

Financial Statements
June 30, 2021 and 2020

Saint Vincent's Day Home

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|--|----|
| Independent Auditor's Report | 1 |
| Financial Statements | |
| Statement of Financial Position | 3 |
| Statement of Activities (with Comparative Totals for the Year Ended June 20, 2020) | 4 |
| Statement of Functional Expenses (with Comparative Totals for the Year Ended June 20, 2020) | 5 |
| Statement of Cash Flows | 6 |
| Notes to Financial Statements | 7 |
| Supplementary Information | |
| Schedule of Federal and State Awards | 20 |
| Combining Statement of Activities | 21 |
| Schedule of Expenditures by State Categories | 23 |
| Schedule of Claimed Equipment Expenditures | 24 |
| Schedule of Claimed Expenditures for Renovations and Repairs | 25 |
| Schedule of Claimed Administrative Costs | 26 |
| Notes to Supplementary Information | 27 |
| Audited Attendance and Fiscal Report | 29 |
| Schedule of Reserve Account Activity Report | 49 |
| Independent Auditors' 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 | 50 |
| Schedule of Findings and Questioned Costs | |
| Summary of Auditors' Results | 53 |
| Schedule of Findings and Questioned Costs | 54 |
| Schedule of Prior Year Findings | 55 |
| Appendix A | 56 |

Independent Auditor's Report

The Board of Directors
Saint Vincent's Day Home
Oakland, California

Report on the Financial Statements

We have audited the accompanying financial statements of Saint Vincent's Day Home (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Saint Vincent's Day Home as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, such as the Schedule of Expenditures of Federal and State Awards, and the additional supplementary information as listed on the Table of Contents required by the CDE Audit Guide issued by the California Department of Education and the California Department of Social Services, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and the other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated **October 4, 2021**, on our consideration of Saint Vincent's Day Home'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* in considering Saint Vincent's Day Home's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited the Saint Vincent's Day Home's 2020 financial statements, and we expressed an unmodified audit opinion on those financial statements in our reported dated October 15, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

San Ramon, California

October 4, 2021

Saint Vincent's Day Home
Statement of Financial Position
June 30, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|---|-----------------------------|-----------------------------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 1,438,738 | \$ 1,765,923 |
| Investments | 17,525,180 | 13,490,784 |
| Accounts receivable | 739,227 | 26,961 |
| Prepayments | <u>24,527</u> | <u>46,896</u> |
| Total current assets | <u>19,727,672</u> | <u>15,330,564</u> |
| Noncurrent Assets | | |
| Capital assets not depreciated | 243,880 | 243,880 |
| Capital assets, net of accumulated depreciation | <u>2,311,062</u> | <u>2,505,138</u> |
| Total noncurrent assets | <u>2,554,942</u> | <u>2,749,018</u> |
| Total Assets | <u><u>\$ 22,282,614</u></u> | <u><u>\$ 18,079,582</u></u> |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Accounts payable | \$ 17,781 | \$ 128,242 |
| Accrued payroll and related liabilities | 498,701 | 293,631 |
| Deferred income | <u>9,286</u> | <u>35,706</u> |
| Total liabilities | <u>525,768</u> | <u>457,579</u> |
| Net Assets | | |
| Without Donor Restrictions | 21,544,770 | 17,402,832 |
| With Donor Restrictions | <u>212,076</u> | <u>219,171</u> |
| Total Net Assets | <u>21,756,846</u> | <u>17,622,003</u> |
| Total Liabilities and Net Assets | <u><u>\$ 22,282,614</u></u> | <u><u>\$ 18,079,582</u></u> |

Saint Vincent's Day Home
Statement of Activities (with Comparative Totals for the Year Ended June 20, 2020)
For the Year Ended June 30, 2021

| | 2021 | | | 2020 |
|---------------------------------------|------------------------------|---------------------------|---------------|---------------|
| | Without Donor Restriction | With Donor Restriction | Total | Total |
| Revenues and Support | | | | |
| Apportionment | | | | |
| California Department of Education | | | | |
| Allocation and grants | \$ 3,952,823 | \$ 2,500 | \$ 3,955,323 | \$ 3,146,460 |
| Child and adult care food program | 67,734 | - | 67,734 | 141,056 |
| Child care fees | | | | |
| Certified families | 108,569 | - | 108,569 | 122,311 |
| Investment income (loss) | 3,622,423 | - | 3,622,423 | (280,698) |
| Other support | | | | |
| Head Start/Early Head Start | 254,240 | - | 254,240 | 251,450 |
| Field trip | 2,920 | | 2,920 | 6,012 |
| Parent Late/Bounced Check Fees | 1,289 | | 1,289 | 1,803 |
| Private donations and grants | 484,864 | 72,280 | 557,144 | 685,640 |
| Use allowance revenue | 117,132 | - | 117,132 | 116,318 |
| Donated commodities | 237 | - | 237 | 2,613 |
| Other income | 175,499 | - | 175,499 | 143 |
| Total Support and Revenues | 8,787,730 | 74,780 | 8,862,510 | 4,193,108 |
| Net assets released from restrictions | | | | |
| Satisfaction of donor restrictions | 81,875 | (81,875) | - | - |
| Total Revenues and Support | 8,869,605 | (7,095) | 8,862,510 | 4,193,108 |
| Expenses | | | | |
| Program Expenses | | | | |
| Child care | 4,038,216 | - | 4,038,216 | 4,064,764 |
| Supporting Services | | | | |
| Management and general | 473,275 | - | 473,275 | 317,786 |
| Fundraising | 216,176 | - | 216,176 | 122,723 |
| Total Supporting Services | 689,451 | - | 689,451 | 440,509 |
| Total Expenses | 4,727,667 | - | 4,727,667 | 4,505,273 |
| Change In Net Assets | 4,141,938 | (7,095) | 4,134,843 | (312,165) |
| Net Assets At Beginning Of Year | 17,402,832 | 219,171 | 17,622,003 | 17,934,168 |
| Net Assets At End Of Year | \$ 21,544,770 | \$ 212,076 | \$ 21,756,846 | \$ 17,622,003 |

Saint Vincent's Day Home
Statement of Functional Expenses (with Comparative Totals for the Year Ended June 20, 2020)
Year Ended June 30, 2021

| | 2021 | | | | 2020 |
|---|-----------------------|---------------------------|-------------------|---------------------|---------------------|
| | Childcare Programs | Management and General | Fundraising | Total | Total |
| Compensation & Related Benefits | | | | | |
| Salaries | \$ 2,751,789 | \$ 174,151 | \$ 153,487 | \$ 3,079,427 | \$ 2,566,093 |
| Payroll taxes & fringe benefits | 524,932 | 32,333 | 12,242 | 569,507 | 543,870 |
| Total compensation & fringe benefits | 3,276,721 | 206,484 | 165,729 | 3,648,934 | 3,109,963 |
| Other Expenses | | | | | |
| Instructional materials | 70,773 | - | - | 70,773 | 60,266 |
| Office expense | 128,413 | 11,621 | 31 | 140,065 | 51,178 |
| Field trip/pupil trans/maintenance supplies | 28,516 | - | - | 28,516 | 22,337 |
| Food services | 74,456 | - | - | 74,456 | 72,865 |
| Conferences/subscriptions/permit fees | 45,311 | - | - | 45,311 | 6,501 |
| Insurance expense | 55,431 | - | - | 55,431 | 51,598 |
| Utilities & housekeeping | 101,709 | - | - | 101,709 | 97,533 |
| Leases/maintenance/office equipment repairs | 64,786 | 23,092 | - | 87,878 | 157,490 |
| Contracted services | 65,136 | - | 1,650 | 66,786 | 194,733 |
| Property tax | 9,832 | - | - | 9,832 | 5,913 |
| Development expense | - | - | 48,766 | 48,766 | 345,828 |
| Depreciation or use of allowance | 117,132 | 203,528 | - | 320,660 | 308,763 |
| Investment charges | - | 28,550 | - | 28,550 | 20,305 |
| Total other expenses | 761,495 | 266,791 | 50,447 | 1,078,733 | 1,395,310 |
| Total functional expenses | <u>\$ 4,038,216</u> | <u>\$ 473,275</u> | <u>\$ 216,176</u> | <u>\$ 4,727,667</u> | <u>\$ 4,505,273</u> |

Saint Vincent's Day Home
Statement of Cash Flows
Years Ended June 30, 2021 and 2020

| | <u>2021</u> | <u>2020</u> |
|--|----------------------------|----------------------------|
| Cash flows from operating activities | \$ 4,134,843 | \$ (312,165) |
| Change in net assets | | |
| Adjustments to reconcile change in net assets to net cash provided by operating activities | | |
| Depreciation expense/use allowance | 203,528 | 192,445 |
| Unrealized (Gain)/loss on investment | (3,558,439) | 730,713 |
| Changes in operating assets and liabilities | | |
| Accounts receivable | (712,266) | 372,960 |
| Contributions receivable | - | 6,500 |
| Prepayments | 22,369 | (3,710) |
| Accounts payable | (110,461) | 48,581 |
| Accrued payroll and related liabilities | 205,070 | 70,290 |
| Deferred income | (26,420) | (44,963) |
| Net Cash Provided (used) for Operating Activities | <u>158,224</u> | <u>1,060,651</u> |
| Cash flows from investing activities | | |
| Purchase of property and equipment | (9,274) | (231,930) |
| Purchase of investments | (5,367,108) | (6,331,675) |
| Proceeds from sales of investments | <u>4,890,973</u> | <u>5,678,234</u> |
| Net Cash Used By Investing Activities | <u>(485,409)</u> | <u>(885,371)</u> |
| Net Change In Cash And Cash Equivalents | (327,185) | 175,280 |
| Cash And Cash Equivalents, Beginning Of Year | <u>1,765,923</u> | <u>1,590,643</u> |
| Cash And Cash Equivalents, End Of Year | <u><u>\$ 1,438,738</u></u> | <u><u>\$ 1,765,923</u></u> |

Note 1 - Nature of Organization and Significant Accounting Policies

Organization

Saint Vincent's Day Home ("SVDH") is a nonprofit child development center in Oakland, California, founded in 1911, and incorporated on November 1, 1972. It is the mission of SVDH to provide quality child care services to those in greatest need, while offering family services in which children are nurtured and educated and their parent(s) assisted in meeting parental obligations. SVDH is both publicly and privately funded with revenue derived from program contracts with the California Department of Education ("CDE") and the California Department of Social Services (CDSS), private donations, and subsidized child care fees.

