

Associated Students Child Development Laboratory

Financial Statements and Supplemental Information

Year Ended June 30, 2022



ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Financial Statements and Supplemental Information
Year Ended June 30, 2022

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ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

General Information

1. Full official name of agency:
 - Associated Students Child Development Laboratory
California State University, Chico
2. Program names:
 - General Center Child Care and Development Program
 - Early Head Start Child Development Partnership
 - California State Preschool Program
 - Child Care Food Program
3. Type of agency:
 - Campus Center
4. Agency address:
 - California State University, Chico
Child Development Lab, Office 395
400 W 1st Street
Chico, California 95929
5. Name and address of General Manager and name of Financial Manager:
 - Executive Director:
 - Ms. Jamie Cameron
Associated Students, CSU, Chico
Administration Office 757
400 W 1st Street
Chico, California 95929
 - Financial Director:
 - Katrina Robertson
6. Telephone number:
 - (530) 898-6815
7. Period covered for audit:
 - July 1, 2021 through June 30, 2022
8. Number of days of agency operation:
 - 173 Days
9. Scheduled hours of operation each day:
 - Monday through Friday, 7:30 A.M. – 5:00 P.M.

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Associated Students Child Development Laboratory
Chico, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Associated Students Child Development Laboratory (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Associated Students Child Development Laboratory as of June 30, 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Associated Students Child Development Laboratory and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students Child Development Laboratory's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

INDEPENDENT AUDITOR'S REPORT, CONTINUED

Auditor's Responsibility for the Audit of the Financial Statements, continued

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Associated Students Child Development Laboratory's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Associated Students Child Development Laboratory's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Emphasis of Matter Regarding Economic Dependency

Associated Students Child Development Laboratory is a program operated within Associated Students of California State University, Chico and the financial activity between the two is significant. As seen on the statement of financial position, the net assets as of June 30, 2022 are zero. Associated Students Child Development Laboratory is economically dependent on Associated Students of California State University, Chico. Our opinion is not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information, as reflected in the table of contents, required by the Audit Guide issued by the California Department of Education and the California Department of Social Services is presented for purposes of additional analysis and is 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 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 December 15, 2022, on our consideration of Associated Students Child Development Laboratory'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 Associated Students Child Development Laboratory's internal control over financial reporting and compliance.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Statement of Financial Position
June 30, 2022

ASSETS

Current Assets:

Cash and cash equivalents	\$	55,665
Accounts and other receivables		32,727
Accounts receivable - related parties		41,289
Sponsored programs receivable		3,260
Interfund receivables (payables)		<u>34,416</u>

Total Assets	\$	<u><u>167,357</u></u>
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LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$	89,258
Accrued expenses		63,677
Deferred revenue		<u>14,422</u>

Total Liabilities		167,357
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Net Assets:

Without donor restrictions		<u>-</u>
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Total Liabilities and Net Assets	\$	<u><u>167,357</u></u>
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ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY**Statement of Activities**

Year Ended June 30, 2022

Revenue and Support Without Donor Restriction:	
General child care program	\$ 280,575
Preschool program	238,964
Child Care Access Means Parents in School grant	189,164
Child care food grant	<u>24,543</u>
Total Support	733,246
Associated Students' contribution	181,272
Early Head Start child development partnership	132,497
Butte County Office of Education - Steps to Quality funding	3,708
Contributions and other revenue	<u>786</u>
Total Revenue and Support Without Donor Restriction	<u>1,051,509</u>
Expenses:	
Program services:	
General child development programs	571,725
Preschool programs	419,530
Supporting services:	
Management and general	<u>60,254</u>
Total Program and Supporting Services Expenses	<u>1,051,509</u>
Change in Net Assets	-
Net Assets Without Donor Restrictions - Beginning of Year	<u>-</u>
Net Assets Without Donor Restrictions - End of Year	<u><u>\$ -</u></u>

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY**Statement of Functional Expenses**

Year Ended June 30, 2022

	Program Services			Supporting Activities	Total Expenses
	General Child Development Programs	Preschool Programs	Total Program Services	Management and General	
Expenses:					
Certificated salaries:					
Teachers	\$ 151,030	\$ 128,107	\$ 279,137	\$ -	\$ 279,137
Supervisors	63,313	55,196	118,509	-	118,509
Classified salaries:					
Instructional aides	80,714	53,581	134,295	-	134,295
Clerical personnel	19,107	15,443	34,550	-	34,550
Food service personnel	11,349	11,764	23,113	-	23,113
Employee benefits	145,279	127,997	273,276	-	273,276
Indirect cost - administration	-	-	-	45,754	45,754
Other supplies	37,683	5,208	42,891	-	42,891
Equipment / capital outlay	34,359	-	34,359	-	34,359
Audit	-	-	-	14,500	14,500
Other	3,508	2,537	6,045	-	6,045
Professional services	11,790	762	12,552	-	12,552
Instructional supplies	3,212	1,973	5,185	-	5,185
Communications	2,917	2,917	5,834	-	5,834
Travel and conferences	1,743	112	1,855	-	1,855
Food services:					
Food costs	5,456	13,140	18,596	-	18,596
Food supplies	265	793	1,058	-	1,058
Total Program and Supporting Services Expenses	\$ 571,725	\$ 419,530	\$ 991,255	\$ 60,254	\$ 1,051,509

See accompanying notes to financial statements.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Statement of Cash Flow
Year Ended June 30, 2022

Cash Flows from Operating Activities	
Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Changes in operating assets and liabilities:	
Accounts and other receivables	(26,855)
Accounts receivable - related parties	(7,832)
Sponsored programs receivable	(3,260)
Interfund receivables (payables)	16,800
Accounts payable	(5,324)
Accrued expenses	22,392
Deferred revenue	5,231
	<hr/>
Net Cash Provided by Operating Activities	1,152
Cash - Beginning of the Year	<hr/> 54,513
Cash - End of the Year	\$ <hr/> <hr/> 55,665

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Notes to Financial Statements

Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies

Nature of Activities

The Associated Students Child Development Laboratory (Development Lab) is a campus-based child care center administered by the Associated Students of California State University, Chico (Associated Students), which has contracted with the California Department of Education and California Department of Social Services for grant funds to provide child development and preschool services. The Development Lab also receives funds from other agencies, private donations, and family fees.

