrued Compensated Absences, Net of Current Portion	<u>16,681</u>
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Total Liabilities	<u>95,802</u>
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**NET ASSETS**

Invested in Capital Assets, Net of Related Debt	5,298
Unrestricted	<u>618,322</u>

Total Net Assets	<u>623,620</u>
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Total Liabilities and Net Assets	<u><u>\$ 719,422</u></u>
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See Accompanying Independent Auditors' Report

**FRESNO STATE PROGRAMS FOR CHILDREN, INC.**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**YEAR ENDED JUNE 30, 2012**  
**(for inclusion in the California State University)**

**REVENUES**

Operating Revenues:

Student Tuition and Fees	\$	339,155
Grants and Contracts, Noncapital:		
Federal		299,699
State		508,742
Sales and Services of Auxiliary Enterprises (net of scholarship allowances of \$0)		285,657
Total Operating Revenues		1,433,253

**EXPENSES**

Operating Expenses:

Auxiliary Enterprise Expenses		1,445,757
Depreciation and Amortization		2,411
Total Operating Expenses		1,448,168
Operating Loss		(14,915)

**NONOPERATING REVENUES**

Gifts, noncapital		87,810
Investment Income, net		1,476
Other Nonoperating Revenues		21,368
Net Nonoperating Revenues		110,654
Increase in Net assets		95,739

**NET ASSETS**

Net Assets at Beginning of Year, as Previously Reported		527,881
Net Assets at End of Year	\$	623,620

See Accompanying Independent Auditors' Report

FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
OTHER INFORMATION  
JUNE 30, 2012  
(for inclusion in the California State University)

1. Restricted Cash and Cash Equivalents at June 30, 2012:

Not Applicable

2.1 Composition of Investments at June 30, 2012:

	Current Unrestricted	Current Restricted	Total Current	Noncurrent Unrestricted	Noncurrent Restricted	Total Noncurrent	Total
State of California Local Agency Investment Fund (LAIF)	25,575	0	25,575	0	0	0	25,575

2.3 Restricted Current Investments at June 30, 2012 related to:

Not Applicable

2.4 Restricted Noncurrent Investments at June 30, 2012 related to:

Not Applicable

3.1 Composition of Capital Assets at June 30, 2012:

	Balance June 30, 2011	Prior Period Adjustments	Reclassifications	Balance June 30, 2011 (restated)	Additions	Reductions	Transfers of Completed CWIP	Balance June 30, 2012
<b>Depreciable Capital Assets</b>								
Personal Property:								
Equipment	44,656	0	0	44,656	0	-	-	44,656
<b>Total Depreciable Capital Assets</b>	<b>44,656</b>	<b>0</b>	<b>0</b>	<b>44,656</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>44,656</b>
<b>Less Accumulated Depreciation</b>								
Personal Property:								
Equipment	(36,947)	0	0	(36,947)	(2,411)	-	-	(39,358)
<b>Total Accumulated Depreciation</b>	<b>(36,947)</b>	<b>0</b>	<b>0</b>	<b>(36,947)</b>	<b>(2,411)</b>	<b>-</b>	<b>-</b>	<b>(39,358)</b>
<b>Total Capital Assets, Net</b>	<b>7,709</b>	<b>0</b>	<b>0</b>	<b>7,709</b>	<b>(2,411)</b>	<b>-</b>	<b>-</b>	<b>5,298</b>

3.2 Detail of Depreciation and Amortization Expense at June 30, 2012:

Depreciation and Amortization Expense Related to Capital Assets	2,411
Amortization Related to Other Assets	0
<b>Total Depreciation and Amortization</b>	<b>2,411</b>

See Accompanying Independent Auditor's Report.

FRESNO STATE PROGRAMS FOR CHILDREN, INC.  
 OTHER INFORMATION  
 JUNE 30, 2012  
 (for inclusion in the California State University)

4. Long-Term Liabilities Activity Schedule:

	Balance June 30, 2011	Prior Period Adjustments	Reclassifications	Balance June 30, 2011 (restated)	Additions	Reductions	Balance June 30, 2012	Current Portion	Long-Term Portion
Accrued Compensated Absences	17,286	0	0	17,286	1,895		19,181	2,500	16,681

5. Future Minimum Lease Payments:

Not Applicable

6. Long Term Debt Obligation Schedule:

Not Applicable

7. Calculation of Net Assets:

7.1 Calculation of Net Assets - Invested in Capital Assets, Net of Related Debt:

	Auxiliary Organizations	
	GASB	FASB
Capital Assets, Net of Accumulated Depreciation	0	5,298

7.2 Calculation of Net Assets - Restricted for Nonexpendable Endowments:

Not Applicable

8. Transactions with Related Entities

	Amount
Payments received from University for services, space, and programs	87,810
Amounts receivable from University	86,371
Amounts (payable to) University (enter as negative number)	(30,612)

9. Other Postemployment Benefits Obligation (OPEB):

Not Applicable

10. Pollution Remediation Liabilities under GASB Statement No. 49:

Not Applicable

11. The Nature and Amount of the Prior Period Adjustment(s) Recorded to Beginning Net Assets:

Not Applicable