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with our audited financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Basis of Accounting

The financial statements of Saint Vincent's Day Home reflect the accrual method of accounting in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). Net assets, revenues, gains and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- Without Donor Restrictions. Net assets available for use in general operational and not subject to donor (or certain grantor) restrictions.
- With Donor Restrictions. Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

For purposes of the statement of cash flows, Saint Vincent's Day Home considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Investments

The fair value of equity and debt securities with readily determinable fair values approximates their respective quoted market prices. The fair value of investments in partnerships and real estate held as investments is estimated using private valuations of the securities or properties held. Because of the inherent uncertainty of valuation methods, those estimated values might differ significantly from those used had a market existed. All other financial instruments' fair values approximate their carrying amounts due to the short maturities of these instruments.

Support and Revenue

The organization receives a major portion of its revenues in the form of federal and state grants or contracts for program operations. To ensure observation of limitations and restrictions placed on the use of resources available to the organization, 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 with their nature and purpose. Separate accounts are maintained for each fund.

Contributions

All Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promise to give are recorded as contributions when received at the net present value of the amounts expected to be collected. If they are expected to be received after one year, they are discounted using a risk-free rate applicable to the years in which the promises are received. At June 30, 2021, no contributions were recorded as a receivable.

Donations-In-Kind and Contributed Services

Donations-In-Kind used in the programs administered by the organization are recorded at fair value at the date of donation as unrestricted support and revenue unless the use of such contributed assets is limited by donor-imposed restrictions.

Contributed services are reported as contributions at their fair value if such services create or enhance nonfinancial assets, or would have been purchased if not provided by donation, require specialized skills, and are provided by individuals possessing such specialized skills. At June 30, 2021, no contributed services required to be recorded in the accompanying financial statements. Donated commodities in the amount of \$237 were recorded in the financial statements.

Allowance for Bad Debts

The Organization does not consider that the allowance for doubtful accounts is necessary as management believes all receivables are collectible. No bad debts charged to the CDE programs.

Property and equipment

The organization records purchased property and equipment with extended useful lives at cost, and donated fixed assets at fair market value on the date received. Property and equipment funded by CDE are expensed on supplementary reports during the contract period. Depreciation may not be claimed for reimbursement under the child development contracts for assets donated or purchased with public funds.

The organization capitalizes and depreciates all fixed assets in accordance with its policies and reports the transactions on the financial statements in conformity with GAAP. The organization's capitalization threshold is \$600. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the assets as follows:

| | |
|-------------------------------------|-------------|
| Office furniture and equipment | 5-7 Years |
| Educational furniture and equipment | 5-10 Years |
| Kitchen equipment | 5 Years |
| Automobiles | 5 Years |
| Building | 40 Years |
| Building improvements | 10-15 Years |

Depreciation is recorded over the useful lives of the fixed assets using the straight-line method. Depreciation expense for the year ended June 30, 2021, was \$203,528, including depreciation on fixed assets purchased with government funds (Note 6).

The CDE allows an alternate method for capturing costs of assets used by state program activities called a use allowance. A use allowance of \$116,316 has been recorded as an increase to both revenues and expenses on the Statement of Activities. The use allowance is computed at an annual percentage rate of acquisition costs as follows:

| | |
|---------------------------|-----------------------------|
| Building and improvements | 2% of acquisition costs |
| Equipment | 6.667% of acquisition costs |

Reconciliation of CDE and GAAP Expense Reporting

The supplementary Combining Statement of Activities and basic financial statements present financial data in conformity with GAAP. The other supplementary financial data presented in the audit, including data in the Schedule of Expenditures by State Categories, present expenditures according to CDE reporting requirements. However, reporting differences arise because CDE contract funds must be expended during the contract period (usually one year). At June 30, 2021, there were no such differences that would require reconciliation.

Deferred Income

Deferred income represents the CCTR reserve fund of \$9,286.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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.

Income taxes

The Organization is a nonprofit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and classified by the Internal Revenue Service (IRS) as other than a private organization. Contributions received qualify as tax deductible gifts as provided in Section 170(b)(1)(A)(vi). The Organization is also exempt from California State franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements. The Organization's Federal Form 990, Return of Organization Exempt From Income Tax, and State Form 109, California Exempt Organization Business Income Tax Return, are subject to examination by the IRS for three years, and by the State Franchise Tax Board for four years, after they were filed. The Organization is not aware of any such examinations at this time.

The Organization has adopted FASB ASC Topic 740 that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. Management believes that all tax positions taken to date are highly certain, and, accordingly, no accounting adjustment has been made to the financial statements.

Allocation of Functional Expenses

The costs of providing the various programs, fundraising, and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Expenses are charged directly to program services or supporting services categories based on direct expenses incurred. An expense not directly chargeable to the functional expense category is allocated based on time spent on each program.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassification had no impact on net income.

Subsequent Events

SVDH's management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through **October 4, 2021**, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year financial statements.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

| | <u>2021</u> | <u>2020</u> |
|---------------------------|-----------------------------|-----------------------------|
| Cash and cash equivalents | \$ 1,438,738 | \$ 1,765,923 |
| Investments | <u>17,525,180</u> | <u>13,490,784</u> |
| Total | <u><u>\$ 18,963,918</u></u> | <u><u>\$ 15,256,707</u></u> |

As part of SVDH's liquidity management, it has a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of an unanticipated liquidity need, the Organization could liquidate investments that are without donor restrictions (including Board-designated funds) totaling approximately \$14,235,000 as of June 30, 2021. Although the Organization does not intend to spend these for purposes other than those identified, the amount could be made available if necessary.

Note 3 - Accounts Receivable

Accounts receivable represent amounts due to the Organization as follows:

| | <u>2021</u> | <u>2020</u> |
|-----------------|--------------------------|-------------------------|
| Head Start | \$ 49,193 | \$ 25,143 |
| CDE -Grant PKFL | - | 500 |
| CCTR | 450,300 | - |
| CSPP | 239,734 | - |
| CCFP | <u>-</u> | <u>1,318</u> |
| Total | <u><u>\$ 739,227</u></u> | <u><u>\$ 26,961</u></u> |

Note 4 - Investments

Investments are recorded at fair value on the statement of financial position. The following table summarizes the returns which are recorded in the statement of activities:

| | 2021 | 2020 |
|--|---------------------|---------------------|
| Realized gains (loss) on investments | \$ (347,802) | \$ 90,278 |
| Unrealized gains (loss) on investments | 3,558,439 | (820,991) |
| Interest and dividends | 411,786 | 450,015 |
| Total investment income | 3,622,423 | (280,698) |
| Investment expenses | (28,550) | (20,305) |
| Total investment income, net of expenses | <u>\$ 3,593,873</u> | <u>\$ (301,003)</u> |

Investment Policies**Return Objectives and Risk Parameters**

SVDH maintains a quasi-endowment fund and has adopted investment and spending policies that includes a total return investment policy with the objective of preserving capital, protecting the purchasing power of the funds, and funding cash flow needs. With these objectives in mind, SVDH has established the following long-term risk and return objective:

- **Return:** The return objective for the total fund will be to outperform a custom benchmark made up of 75% MSCI ACWI and 25% Barclays Aggregate Bond Index over a complete market cycle.
- **Risk:** The total portfolio should experience less risk as measured by the standard deviation than that of a custom benchmark made of 75% MSCI ACWI and 25% Barclays Aggregate Bond Index over a complete market cycle.

Strategies Employed for Achieving Objectives

To satisfy its long-term growth of asset objectives, the investment portfolio shall be invested to provide safety through diversification in a portfolio of common stocks, bonds, cash equivalents, and alternative investments, all of which may reflect varying rates of return. Alternative investments can be classified as assets outside the traditional classes of stocks, bonds, and cash. The investments shall also be diversified within asset classes (e.g., equities shall be diversified by economic sector, industry, quality, and size). Portfolio diversification provides protection against a single security or class of securities having a disproportionate impact on aggregate performance.