Financial Statement Presentation

The financial statements of the Development Lab have been prepared in accordance with generally accepted accounting principles in the United States of America (US GAAP), which require the Development Lab to report information regarding its financial position and activities according to the following net asset classifications:

- *Net assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Development Lab. These net assets may be used at the discretion of the Development Lab's management and the board of directors.
- *Net assets with donor restrictions* – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Development Lab or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. The Development Lab did not have any donor restrictions that were temporary or perpetual in nature as of June 30, 2022.

Cash and Cash Equivalents

The Development Lab considers cash and cash equivalents to include cash on hand and commercial checking and savings accounts and time certificates of deposit with initial maturities of three months or less. Associated Students advances cash to provide funds as needed. Cash consists of bank deposits which are subject to the security provided to local public agencies up to \$2,500,000.

Contracts Receivable

Contracts receivable represent amounts due to the Development Lab for reimbursement of expenditures made under approved grant contracts. The majority of these grant contracts are with federal or state agencies. Based on past payment history, no allowance for doubtful accounts has been reflected at June 30, 2022, as management believes all amounts are fully collectible.

Furniture and Equipment

Furniture and equipment are stated at cost. Depreciation is provided in an amount sufficient to relate the cost of depreciable assets to operations over their estimated service lives using the straight-line method. Planned major maintenance is accounted for using the direct expense method. Expenditures for equipment costing over \$5,000 are capitalized. Furniture and equipment were fully depreciated as of June 30, 2022.

Revenue Recognition

The Development Lab receives a significant amount of its revenue in the form of federal and state grants and contracts for program operations. All revenue received is restricted in that it is only to be used for expenditures related to the Development Lab programs. Revenue from grants and contracts is recognized as funds are expended. The Development Lab receives an administration fee for indirect overhead costs and recognizes this fee as income over the life of the grant or contract as a percentage of total expenditures or salaries and wages as specified in the grant or contract.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Notes to Financial Statements

Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies, continued

Revenue Recognition, continued

The Development Lab recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Grants and conditional promises to give – that are, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Contributions

All contributions are considered to be available for unrestricted use for any program related expenditure, unless specifically restricted by the donor.

Donated Facilities

The Development Lab receives the use of its indoor and outdoor space from California State University, Chico (CSU, Chico), for use by faculty and students to pursue educational goals. This support has not been included in the financial statements as fair rental value of the property has not been determined.

Income Taxes

Associated Students, which administers the Development Lab, is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. Associated Students functionally supports CSU, Chico, and has been classified in accordance with Section 509(a)(3), Type III. Associated Students has not entered into any activities that would jeopardize its tax-exempt status. Income from certain activities not directly related to Associated Students' tax-exempt purpose is subject to taxation as unrelated business income. However, expenses associated with the unrelated business income exceed the income or are insignificant. Accordingly, no provision for income taxes is required.

Associated Students accounts for income taxes in accordance with FASB ASC 740, Income Taxes, which clarifies the accounting for uncertainty in income taxes recognized in the Development Lab's financial statements and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FASB ASC 740, Income Taxes, also provides guidance on recognition and measurement of a tax position taken or expected to be taken in a tax return. Based on this analysis, a liability is recorded if uncertain tax benefits have been received. The Development Lab's practice is to recognize interest and penalties, if any, related to uncertain tax positions in the tax expense. There were no uncertain tax positions identified or related interest and penalties recorded as of June 30, 2022, and the Development Lab does not expect this to change significantly over the next 12 months.

Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reconciliation of Child Development (CD) and GAAP Expense Reporting

The supplemental combining statement of activities and basic financial statements present financial data in conformity with US GAAP. The other supplemental financial data presented in the audit, including data in the schedule of expenditures by state categories, present expenditures according to CD reporting requirements. However, reporting differences arise because CD contract funds must be expended during the contract period (usually one year). For example, program amounts that are capitalized and depreciated over multiple years under US GAAP are expensed in the contract period under CD requirements. To address such reporting differences, the audit report includes a reconciliation of CD and US GAAP expense reporting.

Subsequent Events

Management has evaluated subsequent events through December 15, 2022, the date the report was available to be issued.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Notes to Financial Statements

Year Ended June 30, 2022

Note 2 – Accounts and Other Receivables

Accounts and other receivables is composed of the following amount:

California Department of Social Services	\$	32,727
Chico State Enterprises		<u>41,289</u>
Total	\$	<u>74,016</u>

Note 3 – Compensated Absences

Employees of the Development Lab are entitled to paid vacation days based on length of service and other factors. Sick leave benefits are accumulated for each employee; however, the employees are not vested in these benefits. Therefore, sick leave benefits are recognized as an expense when incurred and no liability has been recorded. Accumulated vacation benefits are vested by the employees; therefore, a liability has been recorded and amounted to \$19,548 at June 30, 2022.

Note 4 – Retirement and Benefit Plans

As part of the Associated Students, Development Lab employees participate in the multi-employer public employee retirement system defined benefit pension plans administered by California Public Employees' Retirement System (CalPERS). The Associated Students has two CalPERS plans, one for those hired prior to 2013 (Classic) and one for those hired in 2013 or later (PEPRA). The plans provide retirement, disability benefits, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statute, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplemental information. Copies of the CAFR may be obtained from CalPERS, 400 Q Street, Sacramento, California, 95811, and from www.calpers.ca.gov. Furthermore, the Associated Students' financial statements provide additional disclosures and may be obtained from Associated Students of CSU, Chico, Associated Students FSO – Office 248, Chico, California, 95929, and from as.csuchico.edu. The Development Lab's expense recognized for CalPERS amounted to \$71,841 for the year ended June 30, 2022.

The Development Lab participates in the Associated Students' defined benefit postretirement plan that covers both salaried and non-salaried career employees. The Development Lab recognized no expense for postretirement benefits for the year ended June 30, 2022. The liability for postretirement benefits is maintained by the Associated Students.

Note 5 – Contingencies

The Development Lab received state and federal funds for specific purposes that are subject to review and audit by the funding agencies. Such audits could generate expenditure disallowances and refunds payable under the terms of the grants and contracts. A loss of state and federal support would have a significant impact on the Development Lab's ability to provide its program services.

Coronavirus

In 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter-in-place orders, including California, where the Development Lab is located.