SVDH endeavors to invest in strategies and investments that avoid a permanent loss of capital, with the exception of alternative investments. SVDH is willing to accept a temporary loss of capital if the return to risk portfolio is reasonable.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Each fiscal year, budgeted spending may be authorized for up to four (4%) of the portfolio's trailing three year average market value. Specific spending recommendations and spending policy amendment are subject to Board approval.

Note 5 - Market Value of Financial Assets and Liabilities

The organization determines the fair market values of certain financial instruments based on the fair value hierarchy established in FASB ASC 820-10-50, which requires an entity to maximize the use of observable inputs and minimize the use unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

The following provides a summary of the hierarchical levels used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 asset and liabilities may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities may include debt securities with quoted prices that are traded less frequently than exchange-traded instruments and other instruments whose value is determined using a pricing model with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes U.S. Government and agency mortgage-backed debt securities, corporate debt securities, derivative contracts, residential mortgage, and loans held-for-sale.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private equity investments, retained residual interests in securitizations, residential MSRs, asset-backed securities (ABS), highly structured or long-term derivative contracts and certain collateralized debt obligations (CDO) where independent pricing information was not able to be obtained for a significant portion of the underlying assets.

Assets and Liabilities Recorded at Fair Value on a Recurring Basis

The following table presents the balances of the assets measured at fair value on a recurring basis as of June 30, 2021.

| | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> | <u>Total</u> |
|------------------------|----------------------|----------------|-------------------|----------------------|
| Bond and Mutual Funds | \$ 4,031,067 | \$ - | \$ - | \$ 4,031,067 |
| Common Stocks | 12,092,991 | - | - | 12,092,991 |
| Alternative investment | - | - | 512,547 | 512,547 |
| Money market Fund | 888,575 | - | - | 888,575 |
| | <u>\$ 17,012,633</u> | <u>\$ -</u> | <u>\$ 512,547</u> | <u>\$ 17,525,180</u> |
| Total | <u>\$ 17,012,633</u> | <u>\$ -</u> | <u>\$ 512,547</u> | <u>\$ 17,525,180</u> |

The following table presents changes in SVDH's Level 3 investment assets measured at fair value on a recurring basis for the year ending June 30, 2021.

| | <u>Limited Partner Foundation Partners, L.P.</u> |
|----------------------------|--|
| Level 3 investments | |
| Balance, beginning of year | \$ 480,918 |
| Income (loss) | <u>31,629</u> |
| Balance, end of year | <u>\$ 512,547</u> |

SVDH did not have any assets or liabilities recorded at fair value on a non-recurring basis.

Note 6 - Property and Equipment

Property and equipment at June 30, 2021, consisted of the following:

| | Balance Beginning of Year | Increase | Disposals | Balance End of Year |
|---|---------------------------------|-----------------|-------------|---------------------------|
| Land | \$ 243,880 | \$ - | \$ - | \$ 243,880 |
| Capital assets not depreciated | 243,880 | - | - | 243,880 |
| Buildings, parking lot, building and land improvements | 4,971,923 | - | - | 4,971,923 |
| Office furniture and equipment | 237,797 | 9,274 | - | 247,071 |
| Kitchen equipment | 76,173 | - | - | 76,173 |
| Vehicles | 35,641 | - | - | 35,641 |
| Capital assets being depreciated | 5,321,534 | 9,274 | - | 5,330,808 |
| Total Capital Assets | <u>\$ 5,565,414</u> | <u>\$ 9,274</u> | <u>\$ -</u> | <u>\$ 5,574,688</u> |

At June 30, 2021, the costs and related accumulated depreciation of property and equipment consisted of the following:

| | Cost | Accumulated Depreciation | Net Book Value |
|---|---------------------|-----------------------------|---------------------|
| Land | \$ 243,880 | \$ - | \$ 243,880 |
| Capital assets not depreciated | 243,880 | - | 243,880 |
| Buildings, parking lot, building and land improvements | 4,971,923 | (2,766,577) | 2,205,346 |
| Office furniture and equipment | 247,071 | (169,997) | 77,074 |
| Kitchen equipment | 76,173 | (64,758) | 11,415 |
| Vehicles | 35,641 | (18,414) | 17,227 |
| Capital assets, net of depreciation | 5,330,808 | (3,019,746) | 2,311,062 |
| Total Capital Assets | <u>\$ 5,574,688</u> | <u>\$ (3,019,746)</u> | <u>\$ 2,554,942</u> |

Depreciation expense for the year ended June 30, 2021 was \$203,528.

The California Department of Education (CDE) retains a reversionary interest in certain assets purchased with CDE contract funds. The title to such assets vests in the organization only for the period of time during which the organization has a contract with CDE. At June 30, 2021, such assets consisted of the following and are included in the schedule above:

| | Balance Beginning of Year | Increase | Decrease/ Adjustment | Balance End of Year |
|--------------------------------|---------------------------------|-------------------|-------------------------|---------------------------|
| Building & improvements | \$ 240,487 | \$ - | \$ - | \$ 240,487 |
| Furniture and equipment | 24,606 | 5,687 | (6,431) | 23,862 |
| Less: Accumulated depreciation | (188,057) | (12,397) | - | (200,454) |
| Net balance | <u>\$ 77,036</u> | <u>\$ (6,710)</u> | <u>\$ (6,431)</u> | <u>\$ 63,895</u> |

Note 7 - Accounts Payable

Accounts payable represents vendor invoices.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30, 2021 are as follows:

| | |
|--|-------------------|
| Purpose Restriction | |
| Scholarship fund | \$ 71,228 |
| Mental health | 65,057 |
| Early learning program & family service | 54,216 |
| Family reading celebration | 1,500 |
| Time Restriction | |
| General operating (time restriction) | <u>20,075</u> |
| Total Net Assets with Donor Restrictions | <u>\$ 212,076</u> |

Note 9 - Contributory Retirement Plan

The organization sponsors a defined contribution pension plan (401k Plan). Under the provisions of the plan, employees may defer up to \$19,500 of their salary and employees over 50 years old may defer up to an additional \$6,500 as permitted by the Internal Revenue Service for 2020. SVDH may elect to make a 4% of annual employer matching contribution if employees contribute a 5% of annual compensation to their 401k plan. Contributions for the year ended June 30, 2021 were \$51,916. Contributions are allocated to programs based on which program employees work for. In fiscal year 2020-21, contributions are allocated \$11,828 to CCTR, \$25,797 to CSPP and \$14,291 to Head Start.

Note 10 - Concentrations

The organization maintains cash balances in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for interest-bearing or non-interest-bearing accounts. At June 30, 2021, approximately \$1,080,000 exceeded the FDIC limit.

The organization received approximately 79% of its annual operating income from the California Department of Education (CDE) and California Department of Social Services (CDSS) for the General Child Care Program, Pre-Kindergarten, and Child and Adult Care Food Program grants.

Note 11 - Cost Allocation Plan

SVDH updates its cost allocation plan annually and obtains approval from its Board of Directors. SVDH allocates its costs based on the relative benefits received by the programs or activities. Accordingly, the organization applies several methods for allocating costs:

Direct Costs: Costs identified 100 percent to a specific program are charged directly to that program.

Shared Direct Costs: Costs identified to specific multiple programs or activities are shared between the programs benefiting.

- Payroll costs are allocated using individual time sheets that report the actual time spent by employees in each program each day.
- Utilities, maintenance, and insurance are allocated using the square footage or building space occupied by each program, according to floor plans/or room measurements.
- Training costs for staff members are allocated to programs in proportion to the actual time employees spent working in those programs.
- Contracted services are allocated in proportion to the direct hours charged to each program, based on invoices or engagement letters.

Indirect Costs: Costs that benefit the operations of the entire organization, which cannot be identified to specific programs or activities, are allocated according to an indirect cost allocation plan.

Note 12 - Accrued Vacation and Sick Leave

Accumulated unpaid employee vacation benefits are recognized as accrued liabilities of the organization. The value of accumulated vacation at June 30, 2021 is \$195,104. However, accumulated employee sick leave benefits are not recognized as liabilities of the organization because payment of sick leave benefit is not probable and such benefits are recorded as expenses in the period when sick leave is taken.

Note 13 - Head Start

The organization has received \$250,336 for the Head Start program and \$3,904 for Head Start – COVID 19 from City of Oakland during the year.

Note 14 - Related Party Transaction

The organization has received \$1,000 in donations from Board members during the year.

Note 15 - Contingencies

The organization has received federal and other governmental funds for specific purposes that are subject to review and audit by the funding agencies. Such audit could generate expenditure disallowances or refunds payable under terms of the agency contracts. No material amounts are currently payable. Loss of governmental support would have a significant impact on the organization's ability to provide its program services.

Supplementary Information
June 30, 2021

Saint Vincent's Day Home

Saint Vincent's Day Home
Schedule of Federal and State Awards
June 30, 2021

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Learning Number | PC Number | Award Amount | Expenditures |
|--|----------------------------------|---------------|----------------------------|----------------------------|
| Federal Awards | | | | |
| U.S. Department of Health and Human Services | | | | |
| Passed through California Department of Education | | | | |
| Child Development Program (CCTR) | 93.596/575 | 000321/000324 | \$ 373,046 | \$ 373,046 |
| Total U.S. Department of Health and Human Services | | | <u>373,046</u> | <u>373,046</u> |
| U.S. Department of Agriculture | | | | |
| Passed through California Department of Education | | | | |
| Child and Adult Care Food Program | 10.558 | 13666 | <u>67,734</u> | <u>67,734</u> |
| Total U.S. Department of Agriculture | | | <u>67,734</u> | <u>67,734</u> |
| Total Expenditures of Federal Awards | | | <u><u>\$ 440,780</u></u> | <u><u>\$ 440,780</u></u> |
| State Awards | | | | |
| California Department of Education | | | | |
| General Child Care & Development Programs (CCTR) | N/A | N/A | \$ 793,302 | \$ 1,255,517 |
| General Child Care & Development Programs (CSPP) | N/A | N/A | 2,008,353 | 2,604,808 |
| Pre-Kindergarten and Family Literacy Program (CPKS) | N/A | N/A | <u>2,500</u> | <u>2,500</u> |
| Total Expenditures of State Awards | | | <u><u>\$ 2,804,155</u></u> | <u><u>\$ 3,862,825</u></u> |

Saint Vincent's Day Home
Combining Statement of Activities
June 30, 2021

| | CCTR | CSPP | CDE-CSPP Enhancement Fund QRIS | CPKS |
|--|--------------|--------------|--------------------------------------|----------|
| Revenues and Support | | | | |
| Revenue | | | | |
| California Department of Education | \$ 1,637,990 | \$ 2,248,087 | \$ 66,746 | \$ 2,500 |
| Allocation and Grants | | | | |
| Child and adult care food program (CCFP) | 42,672 | 25,062 | - | - |
| Head Start | - | 254,240 | - | - |
| Child care fees | 33,172 | 75,397 | - | - |
| Field Trip Fees | 1,205 | 1,715 | - | - |
| Parent Late/Bounced Check Fees | - | 70 | - | - |
| Investment income (loss) | - | - | - | - |
| Support | | | | |
| Private donations and grants | - | - | - | - |
| Use allowance revenue | - | - | - | - |
| Donated food/material/book/supplies | - | 237 | - | - |
| Other income | - | - | - | - |
| Total Revenues and Support | 1,715,039 | 2,604,808 | 66,746 | 2,500 |
| Expenses | | | | |
| Certified personnel salaries | 438,470 | 745,934 | - | - |
| Classified personnel salaries | 634,774 | 1,106,762 | - | - |
| Employee benefits | 213,735 | 343,530 | - | - |
| Books, supplies, and equipment replacement | 109,872 | 171,708 | 7,907 | 2,500 |
| Contracted services & other operating | 187,739 | 163,715 | 19,983 | - |
| Investment expenses | - | - | - | - |
| Development expenses | - | - | - | - |
| Depreciation and use allowance | 43,973 | 73,159 | - | - |
| Total Expenses | 1,628,563 | 2,604,808 | 27,890 | 2,500 |
| Change in net assets | \$ 86,476 | \$ - | \$ 38,856 | \$ - |

Saint Vincent's Day Home
Combining Statement of Activities
June 30, 2021

| <u>Total CDE Contracts</u> | <u>Quasi Endowment</u> | <u>Plant Fund</u> | <u>Total Non-CDE Programs</u> | <u>Total</u> |
|--------------------------------|----------------------------|---------------------|-----------------------------------|---------------------|
| \$ 3,955,323 | \$ - | \$ - | \$ - | \$ 3,955,323 |
| 67,734 | - | - | - | 67,734 |
| 254,240 | - | - | - | 254,240 |
| 108,569 | - | - | - | 108,569 |
| 2,920 | - | - | - | 2,920 |
| 70 | 1,219 | - | 1,219 | 1,289 |
| - | 3,622,268 | 155 | 3,622,423 | 3,622,423 |
| - | 557,144 | - | 557,144 | 557,144 |
| - | - | 117,132 | 117,132 | 117,132 |
| 237 | - | - | - | 237 |
| - | 175,499 | - | 175,499 | 175,499 |
| <u>4,389,093</u> | <u>4,356,130</u> | <u>117,287</u> | <u>4,473,417</u> | <u>8,862,510</u> |
| 1,184,404 | 7,233 | - | 7,233 | 1,191,637 |
| 1,741,536 | 146,254 | - | 146,254 | 1,887,790 |
| 557,265 | 12,242 | - | 12,242 | 569,507 |
| 291,987 | 32 | 2,559 | 2,591 | 294,578 |
| 371,437 | 1,650 | 13,092 | 14,742 | 386,179 |
| - | 28,550 | - | 28,550 | 28,550 |
| - | 48,766 | - | 48,766 | 48,766 |
| 117,132 | - | 203,528 | 203,528 | 320,660 |
| <u>4,263,761</u> | <u>244,727</u> | <u>219,179</u> | <u>463,906</u> | <u>4,727,667</u> |
| <u>\$ 125,332</u> | <u>\$ 4,111,403</u> | <u>\$ (101,892)</u> | <u>\$ 4,009,511</u> | <u>\$ 4,134,843</u> |

Saint Vincent's Day Home
Schedule of Expenditures by State Categories
June 30, 2021

| | CCTR 0011 | CSPP 0028 | QRIS Enhancement (Thru CSPP) | CPKS 0002 | Total CDE CD Contracts |
|--|---------------------|---------------------|------------------------------------|-----------------|---------------------------|
| 1000 Certified salaries | \$ 438,470 | \$ 745,934 | \$ - | \$ - | \$ 1,184,404 |
| 2000 Classified salaries | 634,774 | 1,106,762 | - | - | 1,741,536 |
| 3000 Employee benefits | 213,735 | 343,530 | - | - | 557,265 |
| 4000 Books and supplies | 109,872 | 171,708 | 7,907 | 2,500 | 291,987 |
| 5000 Contracted services and other operating expenses | 187,739 | 163,715 | 19,983 | - | 371,437 |
| CDE Use Allowance/Depreciation | 43,973 | 73,159 | - | - | 117,132 |
| | <u>\$ 1,628,563</u> | <u>\$ 2,604,808</u> | <u>\$ 27,890</u> | <u>\$ 2,500</u> | <u>\$ 4,263,761</u> |

We have examined the claims filed for reimbursement and the original records supporting the transactions recorded under the contracts listed above to an extent considered necessary to assure ourselves that the amounts claimed by the organization were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions.

Saint Vincent's Day Home
Schedule of Claimed Equipment Expenditures
June 30, 2021

| | Center and Child Development Programs |
|--|---|
| <u>Unit Cost Under \$7,500 Item</u> | |
| None | \$ - |
| Total | <u>-</u> |
| <u>Unit Cost over \$7,500 with CDD Approval</u> | |
| None | - |
| Total | - |
| <u>Unit Cost over \$7,500 Without CDD Approval</u> | |
| None | <u>-</u> |
| Total Reimbursable Equipment Expenditures | <u><u>-</u></u> |

Saint Vincent's Day Home
Schedule of Claimed Expenditures for Renovations and Repairs
June 30, 2021

| | Center and Child Development Programs |
|--|---|
| <u>Unit Cost Under \$10,000 Item</u> | |
| None | \$ - |
| <u>Unit Cost \$10,000 or More Per Item with Prior Written Approval</u> | |
| None | - |
| <u>Unit Cost \$10,000 or More Per Item Without Prior Approval</u> | |
| None | - |
| Total | - <u><u> </u></u> |

Saint Vincent's Day Home
Schedule of Claimed Administrative Costs
June 30, 2021

| | <u>CCTR 0011</u> | <u>CSPP 0028</u> | <u>Total</u> |
|------------------------------|-------------------|-------------------|-------------------|
| Salaries | \$ 71,577 | \$ 121,578 | \$ 193,155 |
| Payroll taxes and benefits | 12,775 | 21,699 | 34,474 |
| Office expense | 18,585 | 31,565 | 50,150 |
| Contractual services | 4,827 | 8,200 | 13,027 |
| Utilities and housekeeping | 377 | 640 | 1,017 |
| Maintenance supplies | 522 | 887 | 1,409 |
| Maintenance repairs | 287 | 487 | 774 |
| Office equipment repairs | 75 | 128 | 203 |
| Insurance | 2,054 | 3,489 | 5,543 |
| Property taxes | 3,643 | 6,189 | 9,832 |
| Lease | 482 | 819 | 1,301 |
| Advertising | 593 | 1,006 | 1,599 |
| Subscription/workshop/permit | 1,679 | 2,852 | 4,531 |
| Payroll expense | <u>2,656</u> | <u>4,511</u> | <u>7,167</u> |
| Total administrative costs | <u>\$ 120,132</u> | <u>\$ 204,050</u> | <u>\$ 324,182</u> |

Note 1 - Purpose of Schedules

Combining Statement of Activities

The combining statement of activities is required by the California Department of Education. The combining statement of activities presents the individual program financial results of operation for each significant agency program.

Schedule of Expenditures of Federal and State Awards

The accompany schedule of expenditures of federal and state awards includes the federal and state grant activity of the Agency and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance, *2 CFR Part 200, Subpart F*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the financial statements. The Organization has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

Child Development Program Schedules

The child development program audited attendance and expenditure reports are prepared on the grant basis of accounting rather than the accrual basis of accounting and reconcile the grant reports for amounts received from the California Department of Education to the final audited amounts and the schedules of renovation and repair and equipment expenditures provides information about specific uses of state funds. The following differences between the grant basis of accounting and generally accepted accounting principles that may exist in these schedules are as follows:

- Capital outlay costs are expensed on grant reports and capitalized under generally accepted accounting principles.
- The child development program schedules do not present net assets released from restrictions and restricted revenues and expenditures in the same manner as they would be presented under generally accepted accounting principles.