Management has initiated several changes to the operations of the programs and administrative functions in order to protect the health of staff, students, parents, and children and to mitigate the financial effects of the virus and its resultant economic slowdown. The Development Lab will continue to evaluate, and if appropriate, adopt other measures in the future required for the ongoing safety of students and staff.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Notes to Financial Statements

Year Ended June 30, 2022

Note 5 – Contingencies

Coronavirus, continued

The extent of the impact of COVID-19 on the Development Lab's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Development Lab's customers, employees, and vendors, all of which at present, cannot be determined.

Note 6 – Nutrition Program

In 2021, the Development Lab had a nutrition agreement with the California Department of Education, which was transferred to the California Department of Social Services in fiscal year 2022, for a childcare food program as reported in the schedule of expenditures of federal and state awards. The monthly claims for reimbursement were prepared using actual daily meal counts. The nutrition audit report schedules are not included as part of the supplemental schedules because: (1) the audit disclosed no nutrition overpayments, underpayments, or program findings; (2) the contractor did not request reimbursement of audit costs; and (3) the audit is not a program-specific nutrition audit.

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SUPPLEMENTAL INFORMATION

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2022

Program Name	Federal Assistance Listing Number	Grantor's Number	Program or Award Amount	Revenue Recognized	Disbursements/ Expenditures
Federal					
U.S Department of Agriculture					
Passed through California Department of Education					
Child Nutrition and Food Distribution Division:					
Child and Adult Care Food Program	10.558	04-1155-0A	\$ 23,485	\$ 23,485	\$ 23,485
U.S. Department of Health and Human Services					
Passed through California Department of Education					
Child Care Cluster:					
General Child Care and Development Program	93.596	CCTR-0019	52,028	52,028	52,028
General Child Care and Development Program	93.575	CCTR-0019	24,178	24,178	24,178
Total U.S Department of Health and Human Services			76,206	76,206	76,206
U.S. Department of Education					
Passed through Chico State Enterprises					
Child Care Access Means Parents in School	84.335A	P335A180211	221,932	189,164	189,164
Total Federal Awards			\$ 321,623	\$ 288,855	\$ 288,855

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Expenditures of Federal and State Awards, continued
Year Ended June 30, 2022

Program Name	Federal Assistance Listing Number	Grantor's Number	Program or Award Amount	Revenue Recognized	Disbursements/ Expenditures
State					
California Department of Education					
Child Development Division:					
General Child Care and Development Program		CCTR-0019	\$ 217,971	204,369	\$ 204,369
California State Preschool Program		CSPP-1039	238,964	238,964	238,964
State Meal Compensation		04-1155-0A	1,058	1,058	1,058
Early Head Start Partnership - Base Grant		21-15291-E5470	126,140	93,401	93,401
Early Head Start Partnership - Base Grant (TT&A)		21-15292-E5470	3,333	-	-
Early Head Start Partnership - CARES Act/COVID-19		21-15633-E5470	33,000	31,496	31,496
Early Head Start Partnership - Base Grant		19-15291-E547	7,600	7,600	7,600
Early Head Start Partnership - Base Grant		20-15291-E547	13,387	-	-
Total State Awards			641,453	576,888	576,888
Total Federal and State Awards			\$ 963,076	\$ 865,743	\$ 865,743

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal grant activity of the Development Lab and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Development Lab, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of the Development Lab. Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Development Lab has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Combining Statement of Financial Position
June 30, 2022

	Child Development Laboratory	Non-CD Programs	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 55,665	\$ 24,604,414	\$ 24,660,079
Accounts and other receivables	32,727	174,753	207,480
Accounts receivable - related parties	41,289	782,122	823,411
Sponsored programs receivable	3,260	-	3,260
Interfund receivables (payables)	34,416	(34,416)	-
Inventories	-	85,941	85,941
Prepaid expenses	-	91,457	91,457
Investments	-	200,000	200,000
Long-term deposits	-	20,000	20,000
Total Current Assets	167,357	25,924,271	26,091,628
Non-Current Assets:			
Buildings and equipment, net	-	2,110,769	2,110,769
Total Assets	\$ 167,357	\$ 28,035,040	\$ 28,202,397
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable	\$ 89,258	\$ (30,649)	\$ 58,609
Accounts payable - related parties	-	448,291	448,291
Accrued expenses	63,677	1,365,973	1,429,650
Deferred revenue	14,422	40,534	54,956
Postretirement benefit obligation	-	229,243	229,243
Total Liabilities	167,357	2,053,392	2,220,749
Net Assets:			
Without donor restrictions	-	25,981,648	25,981,648
Total Liabilities and Net Assets	\$ 167,357	\$ 28,035,040	\$ 28,202,397

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Combining Statement of Activities
Year Ended June 30, 2022

	General Child Development Programs	Preschool Programs	Total Child Development Laboratory	Non-CD Programs	Total
Revenue and Support Without Donor Restriction:					
General child care program	\$ 280,575	\$ -	\$ 280,575	\$ -	\$ 280,575
Preschool program	-	238,964	238,964	-	238,964
Child Care Access Means Parents in School grant	94,582	94,581	189,163	-	189,163
Child care food grant	8,345	16,199	24,544	-	24,544
	<u>383,502</u>	<u>349,744</u>	<u>733,246</u>	<u>-</u>	<u>733,246</u>
Total Support	383,502	349,744	733,246	-	733,246
Associated Students' contribution	90,636	90,636	181,272	(181,272)	-
Early Head Start child development partnership	132,497	-	132,497	-	132,497
Butte County Office of Education					
- Steps to Quality funding	-	3,708	3,708	(3,708)	-
Contributions and other revenue	393	393	786	(786)	-
Other income			-	15,530,705	15,530,705
	<u>607,028</u>	<u>444,481</u>	<u>1,051,509</u>	<u>15,344,939</u>	<u>16,396,448</u>
Total Revenue and Support Without Donor Restriction	607,028	444,481	1,051,509	15,344,939	16,396,448
Expenses:					
Program services	571,725	419,530	991,255	14,028,067	15,019,322
Supporting services:					
Management and general	35,303	24,951	60,254	1,975,238	2,035,492
	<u>607,028</u>	<u>444,481</u>	<u>1,051,509</u>	<u>16,003,305</u>	<u>17,054,814</u>
Total Program and Supporting Services Expenses	607,028	444,481	1,051,509	16,003,305	17,054,814
Other Expenses:					
Pension and postretirement benefit cost amortization	-	-	-	464,933	464,933
	<u>607,028</u>	<u>444,481</u>	<u>1,051,509</u>	<u>16,468,238</u>	<u>17,519,747</u>
Total Expenses	607,028	444,481	1,051,509	16,468,238	17,519,747
Change in Net Assets	\$ -	\$ -	\$ -	\$ (1,123,299)	\$ (1,123,299)