Audited Attendance and Fiscal Reports
June 30, 2021

Saint Vincent's Day Home

**California Department of Social Services
Audited Attendance and Fiscal Report
for Child Development Programs**

A U D 9500 v2 Page 1 of 8

Fiscal Year Ending **June 30, 2021**

Contract Number **CCTR 0011**

Vendor Code **B363**

Full Name of Contractor **Saint Vincent's Day Home**

Section 1 - Days of Enrollment Certified Children

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Infants (up to 18 months) Full-time-plus | | | | 2,8792 | 0 |
| Infants (up to 18 months) Full-time | | | | 2,4400 | 0 |
| Infants (up to 18 months) Three-quarters-time | | | | 1,8300 | 0 |
| Infants (up to 18 months) One-half-time | | | | 1,3420 | 0 |
| Toddlers (18 up to 36 months) Full-time-plus | | | | 2,1240 | 0 |
| Toddlers (18 up to 36 months) Full-time | 2,859 | | 2,859 | 1,8000 | 5,146.2 |
| Toddlers (18 up to 36 months) Three-quarters-time | | | | 1,3500 | 0 |
| Toddlers (18 up to 36 months) One-half-time | | | | 0,9900 | 0 |
| Three Years and Older Full-time-plus | | | | 1,1800 | 0 |
| Three Years and Older Full-time | 3,884 | | 3,884 | 1,0000 | 3,884 |
| Three Years and Older Three-quarters-time | 31 | | 31 | 0,7500 | 23.25 |
| Three Years and Older One-half-time | | | | 0,5500 | 0 |
| Exceptional Needs Full-time-plus | | | | 1,8172 | 0 |
| Exceptional Needs Full-time | 636 | | 636 | 1,5400 | 979.44 |
| Exceptional Needs Three-quarters-time | | | | 1,1550 | 0 |
| Exceptional Needs One-half-time | | | | 0,8470 | 0 |

A U D 9500 Page 2 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 1 - Days of Enrollment Certified Children (continued)

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Limited and Non-English Proficient Full-time-plus | | | | 1.2980 | 0 |
| Limited and Non-English Proficient Full-time | 5,584 | | 5,584 | 1.1000 | 6,142.4 |
| Limited and Non-English Proficient Three-quarters-time | | | | 0.8250 | 0 |
| Limited and Non-English Proficient One-half-time | | | | 0.6050 | 0 |
| At Risk of Abuse or Neglect Full-time-plus | | | | 1.2980 | 0 |
| At Risk of Abuse or Neglect Full-time | | | | 1.1000 | 0 |
| At Risk of Abuse or Neglect Three-quarters-time | | | | 0.8250 | 0 |
| At Risk of Abuse or Neglect One-half-time | | | | 0.6050 | 0 |
| Severely Disabled Full-time-plus | | | | 2.2774 | 0 |
| Severely Disabled Full-time | | | | 1.9300 | 0 |
| Severely Disabled Three-quarters-time | | | | 1.4475 | 0 |
| Severely Disabled One-half-time | | | | 1.0615 | 0 |
| TOTAL CERTIFIED DAYS OF ENROLLMENT | 12,994 | | 12,994 | N/A | 16,175.29 |
| DAYS OF OPERATION | 240 | | 240 | N/A | N/A |
| DAYS OF ATTENDANCE | 9,993 | | 9,993 | N/A | N/A |

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-4) and continue to Revenue Section on page 5.

A U D 9500 Page 3 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 2 - Days of Enrollment Non-Certified Children

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Infants (up to 18 months) Full-time-plus | | | | 2.8792 | 0 |
| Infants (up to 18 months) Full-time | | | | 2.4400 | 0 |
| Infants (up to 18 months) Three-quarters-time | | | | 1.8300 | 0 |
| Infants (up to 18 months) One-half-time | | | | 1.3420 | 0 |
| Toddlers (18 up to 36 months) Full-time-plus | | | | 2.1240 | 0 |
| Toddlers (18 up to 36 months) Full-time | | | | 1.8000 | 0 |
| Toddlers (18 up to 36 months) Three-quarters-time | | | | 1.3500 | 0 |
| Toddlers (18 up to 36 months) One-half-time | | | | 0.9900 | 0 |
| Three Years and Older Full-time-plus | | | | 1.1800 | 0 |
| Three Years and Older Full-time | | | | 1.0000 | 0 |
| Three Years and Older Three-quarters-time | | | | 0.7500 | 0 |
| Three Years and Older One-half-time | | | | 0.5500 | 0 |
| Exceptional Needs Full-time-plus | | | | 1.8172 | 0 |
| Exceptional Needs Full-time | | | | 1.5400 | 0 |
| Exceptional Needs Three-quarters-time | | | | 1.1550 | 0 |
| Exceptional Needs One-half-time | | | | 0.8470 | 0 |

A U D 9500 Page 4 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 2 - Days of Enrollment Non-Certified Children (continued)

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Limited and Non-English Proficient Full-time-plus | | | | 1.2980 | 0 |
| Limited and Non-English Proficient Full-time | | | | 1.1000 | 0 |
| Limited and Non-English Proficient Three-quarters-time | | | | 0.8250 | 0 |
| Limited and Non-English Proficient One-half-time | | | | 0.6050 | 0 |
| At Risk of Abuse or Neglect Full-time-plus | | | | 1.2980 | 0 |
| At Risk of Abuse or Neglect Full-time | | | | 1.1000 | 0 |
| At Risk of Abuse or Neglect Three-quarters-time | | | | 0.8250 | 0 |
| At Risk of Abuse or Neglect One-half-time | | | | 0.6050 | 0 |
| Severely Disabled Full-time-plus | | | | 2.2774 | 0 |
| Severely Disabled Full-time | | | | 1.9300 | 0 |
| Severely Disabled Three-quarters-time | | | | 1.4475 | 0 |
| Severely Disabled One-half-time | | | | 1.0615 | 0 |
| TOTAL NON-CERTIFIED DAYS OF ENROLLMENT | | | | N/A | 0 |

Saint Vincent's Day Home
Audited Attendance and Fiscal Report
June 30, 2021

A U D 9500 Page 5 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 3 - Revenue

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|
| Restricted Income - Child Nutrition Programs | 26,228 | | 26,228 |
| Restricted Income - County Maintenance of Effort (EC Section 8279) | | | |
| Restricted Income - Other: | | | |
| Restricted Income - Subtotal | 26,228 | | 26,228 |
| Transfer From Reserve | | | |
| Waived Family Fees for Certified Children (July and August) | 4,366 | | 4,366 |
| Family Fees Collected for Certified Children (September - June) | 30,096 | | 30,096 |
| Waived Family Fees for Certified Children (September - June) | 19,113 | | 19,113 |
| Family Fees (September - June) - Subtotal | 49,209 | | 49,209 |
| Interest Earned on Child Development Apportionment Payments | | | |
| Unrestricted Income - Fees for Non-Certified Children | | | |
| Unrestricted Income - Head Start | | | |
| Unrestricted Income - Other: | 1,205 | | 1,205 |
| Total Revenue | 57,529 | | 57,529 |

Comments:

Saint Vincent's Day Home
Audited Attendance and Fiscal Report
June 30, 2021

A U D 9500 Page 6 of 8

Contract Number CCTR 0011

Full Name of Contractor Saint Vincent's Day Home

Section 4 - Reimbursable Expenses

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|
| Direct Payments to Providers (FCCH only) | | | |
| 1000 Certificated Salaries | 438,470 | | 438,470 |
| 2000 Classified Salaries | 634,774 | | 634,774 |
| 3000 Employee Benefits | 199,703 | 14,032 | 213,735 |
| 4000 Books and Supplies | 97,786 | 12,086 | 109,872 |
| 5000 Services and Other Operating Expenses | 126,336 | 61,403 | 187,739 |
| 6100/6200 Other Approved Capital Outlay | | | |
| 6400 New Equipment (program-related) | | | |
| 6500 Equipment Replacement (program-related) | | | |
| Depreciation or Use Allowance | 43,157 | 816 | 43,973 |
| Start-up Expenses (service level exemption) | | | |
| Budget Impasse Credit | | | |
| Indirect Costs (include in Total Administrative Cost) | | | |
| Non-Reimbursable (State use only) | | | |
| Total Reimbursable Expenses | 1,540,226 | 88,337 | 1,628,563 |
| Total Administrative Cost (included in Section 4 above) | 120,132 | | 120,132 |
| Total Staff Training Cost (included in Section 4 above) | | | |

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 7.

Audit Report Page 34

A U D 9500 Page 7 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 5 - Supplemental Revenue

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit |
|-----------------------------------|--------------------------------------|----------------------------------|-------------------------------------|
| Enhancement Funding | | | |
| Other: | | | |
| Other: | | | |
| Total Supplemental Revenue | | | |

Section 6 - Supplemental Expenses

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|
| 1000 Certificated Salaries | | | |
| 2000 Classified Salaries | | | |
| 3000 Employee Benefits | | | |
| 4000 Books and Supplies | | | |
| 5000 Services and Other Operating Expenses | | | |
| 6000 Equipment / Capital Outlay | | | |
| Depreciation or Use Allowance | | | |
| Indirect Costs | | | |
| Non-Reimbursable Supplemental Expenses | | | |
| Total Supplemental Expenses | | | |

Saint Vincent's Day Home
Audited Attendance and Fiscal Report
June 30, 2021

A U D 9500 Page 8 of 8

Contract Number **CCTR 0011**

Full Name of Contractor **Saint Vincent's Day Home**

Section 7 - Summary

| | Column A Cumulative CDNFS 9500 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|
| Total Certified Days of Enrollment | 12,994 | | 12,994 |
| Days of Operation | 240 | | 240 |
| Days of Attendance | 9,993 | | 9,993 |
| Restricted Program Income | 26,228 | | 26,228 |
| Transfer from Reserve | | | |
| Family Fees for Certified Children (September - June) | 49,209 | | 49,209 |
| Interest Earned on Child Development Apportionment Payments | | | |
| Direct Payments to Providers | | | |
| Start-up Expenses (service level exemption) | | | |
| Total Reimbursable Expenses | 1,540,226 | 88,337 | 1,628,563 |
| Total Administrative Cost | 120,132 | | 120,132 |
| Total Staff Training Cost | | | |

Total Certified Adjusted Days of Enrollment **16,175.29**

Total Non-Certified Adjusted Days of Enrollment **0**

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements of the California Department of Education, Early Learning and Care Division:

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box):

YES

Reimbursable expenses claimed on page 6 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

YES

Include any comments in the comments box on page 5. If necessary, attach additional sheets to explain adjustments.

Audit Report Page **36**

California Department of Education
Audited Attendance and Fiscal Report for
California State Preschool Programs
A U D 8501 Page 1 of 8

| | |
|--------------------|---------------|
| Fiscal Year Ending | June 30, 2021 |
| Contract Number | CSPP0028 |
| Vendor Code | B363 |

Full Name of Contractor Saint Vincent's Day Home

Section 1 - Days of Enrollment Certified Children

| Enrollment Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Three Years and Older Full-time-plus | | | | 1.1800 | 0 |
| Three Years and Older Full-time | 9,160 | | 9,160 | 1.0000 | 9,160 |
| Three Years and Older Three-quarters-time | | | | 0.7500 | 0 |
| Three Years and Older One-half-time | | | | 0.6193 | 0 |
| Exceptional Needs Full-time-plus | | | | 1.8172 | 0 |
| Exceptional Needs Full-time | 1,001 | | 1,001 | 1.5400 | 1,541.54 |
| Exceptional Needs Three-quarters-time | | | | 1.1550 | 0 |
| Exceptional Needs One-half-time | | | | 0.9537 | 0 |
| Limited and Non-English Proficient Full-time-plus | | | | 1.2980 | 0 |
| Limited and Non-English Proficient Full-time | 15,250 | | 15,250 | 1.1000 | 16,775 |
| Limited and Non-English Proficient Three-quarters-time | | | | 0.8250 | 0 |
| Limited and Non-English Proficient One-half-time | | | | 0.6193 | 0 |

A U D 8501 Page 2 of 8

Contract Number **CSP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 1 - Days of Enrollment Certified Children (continued)

| Enrollment Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| At Risk of Abuse or Neglect Full-time-plus | | | | 1.2980 | 0 |
| At Risk of Abuse or Neglect Full-time | | | | 1.1000 | 0 |
| At Risk of Abuse or Neglect Three-quarters-time | | | | 0.8250 | 0 |
| At Risk of Abuse or Neglect One-half-time | | | | 0.6193 | 0 |
| Severely Disabled Full-time-plus | | | | 2.2774 | 0 |
| Severely Disabled Full-time | | | | 1.9300 | 0 |
| Severely Disabled Three-quarters-time | | | | 1.4475 | 0 |
| Severely Disabled One-half-time | | | | 1.1952 | 0 |
| TOTAL DAYS OF ENROLLMENT | 25,411 | | 25,411 | N/A | 27,476.54 |
| DAYS OF OPERATION | 240 | | 240 | N/A | N/A |
| DAYS OF ATTENDANCE | 15,056 | | 15,056 | N/A | N/A |

☐ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3 and 4) and continue to Revenue Section on page 5.

A U D 8501 Page 3 of 8

Contract Number **CSP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 2 - Days of Enrollment Non-Certified Children

| Enrollment Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Toddlers (18 up to 36 months) Full-time-plus | | | | 2.1240 | 0 |
| Toddlers (18 up to 36 months) Full-time | | | | 1.8000 | 0 |
| Toddlers (18 up to 36 months) Three-quarters-time | | | | 1.3500 | 0 |
| Toddlers (18 up to 36 months) One-half-time | | | | 0.9900 | 0 |
| Three Years and Older Full-time-plus | | | | 1.1800 | 0 |
| Three Years and Older Full-time | 218 | | 218 | 1.0000 | 218 |
| Three Years and Older Three-quarters-time | | | | 0.7500 | 0 |
| Three Years and Older One-half-time | | | | 0.6193 | 0 |
| Exceptional Needs Full-time-plus | | | | 1.8172 | 0 |
| Exceptional Needs Full-time | | | | 1.5400 | 0 |
| Exceptional Needs Three-quarters-time | | | | 1.1550 | 0 |
| Exceptional Needs One-half-time | | | | 0.9537 | 0 |

A U D 8501 Page 4 of 8

Contract Number **CSP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 2 - Days of Enrollment Non-Certified Children (continued)

| Enrollment Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit | Column D Adjustment Factor | Column E Adjusted Days per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|----------------------------------|--|
| Limited and Non-English Proficient Full-time-plus | | | | 1.2980 | 0 |
| Limited and Non-English Proficient Full-time | | | | 1.1000 | 0 |
| Limited and Non-English Proficient Three-quarters-time | | | | 0.8250 | 0 |
| Limited and Non-English Proficient One-half-time | | | | 0.6193 | 0 |
| At Risk of Abuse or Neglect Full-time-plus | | | | 1.2980 | 0 |
| At Risk of Abuse or Neglect Full-time | | | | 1.1000 | 0 |
| At Risk of Abuse or Neglect Three-quarters-time | | | | 0.8250 | 0 |
| At Risk of Abuse or Neglect One-half-time | | | | 0.6193 | 0 |
| Severely Disabled Full-time-plus | | | | 2.2774 | 0 |
| Severely Disabled Full-time | | | | 1.9300 | 0 |
| Severely Disabled Three-quarters-time | | | | 1.4475 | 0 |
| Severely Disabled One-half-time | | | | 1.1952 | 0 |
| TOTAL NON-CERTIFIED DAYS OF ENROLLMENT | 218 | | 218 | N/A | 218 |

Saint Vincent's Day Home
Audited Attendance and Fiscal Report
June 30, 2021

A U D 8501 Page 5 of 8

Contract Number **CSP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 3 - Revenue

| Revenue Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|
| Restricted Income - Child Nutrition Programs | 41,508 | | 41,508 |
| Restricted Income - County Maintenance of Effort (EC Section 8279) | | | |
| Restricted Income - Other: | | | |
| Restricted Income - Subtotal | 41,508 | | 41,508 |
| Transfer from Reserve - General | | | |
| Transfer from Reserve - Professional Development | | | |
| Transfer from Reserve Total | | | |
| Waived Family Fees for Certified Children (July - August) | 10,967 | | 10,967 |
| Family Fees Collected for Certified Children (September - June) | 51,789 | | 51,789 |
| Waived Family Fees for Certified Children (September - June) | 34,689 | | 34,689 |
| Family Fees for Certified Children (September - June) - Subtotal | 86,478 | | 86,478 |
| Interest Earned on Child Development Apportionment Payments | | | |
| Unrestricted Income - Fees for Non-Certified Children | | | |
| Unrestricted Income - Head Start | 101,112 | | 101,112 |
| Unrestricted Income - Other: | 2,022 | | 2,022 |
| Total Revenue | 196,431 | | 196,431 |

Comments:

A U D 8501 Page 6 of 8

Contract Number **CSP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 4 - Reimbursable Expenses

| Expense Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|
| Direct Payments to Providers (FCCH only) | | | |
| 1000 Certificated Salaries | 745,934 | | 745,934 |
| 2000 Classified Salaries | 1,106,762 | | 1,106,762 |
| 3000 Employee Benefits | 343,530 | | 343,530 |
| 4000 Books and Supplies | 171,708 | | 171,708 |
| 5000 Services and Other Operating Expenses | 212,662 | -48,947 | 163,715 |
| 6100/6200 Other Approved Capital Outlay | | | |
| 6400 New Equipment (program-related) | | | |
| 6500 Equipment Replacement (program-related) | | | |
| Depreciation or Use Allowance | 73,159 | | 73,159 |
| Start-up Expenses (service level exemption) | | | |
| Budget Impasse Credit | | | |
| Indirect Costs (include in Total Administrative Cost) | | | |
| Non-Reimbursable (State use only) | | | |
| Total Reimbursable Expenses | 2,653,755 | -48,947 | 2,604,808 |
| Total Administrative Cost (included in Section 4 above) | 204,050 | | 204,050 |
| Total Staff Training Cost (included in Section 4 above) | | | |

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 7.