See independent auditor's report.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Expenditures by State Categories
Year Ended June 30, 2022

	General Child Development Programs	Preschool Programs	Total
Expenditures:			
1000 Certificated salaries	\$ 125,069	\$ 137,647	\$ 262,716
2000 Classified salaries	106,852	76,469	183,321
3000 Employee benefits	92,519	101,104	193,623
4000 Books and supplies	6,465	16,822	23,287
5000 Services and other operating expenses	-	-	-
6000 Equipment/capital outlay	34,359	-	34,359
6100/ Other approved capital outlay	-	-	-
6200	-	-	-
6400 New equipment	-	-	-
6500 Replacement equipment	-	-	-
Indirect costs	18,238	17,701	35,939
Total Expenditures Claimed for Reimbursement	383,502	349,743	733,245
Total supplemental expenses	223,526	94,738	318,264
Total Expenditures	\$ 607,028	\$ 444,481	\$ 1,051,509

Notes:

(a) Any food expenses have been allocated to the appropriate contracts.

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 contractor were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Reconciliation of Child Development and GAAP Expense Reporting
Year Ended June 30, 2022

	General Child Development Programs	Preschool Programs	Non-CD Programs	Total
Revenue				
AUD/CDFS 9500 and 8501 Total Revenue	\$ 326,453	\$ 205,517	\$ -	\$ 531,970
Adjustments to Reconcile Difference in Reporting:				
Revenue from CDE/CDSS for CCTR and CSPP Contracts	280,575	238,964	-	519,539
Revenue from non-Children's Center funds	-	-	15,344,939	15,344,939
Subtotal	280,575	238,964	15,344,939	15,864,478
Combining Statement of Activities (GAAP)				
Total Operating Revenues	\$ 607,028	\$ 444,481	\$ 15,344,939	\$ 16,396,448
Expenses				
Schedule of Expenditures by State Categories	\$ 607,028	\$ 444,481	\$ -	\$ 1,051,509
Adjustments to Reconcile Differences in Reporting:				
Expenses from non-Development Lab funds	-	-	16,468,238	16,468,238
Combining Statement of Activities (GAAP)				
Total Operating Expenses	\$ 607,028	\$ 444,481	\$ 16,468,238	\$ 17,519,747

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Claimed Expenditures for Renovation and Repairs
Year Ended June 30, 2022

EQUIPMENT EXPENDITURES					
Unit costs under \$5,000		Unit costs over \$7,500 with prior written approval		Unit costs over \$7,500 without prior approval	
Cost	Item	Cost	Item	Cost	Item
\$0.00	0	\$0.00	0	\$0.00	0
RENOVATION AND REPAIR EXPENDITURES					
Unit costs under \$10,000		Unit costs over \$10,000 with prior written approval		Unit costs over \$10,000 without CDE approval	
Cost	Item	Cost	Item	Cost	Item
\$0.00	0	\$34,359.00	Pay yard - Playground resurface & storage	\$0.00	0
Comments:					
None.					

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Claimed Administrative Costs
Year Ended June 30, 2022

	General Child Development Programs	Preschool Programs	Total
Indirect costs	\$ 18,238	\$ 17,701	\$ 35,939
Total	\$ 18,238	\$ 17,701	\$ 35,939

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ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Notes to the Child Care and Development Program Supplemental Information
Year Ended June 30, 2022

In accordance with the applicable requirements from the Funding Terms & Conditions:

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor. No interest expense was claimed to a child development contract for the year ended June 30, 2022.
2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. There was no related party rent expense claimed as a reimbursable expense for the year ended June 30, 2022.
3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. There was no bad debt expense claimed as a reimbursable expense for the year ended June 30, 2022.

DRAFT

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Child Care Food Program – Child Care Centers
Summary of Claim
Year Ended June 30, 2022

	<u>Allowed</u>	<u>Paid</u>	
Amount Reimbursable from Federal Fund:	\$ 18,875	\$ 18,875	
Federal Fund Payments to Date			
Federal Fund Reimbursement Variance Underpayment (Overpaid)			\$ -
Cash In-Lieu Reimbursement:	\$ <u>1,247</u>	\$ <u>1,247</u>	\$ -
Total Federal Fund Reimbursement Variance (Overpaid)			\$ <u>-</u>
Amount Reimbursable from State Fund:	\$ <u>1,058</u>	\$ <u>1,058</u>	
State Fund Payments to Date			
State Fund Reimbursement Variance Underpayment (Overpaid)			\$ <u>-</u>
Total Program Reimbursement Refund (Overpayment)			\$ <u><u>-</u></u>

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Child Care Food Program – Child Care Centers
Statement of Claim
Year Ended June 30, 2022

Reimbursement per Examination (Supported by pages 23-26)	\$ 21,180
Program Reimbursements Claimed and Received	<u>21,180</u>
Amount Due from Agency	\$ <u><u>-</u></u>

Footnotes:

Note 1: All Child Care Food Program claims for reimbursement have been paid as of report issuance date.

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ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Child Care Food Program – Child Care Centers
Schedule of Reported, Adjusted, and Allowed Meals and Earned Reimbursement
Year Ended June 30, 2022

Federal Meal Compensation	Reported	Meals Adjusted	Allowed	Food Service Rates	Revenue Recognized	Audit Adjustments	Earned Reimbursement
<u>Breakfast</u>							
Free	2,007	-	2,007	\$ 1.97	\$ 3,954	\$ -	\$ 3,954
Reduced	727	-	727	\$ 1.67	1,214	-	1,214
Base	1,659	-	1,659	\$ 0.33	547	-	547
Total	<u>4,393</u>	<u>-</u>	<u>4,393</u>		<u>\$ 5,715</u>	<u>\$ -</u>	<u>\$ 5,715</u>
<u>Lunch</u>							
Free	2,180	-	2,180	\$ 3.66	\$ 7,979	\$ -	\$ 7,979
Reduced	793	-	793	\$ 3.26	2,585	-	2,585
Base	1,824	-	1,824	\$ 0.35	638	-	638
Total	<u>4,797</u>	<u>-</u>	<u>4,797</u>		<u>\$ 11,202</u>	<u>\$ -</u>	<u>\$ 11,202</u>
<u>Supplement</u>							
Free	1,557	-	1,557	\$ 1.00	\$ 1,557	\$ -	\$ 1,557
Reduced	568	-	568	\$ 0.50	284	-	284
Base	1,318	-	1,318	\$ 0.09	119	-	119
Total	<u>3,443</u>	<u>-</u>	<u>3,443</u>		<u>\$ 1,960</u>	<u>\$ -</u>	<u>\$ 1,960</u>
Total Federal Meal Reimbursement					18,877	-	\$ 18,877
Cash-in-Lieu	<u>4,797</u>	<u>-</u>	<u>4,797</u>	\$ 0.2600	<u>\$ 1,247</u>	<u>-</u>	<u>\$ 1,247</u>
Difference Due to Rounding					\$ (2)	-	(2)
Total Federal Reimbursement					<u>\$ 20,122</u>	<u>\$ -</u>	<u>\$ 20,122</u>
State Meal Compensation*	<u>5,707</u>	<u>-</u>	<u>5,707</u>	\$ 0.1853	<u>\$ 1,058</u>	<u>\$ -</u>	<u>\$ 1,058</u>

Footnotes:

* State Meal Compensation meals are free and reduced breakfast and lunches served.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Child Care Food Program – Child Care Centers
Schedule of Reported, Adjusted, and Allowed Eligibility
Year Ended June 30, 2022

	July	August	September	October	November	December	January	February	March	April	May	June
<u>Total Enrolled</u>												
Reported	29	29	41	41	41	41	41	41	41	41	41	41
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	29	29	41	41	41	41	41	41	41	41	41	41
<u>Eligibility Categories</u>												
Free												
Reported	19	19	17	17	17	17	17	17	17	17	17	17
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	19	19	17	17	17	17	17	17	17	17	17	17
Reduced												
Reported	4	4	7	7	7	7	7	7	7	7	7	7
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	4	4	7	7	7	7	7	7	7	7	7	7
Base												
Reported	6	6	17	17	17	17	17	17	17	17	17	17
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	6	6	17	17	17	17	17	17	17	17	17	17

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Child Care Food Program – Child Care Centers

Schedule of Reported, Adjusted, and Allowed Meals

Year Ended June 30, 2022

FIXED PERCENTAGE METHOD

	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
		July 2021			August 2021			September 2021	
<u>Breakfast</u>									
Free	-	-	-	155	-	155	349	-	349
Reduced	-	-	-	33	-	33	74	-	74
Base	-	-	-	49	-	49	110	-	110
Total	-	-	-	237	-	237	533	-	533
<u>Lunch</u>									
Free	-	-	-	159	-	159	359	-	359
Reduced	-	-	-	34	-	34	76	-	76
Base	-	-	-	50	-	50	113	-	113
Total	-	-	-	243	-	243	548	-	548
<u>Supplement</u>									
Free	-	-	-	96	-	96	257	-	257
Reduced	-	-	-	20	-	20	54	-	54
Base	-	-	-	30	-	30	82	-	82
Total	-	-	-	146	-	146	393	-	393
	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
		October 2021			November 2021			December 2021	
<u>Breakfast</u>									
Free	247	-	247	181	-	181	116	-	116
Reduced	102	-	102	75	-	75	48	-	48
Base	246	-	246	181	-	181	115	-	115
Total	595	-	595	437	-	437	279	-	279
<u>Lunch</u>									
Free	261	-	261	198	-	198	121	-	121
Reduced	107	-	107	81	-	81	50	-	50
Base	261	-	261	198	-	198	122	-	122
Total	629	-	629	477	-	477	293	-	293
<u>Supplement</u>									
Free	200	-	200	153	-	153	95	-	95
Reduced	82	-	82	63	-	63	39	-	39
Base	201	-	201	152	-	152	95	-	95
Total	483	-	483	368	-	368	229	-	229

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Child Care Food Program – Child Care Centers
Schedule of Reported, Adjusted, and Allowed Meals, continued
Year Ended June 30, 2022

FIXED PERCENTAGE METHOD

	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
		January 2022			February 2022			March 2022	
<u>Breakfast</u>									
Free	128	-	128	224	-	224	199	-	199
Reduced	53	-	53	92	-	92	82	-	82
Base	127	-	127	225	-	225	198	-	198
Total	308	-	308	541	-	541	479	-	479
<u>Lunch</u>									
Free	129	-	129	255	-	255	232	-	232
Reduced	53	-	53	105	-	105	95	-	95
Base	129	-	129	254	-	254	232	-	232
Total	311	-	311	614	-	614	559	-	559
<u>Supplement</u>									
Free	64	-	64	207	-	207	183	-	183
Reduced	26	-	26	85	-	85	75	-	75
Base	65	-	65	208	-	208	183	-	183
Total	155	-	155	500	-	500	441	-	441
	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed	Reported	Adjusted	Allowed
		April 2022			May 2022			June 2022	
<u>Breakfast</u>									
Free	232	-	232	176	-	176	-	-	-
Reduced	95	-	95	73	-	73	-	-	-
Base	232	-	232	176	-	176	-	-	-
Total	559	-	559	425	-	425	-	-	-
<u>Lunch</u>									
Free	270	-	270	196	-	196	-	-	-
Reduced	111	-	111	81	-	81	-	-	-
Base	270	-	270	195	-	195	-	-	-
Total	651	-	651	472	-	472	-	-	-
<u>Supplement</u>									
Free	207	-	207	95	-	95	-	-	-
Reduced	85	-	85	39	-	39	-	-	-
Base	207	-	207	95	-	95	-	-	-
Total	499	-	499	229	-	229	-	-	-

California Health & Human Services Agency
**AUDITED ATTENDANCE AND FISCAL REPORT
 FOR CHILD DEVELOPMENT PROGRAMS**

California Department of Social Services

Fiscal Year Ending **June 30, 2022**
 Contract Number **CCTR-1019**
 Vendor Code **04-E547-00-1**

Full Name of Contractor **Associated Students of California State University, Chico**