Audit Report Page **42**

A U D 8501 Page 7 of 8

Contract Number **CSPP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 5 - Supplemental Revenue

| Supplemental Revenue Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit |
|-----------------------------------|--------------------------------------|----------------------------------|-------------------------------------|
| Enhancement Funding | | | |
| Other: | | | |
| Other: | | | |
| Total Supplemental Revenue | | | |

Section 6 - Supplemental Expenses

| Supplemental Expense Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit |
|--|--------------------------------------|----------------------------------|-------------------------------------|
| 1000 Certificated Salaries | | | |
| 2000 Classified Salaries | | | |
| 3000 Employee Benefits | | | |
| 4000 Books and Supplies | | | |
| 5000 Services and Other Operating Expenses | | | |
| 6000 Equipment / Capital Outlay | | | |
| Depreciation or Use Allowance | | | |
| Indirect Costs | | | |
| Non-Reimbursable Supplemental Expenses | | | |
| Total Supplemental Expenses | | | |

Saint Vincent's Day Home
Audited Attendance and Fiscal Report
June 30, 2021

A U D 8501 Page 8 of 8

Contract Number **CSPP0028**

Full Name of Contractor **Saint Vincent's Day Home**

Section 7 - Summary

| Summary Category | Column A Cumulative CDNFS 8501 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--------------------------------------|----------------------------------|-------------------------------------|
| Total Certified Days of Enrollment | 25,411 | | 25,411 |
| Days of Operation | 240 | | 240 |
| Days of Attendance | 15,056 | | 15,056 |
| Restricted Program Income | 41,508 | | 41,508 |
| Transfer from Reserve | | | |
| Family Fees for Certified Children (September - June) | 86,478 | | 86,478 |
| Interest Earned on Apportionment Payments | | | |
| Direct Payments to Providers | | | |
| Start-up Expenses (service level exemption) | | | |
| Total Reimbursable Expenses | 2,653,755 | -48,947 | 2,604,808 |
| Total Administrative Cost | 204,050 | | 204,050 |
| Total Staff Training Cost | | | |

Total Certified Adjusted Days of Enrollment **27,476.54**

Total Non-Certified Adjusted Days of Enrollment **218**

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Learning and Care Division:

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box):

Yes

Reimbursable expenses claimed on page 6 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

Yes

Include any comments in the comments box on page 5. If necessary, attach additional sheets to explain adjustments.

Audit Report Page **44**

**California Department of Education
Audited Fiscal Report for
Child Development Support Contracts**

A U D 9529 Page 1 of 4

Fiscal Year Ending **June 30, 2021**

Contract Number **CPKS0002**

Vendor Code **B363**

Full Name of Contractor **Saint Vincent's Day Home**

Section 1 - Revenue

| Revenue Category | Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only) | Column A2 Cumulative Current Year CDNFS 9529 | Column B Audit Adjustments | Column C Cumulative per Audit |
|--|--|---|----------------------------------|-------------------------------------|
| Restricted Income - Match Requirement (CCIP and CLPC only) | | | | |
| Restricted Income - County Maintenance of Effort (EC Section 8279) | | | | |
| Restricted Income - Other: | | | | |
| Restricted Income - Subtotal | | | | |
| Interest Earned on Child Development Apportionment Payments | | | | |
| Unrestricted Income - Match Requirement (CCIP and CLPC only) | | | | |
| Unrestricted Income - Other: | | | | |
| Total Revenue | | | | |

A U D 9529 Page 2 of 4

Contract Number **CPKS0002**

Full Name of Contractor **Saint Vincent's Day Home**

Section 2 - Reimbursable Expenses

| Reimbursable Expense Category | Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only) | Column A2 Cumulative Current Year CDNFS 9529 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--|---|----------------------------------|-------------------------------------|
| 1000 Certificated Salaries | | | | |
| 2000 Classified Salaries | | | | |
| 3000 Employee Benefits | | | | |
| 4000 Books and Supplies | 2,500 | | | 2,500 |
| 5000 Services and Other Operating Expenses | | | | |
| 6100/6200 Other Approved Capital Outlay | | | | |
| 6400 New Equipment (program-related) | | | | |
| 6500 Equipment Replacement (program-related) | | | | |
| Depreciation or Use Allowance | | | | |
| Indirect Costs (include in Total Administrative Cost) | | | | |
| Non-Reimbursable (State use only) | | | | |
| Total Reimbursable Expenses | 2,500 | | | 2,500 |
| Total Administrative Cost (included in Section 2 above) | | | | |

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Audit Report Page **46**

A U D 9529 Page 3 of 4

Contract Number **CPKS0002**

Full Name of Contractor **Saint Vincent's Day Home**

Section 3 - Supplemental Revenue

| Supplemental Revenue Category | Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only) | Column A2 Cumulative Current Year CDNFS 9529 | Column B Audit Adjustments | Column C Cumulative per Audit |
|-----------------------------------|--|---|----------------------------------|-------------------------------------|
| Enhancement Funding | | | | |
| Other: | | | | |
| Other: | | | | |
| Total Supplemental Revenue | | | | |

Section 4 - Supplemental Expenses

| Supplemental Expense Category | Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only) | Column A2 Cumulative Current Year CDNFS 9529 | Column B Audit Adjustments | Column C Cumulative per Audit |
|--|--|---|----------------------------------|-------------------------------------|
| 1000 Certificated Salaries | | | | |
| 2000 Classified Salaries | | | | |
| 3000 Employee Benefits | | | | |
| 4000 Books and Supplies | | | | |
| 5000 Services and Other Operating Expenses | | | | |
| 6000 Equipment / Capital Outlay | | | | |
| Depreciation or Use Allowance | | | | |
| Indirect Costs | | | | |
| Non-Reimbursable Supplemental Expenses | | | | |
| Total Supplemental Expenses | | | | |

A U D 9529 Page 4 of 4

Contract Number **CPKS0002**

Full Name of Contractor **Saint Vincent's Day Home**

Section 5 - Summary

| Summary Category | Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only) | Column A2 Cumulative Current Year CDNFS 9529 | Column B Audit Adjustments | Column C Cumulative per Audit |
|---|--|---|----------------------------------|-------------------------------------|
| Restricted Program Income | | | | |
| Restricted Income - Match Requirement (CCIP and CLPC only) | | | | |
| Unrestricted Income - Match Requirement | | | | |
| Interest Earned on Child Development Apportionment Payments | | | | |
| Total Reimbursable Expenses | 2,500 | | | 2,500 |
| Total Administrative Cost | | | | |

Comments:

**California Department of Education
Audited Reserve Account Activity Report**

A U D 9530A Page 1 of 1

| | |
|----------------------|---------------|
| Fiscal Year End | June 30, 2021 |
| Reserve Account Type | Center-Based |
| Vendor Code | B363 |

Full Name of Contractor **Saint Vincent's Day Home**

Section 1 - Prior Year Reserve Account Activity

| | |
|--|-----------------------------------|
| 1. Beginning Balance (2019-20 AUD 9530A Ending Balance) | 9,286 |
| 2. Plus Transfers to Reserve Account: | Per 2019-20 Post-Audit CDNFS 9530 |
| Contract No. | |
| Contract No. | |
| Contract No. | |
| Contract No. | |
| Contract No. | |
| Contract No. | |
| Total Transferred from 2019-20 Contracts to Reserve | |
| 3. Less Excess Reserve to be Billed | |
| 4. Ending Balance per 2019-20 Post-Audit CDNFS 9530 | 9,286 |

Section 2 - Current Year (2020-21) Reserve Account Activity

| | Column A CDNFS 9530A | Column B Audit Adjustments | Column C per Audit |
|--|----------------------------|----------------------------------|-----------------------|
| 5. Plus Interest Earned This Year on Reserve | | | |
| 6. Less Transfers to Contracts from Reserve: | | | |
| CSPP General-Contract No. | | | |
| CSPP General-Contract No. | | | |
| CSPP Professional Development-Contract No. | | | |
| CSPP Professional Development-Contract No. | | | |
| Subtotal CSPP Transfers | | | |
| Other Contract No. | | | |
| Other Contract No. | | | |
| Other Contract No. | | | |
| Other Contract No. | | | |
| Other Contract No. | | | |
| Subtotal Other Contract Transfers | | | |
| Total Transferred to Contracts from Reserve Account | | | |
| 7. Ending Balance on June 30, 2021 | 9,286 | | 9,286 |

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

**Independent Auditors' 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**

Board of Directors
Saint Vincent's Day Home
Oakland, California

We have audited, in accordance with the 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, the financial statements of Saint Vincent's Day Home, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Saint Vincent's Day Home's basic financial statements, and have issued our report thereon dated **October 4,** 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Saint Vincent's Day Home's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Saint Vincent's Day Home's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying Schedule of *Findings and Questioned Costs* as item 2021-001 that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Saint Vincent's Day Home's financial statements are free from 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 financial statements. 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*.