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	0	0	0	2.8792	0.0000
Infants (up to 18 months) Full-time	331	0	331	2.4400	807.6400
Infants (up to 18 months) Three-quarters-time (July to December 2021)	69	0	69	1.8300	126.2700
Infants (up to 18 months) One-half-time	213	0	213	1.3420	285.8460
Toddlers (18 up to 36 months) Full-time-plus	0	0	0	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time	1220	0	1,220	1.8000	2,196.0000
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)	190	0	190	1.3500	256.5000
Toddlers (18 up to 36 months) One-half-time	458	0	458	0.9900	453.4200
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	111	0	111	1.0000	111.0000
Three Years and Older Three-quarters-time (July to December 2021)	1	0	1	0.7500	0.7500
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)	18	0	18	0.5500	9.9000
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*	0	0	0	Direct Service Counties	0.0000
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	69	0	69	1.5400	106.2600
Exceptional Needs Three-quarters-time (July to December 2021)	0	0	0	1.1550	0.0000
Exceptional Needs One-half-time	0	0	0	0.8470	0.0000

Contract Number

CCTR-1019

Full Name of Contractor

Associated Students of California State University, Chico

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	0	0	0	1.2980	0.0000
Limited and Non-English Proficient Full-time	0	0	0	1.1000	0.0000
Limited and Non-English Proficient Three-quarters-time (July to December 2021)	0	0	0	0.8250	0.0000
Limited and Non-English Proficient One-half-time	0	0	0	0.6050	0.0000
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)	0	0	0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6050	0.0000
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time	0	0	0	1.9300	0.0000
Severely Disabled Three-quarters-time (July to December 2021)	0	0	0	1.4475	0.0000
Severely Disabled One-half-time	0	0	0	1.0615	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	2,680	0	2,680	N/A	4,353.5860
DAYS OF OPERATION	173	0	173	N/A	N/A
DAYS OF ATTENDANCE	2,433	0	2,433	N/A	N/A

*If applicable, must attach AUD9005S days of enrollment supplemental pages for direct service counties

☐

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

Contract Number

CCTR-1019

Full Name of Contractor

Associated Students of California State University, Chico

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	0	0	0	2.8792	0.0000
Infants (up to 18 months) Full-time	0	0	0	2.4400	0.0000
Infants (up to 18 months) Three-quarters-time (July to December 2021)	0	0	0	1.8300	0.0000
Infants (up to 18 months) One-half-time	0	0	0	1.3420	0.0000
Toddlers (18 up to 36 months) Full-time-plus	0	0	0	2.1240	0.0000
Toddlers (18 up to 36 months) Full-time	0	0	0	1.8000	0.0000
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)	0	0	0	1.3500	0.0000
Toddlers (18 up to 36 months) One-half-time	0	0	0	0.9900	0.0000
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	0	0	0	1.0000	0.0000
Three Years and Older Three-quarters-time (July to December 2021)	0	0	0	0.7500	0.0000
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)	0	0	0	0.5500	0.0000
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*	0	0	0	Direct Service Counties	0.0000
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	0	0	0	1.5400	0.0000
Exceptional Needs Three-quarters-time (July to December 2021)	0	0	0	1.1550	0.0000
Exceptional Needs One-half-time	0	0	0	0.8740	0.0000

*If applicable, must attach AUD9005S days of enrollment supplemental pages for direct service counties

Contract Number

CCTR-1019

Full Name of Contractor

Associated Students of California State University, Chico

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 No-English Proficient Full-time-plus	0	0	0	1.2980	0.0000
Limited and No-English Proficient Full-time-plus	0	0	0	1.1000	0.0000
Limited and No-English Proficient Three-quarters-time (July to December 2021)	0	0	0	0.8250	0.0000
Limited and No-English Proficient One-half-time	0	0	0	0.6050	0.0000
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)	0	0	0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6050	0.0000
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time-plus	0	0	0	1.9300	0.0000
Severely Disabled Three-quarters-time (July to December 2021)	0	0	0	1.4475	0.0000
Severely Disabled One-half-time	0	0	0	1.0615	0.0000
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	0	0	0	N/A	0.0000

Contract Number

CCTR-1019

Full Name of Contractor **Associated Students of California State University, Chico****Section 3 - Revenue**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	8,345	(1)	8,344
Restricted Income - County Maintenance of Effort (EC Section 8279)	0	0	0
Restricted Income - American Rescue Plan Act (ARPA)	0	0	0
Restricted Income - Other: CCAMPIS, QIRS, & Other Grants	94,582	0	94,582
Restricted Income - Subtotal	102,927	(1)	102,926
Transfer from Reserve	0	0	0
Waived Family Fees for Certified Children	16,831	0	16,831
Interest Earned on Child Development Apportionment Payments	0	0	0
Unrestricted Income - Fees for Non-Certified Children	0	0	0
Unrestricted Income - Head Start	0	0	0
Unrestricted Income - Other: Contributions from Associated Students, Inc.	0	0	0
Total Revenue	102,927	(1)	102,926

Comments:

Adjustments for differences due to rounding.

Contract Number

CCTR-1019

Full Name of Contractor Associated Students of California State University, Chico

Section 4 - Reimbursable Expenses

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)	0	0	0
1000 Certificated Salaries	125,069	0	125,069
2000 Classified Salaries	106,852	0	106,852
3000 Employee Benefits	92,519	0	92,519
4000 Books and Supplies	6,465	0	6,465
5000 Services and Other Operating Expenses	34,359	0	34,359
6100/6200 Other Approved Capital Outlay	0	0	0
6400 New Equipment (program-related)	0	0	0
6500 Equipment Replacement (program-related)	0	0	0
Depreciation or Use Allowance	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Budget Impasse Credit	0	0	0
Indirect Costs (Include in Administrative Cost)	18,238	0	18,238
Non-Reimbursable (State Use Only)	0	0	0
Total Reimbursable Expenses	383,502	0	383,502
Total Administrative Cost (included in section 4 above)	18,238	0	18,238
Total Staff Training Cost (included in section 4 above)	0	0	0

Approved Indirect Cost Rate: 8.0%

☐ No SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 7.