Entity's Response to Findings

Saint Vincent's Day Home's response to the findings identified in our audit is described in the accompanying *Schedule of Findings and Questioned Costs*. Saint Vincent's Day Home's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Ramon, California

October 4, 2021

Schedule of Findings and Questioned Costs
June 30, 2021

Saint Vincent's Day Home

Financial Statements

| | |
|---|----------------|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weaknesses identified | Yes |
| Significant deficiencies identified not considered to be material weaknesses | None Reported |
| Noncompliance material to financial statements noted? | No |
| <u>Federal Awards</u> | Not Applicable |

The following finding represents a material weakness related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

2021-001 Material Audit Adjustments (Internal Control)

Criteria

Management is responsible for the design, implementation, and maintenance of internal controls to ensure the financial statements are free from material misstatement, whether due to error or fraud.

Condition

Deferred revenues were incorrectly stated in the financial statements which resulted in an audit adjustment.

Questioned Costs

None.

Effect

Material audit adjustments of \$119,909 were necessary to correct the deferred revenue balance.

Cause

Annualized monthly allocation of the grant funds were not adjusted at the end of the year.

Recommendation

We recommend management perform detail review of each account balance as part of its year end closing procedure to ensure account balances are properly stated.

Repeat Finding (Yes or No)

No.

Corrective Action Plan

Saint Vincent Day Home will perform detail review and account reconciliations during the year end closing procedure to ensure all account balances are properly stated.

None reported.

Quality Review Checklist for FY 2020–21 Child Care and Development Program Agencies

Agency Name & Vendor #: Saint Vincent's Day Home

Introduction

The quality review checklist is required to be completed by the agency's representative and submitted along with the agency's 2020–21 audit report and is designed to reduce or eliminate the need for follow-up questions that arise as the California Department of Education, Audits & Investigations Division and/or the California Department of Social Services reviews the organization's audit report submission in accordance with California Code of Regulations, Title 5, Section 18072.

If questions arise during the audit report review process, the reviewer will contact the agency's Certified Public Accountant (CPA). Please provide an email address for the CPA or CPA firm that conducted the agency's audit.

CPA Firm / CPA Name: Eide Bailly LLP/Xiupin Guillaume

Email: xguillaume@eidebailly.com

Required Contents

1. Does the audit report include the following? (Note: This information is required for all agencies. For more information, reference the CDE Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Illustrative Contractor Audit Report):

- a. Independent Auditor's Report, based on Generally Accepted Auditing Standards and Government Auditing Standards ☒ Yes ☐ No
 - i. Does the Independent Auditor's Report indicate whether the supplementary information is fairly presented in all material respects in relation to the financial statements as a whole? ☒ Yes ☐ No
- b. 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 ☒ Yes ☐ No
- c. Statement of Financial Position / Balance Sheet ☒ Yes ☐ No
- d. Statement of Activities / Income Statement ☒ Yes ☐ No
- e. Notes to Financial Statements ☒ Yes ☐ No

- f. Schedule of Expenditures of Federal and State Awards ☒ Yes ☐ No
- g. Schedule of Findings and Questioned Costs..... ☒ Yes ☐ No
- h. Combining Statement of Activities ☒ Yes ☐ No
- i. Schedule of Claimed Administrative Costs ☒ Yes ☐ No
- j. Schedule of Claimed Equipment Expenditures..... ☒ Yes ☐ No
- k. Schedule of Claimed Expenditures for Renovations and Repairs ☒ Yes ☐ No
- l. Audited Attendance and Fiscal Report (AUD) form for each child development program contract..... ☒ Yes ☐ No
- m. Notes to the Child Development Contract Supplemental Information..... ☒ Yes ☐ No
2. If applicable, does the audit report submission include the following (*Note: This information is only required under certain circumstances. For more information reference the CDE Audit Guide: Chapter 200, Exhibit A; Chapter 300; and Illustrative Contractor Audit Report*):
- a. Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance (2 CFR Part 200, Subpart F) ☐ Yes ☐ No ☒ N/A
- b. Management letter and/or internal control communication letter ☐ Yes ☒ No ☐ N/A
- c. Statement of Cash Flows ☒ Yes ☐ No ☐ N/A
- d. Statement of Functional Expenses ☒ Yes ☐ No ☐ N/A
- e. Schedule of Claimed Start-Up Expenses ☐ Yes ☐ No ☒ N/A
- f. Audited Reserve Account Activity Report (AUD 9530-A) ☒ Yes ☐ No ☐ N/A
- g. Reconciliation of fiscal year not ending on June 30 ☐ Yes ☐ No ☒ N/A
- h. Reconciliation of CD Reporting to GAAP Reporting ☐ Yes ☐ No ☒ N/A
- i. An audit report that includes all required information for any agencies that the contractor entered into a subcontract for early learning and care services with (see FT&C Section I – Definitions)..... ☐ Yes ☐ No ☒ N/A

AUDs and Financial Statements

3. Were all AUDs prepared on the correct fiscal year's form? ☒ Yes ☐ No
4. Are all pages of the AUD form(s) included? ☒ Yes ☐ No
 a. If not, was the appropriate box marked to explain why the pages were omitted? ☐ Yes ☐ No ☒ N/A
5. Does each AUD's column A agree to column C of the year-end CDNFS report? ☒ Yes ☐ No
6. Do each AUD's total expenses claimed for reimbursement and total supplemental expenses trace to and agree with the amounts reported on the Schedule of Expenditures by State Categories? ☒ Yes ☐ No
7. For each contract, do the total expenses on the Schedule of Expenditures by State Categories trace to and agree with the total expenses on the Combining Statement of Activities or any applicable expense reconciliation schedules presented in the report? ☒ Yes ☐ No
8. Does the total revenue and expenses on the Combining Statement of Activities (CSA) trace and agree to the Statement of Activities? ☒ Yes ☐ No
9. Does each AUD's revenue related to reimbursable expenses trace to and agree with the Combining Statement of Activities or other Statement? ☒ Yes ☐ No

Capitalized Expenses

10. Are all capitalized expenditures using child development funds identified in the Schedule of Claimed Expenditures for Renovations & Repairs or Schedule of Claimed Equipment Expenditures schedules? (Note: "Capitalized Equipment" is defined by the FT&C as equipment with a per-unit acquisition cost that equals or exceeds the lesser of the capitalization level established by the contractor for financial statement purposes, or \$5,000, including tax) ☒ Yes ☐ No
11. Do capitalized equipment expenses on AUD line items 6400, 6500 and/or start-up expenses trace to and agree with the Schedule of Claimed Equipment Expenditures? ☒ Yes ☐ No
12. Do other capital outlays, line item 6100/6200 on the AUD, trace to and agree with the Schedule of Claimed Expenditures for Renovations & Repairs? ☒ Yes ☐ No

13. Did the agency obtain preapproval for items expensed in line item(s) 6100/6200, 6400 and/or 6500? ☐ Yes ☐ No ☒ N/A
a. If not, please explain (attach additional pages if necessary):

14. If the agency has Child Care Facilities Revolving Fund or California Renovation and Repair loan repayments, are the expenditures correctly reported in line 6100/6200? ☐ Yes ☐ No ☒ N/A

Indirect and Administrative Costs

15. If the agency has an approved indirect cost rate, is it accurately reported on the AUD(s)? ☐ Yes ☐ No ☒ N/A
16. If indirect costs are claimed, are they within the maximum indirect cost rate of the lesser of its approved rate or ten percent (10%)? ☐ Yes ☐ No ☒ N/A
17. If indirect costs were reported, does the indirect cost amount agree to the indirect costs amount reported on the Schedule of Claimed Administrative Costs? ☐ Yes ☐ No ☒ N/A
18. Do the total administrative costs reported on the AUD(s) trace to and agree with the total expense amounts reported on the Schedule of Claimed Administrative Costs? ☒ Yes ☐ No

Enrollment, Attendance, and Assurances on Center-Based AUDs

19. Is the number of days of enrollment the same or greater than the number of days of attendance reported on the AUD(s)? ☒ Yes ☐ No ☐ N/A
20. Were the two assurance certifications checked on the AUD? ☒ Yes ☐ No ☐ N/A

Audited Reserve Account Activity Report

21. Does each Audited Reserve Account Activity Report either identify interest earned on reserve funds or explain in the comments section why no interest is reported? ☒ Yes ☐ No ☐ N/A
22. If there was a reserve account ending balance, was it correctly reported in the Statement of Financial Position/Balance Sheet as a liability? ☒ Yes ☐ No ☐ N/A

Revenue

23. If Child and Adult Care Food Program (CACFP) expenses were allocated to a child development contract, was the related revenue reported as restricted income? (Note: Reported revenue should be the lesser of the amount of CACFP funds paid to an agency or the amount of expenses allocated to the contract) ☒ Yes ☐ No ☐ N/A

24. Was all revenue correctly classified as restricted or unrestricted in the AUD form(s)? ☒ Yes ☐ No ☐ N/A

25. If the agency received funds from the Paycheck Protection Program, were any funds used for a child development program reported as restricted income? ☐ Yes ☐ No ☒ N/A

26. If non-certified children are reported in the AUD(s), were non-certified family fees reported? ☐ Yes ☒ No ☐ N/A

a. If not, please explain (attach additional pages if necessary):

No family fees charged for non-certified children because fees were paid through
alternative payment system.

Completed By: Xiupin Guillaume

Title: Partner

If necessary, add additional comments here:

Item #21 Interest for the reserve fund was \$0 for FY 20-21 because it is a new balance.