Contract Number

CCTR-1019

Full Name of Contractor Associated Students of California State University, Chico

Section 5 - Supplemental Revenue

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding	0	0	0
Other: Early Head Start Partnership	132,497	0	132,497
Other: Auxiliary Organization Contribution	91,029	1	91,030
Total Supplemental Revenue	223,526	1	223,527

Section 6 - Supplemental Expenses

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries	89,273	0	89,273
2000 Classified Salaries	4,319	0	4,319
3000 Employee Benefits	52,760	0	52,760
4000 Books and Supplies	40,232	0	40,232
5000 Services and Other Operating Expenses	27,127	0	27,127
6000 Equipment/Capital Outlay	0	0	0
Depreciation or Use Allowance	0	0	0
Indirect Costs	0	0	0
Non-reimbursable Expenses	9,815	0	9,815
Total Supplemental Expenses	223,526	0	223,526

Contract Number

CCTR-1019

Full Name of Contractor Associated Students of California State University, Chico

Section 7 - Summary

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	2,680	0	2,680
Days of Operation	173	0	173
Days of Attendance	2,433	0	2,433
Restricted Program Income	102,927	(1)	102,926
Transfer from Reserve	0	0	0
Waived Family Fees for Certified Children	16,831	0	16,831
Interest Earned on Child Development Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	383,502	0	383,502
Total Administrative Cost	18,238	0	18,238
Total Staff Training Cost	0	0	0

Total Certified Adjusted Days of Enrollment

4,353.5860

Total Non-Certified Adjusted Days of Enrollment

0.0000

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

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.

Contractor Name: Associated Students of California State University, Chico

Contract Number: CSPP-1039

**California Department of Education
Audited Enrollment, Attendance and Fiscal
Report for California State Preschool Program**

Fiscal Year Ended: June 30, 2022

Vendor Code: 04-E547-00-1

Section 1 - Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form 1): **1**

Number of counties where the agency provided mental health consultation services to certified children (Form 2): **0**

Number of counties where the agency provided services to non-certified children (Form 3): **0**

Number of counties where the agency provided mental health consultation services to non-certified children (Form 4): **0**

Total enrollment and attendance forms to attach: **2**

Note: For each of the above categories, submit one July-December form and one form for each service county for January-June.

Section 2 - Days of Enrollment, Attendance and Operation

Enrollment and Attendance Form Summary	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	4,295	0	4,295	3,982.7343
Total Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000
Days of Attendance (including MHCS)	4,033	0	4,033	N/A
Total Non-Certified Days of Enrollment	0	0	0	0.0000
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	0	0	0	0.0000

Days of Operation	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Days of Operation	173	0	173	N/A

Section 3 - Revenue

Restricted Income	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Child Nutrition Programs	16,199	0	16,199
County Maintenance of Effort (EC Section 8279)	0	0	0
Other: CCAMPIS Grant	94,581	1	94,582
Other: QIRS & Other Grants	0	0	0
TOTAL RESTRICTED INCOME	110,780	1	110,781

Transfer from Reserve	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Transfer from Reserve	0	0	0

Other Income	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Waived Family Fees for Certified Children	17,380	0	17,380
Interest Earned on Child Development Apportionment Payments	0	0	0
Fees for Non-Certified Children	0	0	0
Unrestricted Income: Head Start	0	0	0
Other: Contribution from Associated Students, Inc.	0	0	0
Other:	0	0	0

Section 4 - Reimbursable Expenses

Cost Category	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Direct Payments to Providers (FCCH only)	0	0	0
1000 Certificated Salaries	137,648	(1)	137,647
2000 Classified Salaries	76,470	(1)	76,469
3000 Employee Benefits	101,104	0	101,104
4000 Books and Supplies	16,822	0	16,822
5000 Services and Other Operating Expenses	0	0	0
6100/6200 Other Approved Capital Outlay	0	0	0
6400 New Equipment (program-related)	0	0	0
6500 Equipment Replacement (program-related)	0	0	0
Depreciation or Use Allowance	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Indirect Costs (include in Total Administrative Cost)	17,701	0	17,701
TOTAL REIMBURSABLE EXPENSES	349,745	(2)	349,743

Does the agency have an indirect cost rate approved by its cognizant agency (Select YES or NO)? Yes ☒ No ☐

Approved Indirect Cost Rate: 8.0 %

Specific Items of Reimbursable Expenses	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Total Administrative Cost (included in Reimbursable Expenses)	17,701	0	17,701
Total Staff Training Cost (included in Reimbursable Expenses)	0	0	0

☐ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

Section 5 - Supplemental Funding

Supplemental Revenue	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Enhancement Funding	0	0	0
Other: Butte Co Ofc of Ed-Steps to Quality Funding	4,101	(1)	4,100
Other: Auxiliary Organization Contribution	90,636	0	90,636
TOTAL SUPPLEMENTAL REVENUE	94,737	(1)	94,736

Supplemental Expenses	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
1000 Certificated Salaries	45,657	0	45,657
2000 Classified Salaries	4,319	0	4,319
3000 Employee Benefits	26,892	0	26,892
4000 Books and Supplies	4,294	0	4,294
5000 Services and Other Operating Expenses	13,576	0	13,576
6000 Equipment/Capital Outlay	0	0	0
Depreciation or Use Allowance	0	0	0
Indirect Costs	0	0	0
Non-Reimbursable Expenses	0	0	0
TOTAL SUPPLEMENTAL EXPENSES	94,738	0	94,738

Section 6 - Summary

Description	Column A - Cumulative FY per CPARIS	Column B - Audit Adjustments	Column C - Cumulative FY per Audit
Total Certified Days of Enrollment (including MHCS)	4,295	0	4,295
Days of Operation	173	0	173
Days of Attendance (including MHCS)	4,033	0	4,033
Total Certified Adjusted Days of Enrollment	N/A	N/A	3,982.7343
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Restricted Program Income	110,780	1	110,781
Transfer from Reserve	0	0	0
Interest Earned on Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	349,745	(2)	349,743
Total Administrative Cost	17,701	0	17,701
Total Staff Training Cost	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	0

Section 7 - Auditor's Assurances

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 Education Division:

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO): Yes ☒ No ☐

Reimbursable expenses claimed in Section 4 are eligible for reimbursement, reasonable, necessary, and adequately supported (Select YES or NO): ☒ Yes ☐ No

Section 8 - Comments

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

Adjustments for differences due to rounding.

California State Preschool Program -- Form 1A

Certified Children Days of Enrollment and Attendance from July 2021 - December 2021

Pilot Program: None

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	1071	0	1071	1.0000	1,071.0000
Three Years and Older Three-quarters-time	220	0	220	0.7500	165.0000
Three Years and Older One-half-time	307	0	307	0.6193	190.1251
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	73	0	73	1.5400	112.4200
Exceptional Needs Three-quarters-time	5	0	5	1.1550	5.7750
Exceptional Needs One-half-time	66	0	66	0.9537	62.9442
Limited and Non-English Proficient Full-time-plus	0	0	0	1.2980	0.0000
Limited and Non-English Proficient Full-time	0	0	0	1.1000	0.0000
Limited and Non-English Proficient Three-quarters-time	0	0	0	0.8250	0.0000
Limited and Non-English Proficient One-half-time	0	0	0	0.6193	0.0000

Enrollment Description	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect Three-quarters-time	0	0	0	0.8250	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6193	0.0000
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time	0	0	0	1.9300	0.0000
Severely Disabled Three-quarters-time	0	0	0	1.4475	0.0000
Severely Disabled One-half-time	0	0	0	1.1952	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	1,742	0	1,742	N/A	1,607.2643

Attendance	Column A Cumulative FY per CPARIS December Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	1742	0	1742	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

California State Preschool Program -- Form 1B
Certified Children Days of Enrollment and Attendance from January 2022 -- June 2022**Service County:**

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus	0	0	0	1.1800	0.0000
Three Years and Older Full-time	1145	0	1145	1.0000	1,145.0000
Three Years and Older One-half-time	948	0	948	0.6541	620.0868
Exceptional Needs Full-time-plus	0	0	0	1.8172	0.0000
Exceptional Needs Full-time	276	0	276	1.5400	425.0400
Exceptional Needs One-half-time	184	0	184	1.0073	185.3432
Dual Language Learner Full-time-plus	0	0	0	1.2980	0.0000
Dual Language Learner Full-time	0	0	0	1.1000	0.0000
Dual Language Learner One-half-time	0	0	0	0.6541	0.0000
At Risk of Abuse or Neglect Full-time-plus	0	0	0	1.2980	0.0000
At Risk of Abuse or Neglect Full-time	0	0	0	1.1000	0.0000
At Risk of Abuse or Neglect One-half-time	0	0	0	0.6541	0.0000

Contractor Name: Associated Students of California State University, Chico

Contract Number: CSPP-1039

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Severely Disabled Full-time-plus	0	0	0	2.2774	0.0000
Severely Disabled Full-time	0	0	0	1.9300	0.0000
Severely Disabled One-half-time	0	0	0	1.2624	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	2,553	0	2,553	N/A	2,375.4700

Attendance	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	2291	0	2291	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY

Notes to Supplemental Information

Year Ended June 30, 2022

Note 1 – Schedule of Expenditures by State Category

We have examined the claims filed for reimbursement and the original records supporting the transactions under the contracts to an extent considered necessary to assure ourselves that the amounts claimed by the Development Lab were eligible for reimbursement, reasonable, necessary, and adequately supported, according to governing laws, regulations, and contract provisions. Expenses related to the food program have been allocated to the childcare and preschool contracts based on meal counts.

Note 2 – Allowable Indirect Costs

Indirect costs are only applicable to the 1000-5000 series of general ledger expenditure accounts in the *California School Accounting Manual*. In accordance with the California Department of Education's Funding Terms and Conditions (FT&C), indirect costs cannot be charged on capital outlay expenditures in the 6000 series accounts. Indirect costs and the audit fee are the only administrative costs allocated to the programs.

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OTHER REQUIRED INFORMATION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Associated Students Child Development Laboratory
California State University, Chico
Chico, 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 Associated Students Child Development Laboratory (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 15, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Associated Students Child Development Laboratory'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 Associated Students Child Development Laboratory's internal control. Accordingly, we do not express an opinion on the effectiveness of Associated Students Child Development Laboratory'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Associated Students Child Development Laboratory'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*.

INDEPENDENT AUDITOR'S 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*, CONTINUED

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
December 15, 2022

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FINDINGS AND RECOMMENDATIONS

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Financial Reporting Findings

None reported.

Findings and Questioned Costs for Child Development Programs

None reported.

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ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Status of Corrective Action Plan on Prior Year Findings
Year Ended June 30, 2022

Prior Year Audit Findings

Finding 2021-001

1. *Program Information:* California State Preschool Program (CSPP-0039)
2. *Criteria:* Per Section VI(C) of the California Department of Education Funding Terms & Conditions, attendance for each program is required to be recorded on daily sign-in/sign-out sheets. On a daily basis, either the parent or other adult authorized by the parent to drop off/pick-up a child or the staff person designated by the contractor as the person responsible for entering the times of arrival and departure if the child is not dropped off/picked up by a parent or other adult authorized by the parent, shall enter the time of arrival and departure on a sign-in/sign-out sheet and shall sign the sheet using their full signature for both arrival and departure times.
3. *Condition:* For one out of 60 attendance days tested, there was no time of arrival recorded on the daily sign-in sheet. For three out of 60 attendance days tested, there was no time of departure recorded on the daily sign-in sheet.
4. *Questioned Costs:* The related conditions did not result in reportable questioned costs.
5. *Context:* Sign-in/sign-out sheets were not reviewed for completeness before filing.
6. *Effect:* Considered to be a significant deficiency in controls over compliance.
7. *Cause:* There is not a follow-up process to complete attendance documentation when the parent does not complete documentation at the initial time of arrival and departure.
8. *Recommendation:* We recommend that the Development Lab implement a process for reviewing sign-in/sign-out sheets for completeness and training staff to complete documentation in an authorized manner when time in/out documentation is not initially complete.
9. *Views of Responsible Officials and Planned Corrective Actions:* Each week the Office Coordinator will review the sign-in/sign-out sheets for completeness, including the arrival and departure times and authorized signatures. Any missing information will be highlighted on the sheets for follow up. The Office Coordinator will work with the teacher and/or parents to ensure all fields are completed in an authorized manner before entering the data in the attendance software, CenterTrack. The Assistant Director or the Director will provide a final verification of the sign-in/sign-out sheets and attendance entry before filing the completed reports.
10. *Status:* The Development Lab has implemented policies and procedures for reviewing sign-in/sign-out sheets for completeness.

Finding 2021-002

1. *Program Information:* General Child Care and Development Program (CCTR-0018)
2. *Criteria:* Per Section VI(D) of the California Department of Education Funding Terms & Conditions, attendance, for the purposes of reimbursement includes excused absences. If an absence is claimed by the contractor as an excused absence, the attendance accounting records shall contain verification including the name of the child, the date(s) of absence, the specific reason for the absence, and the signature of the parent or the contractor's authorized representative if verification is made by telephone.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Status of Corrective Action Plan on Prior Year Findings
Year Ended June 30, 2022

Finding 2021-002, continued

3. *Condition:* For four out of 40 excused absence days tested, a specific reason for the absence was not documented.
4. *Questioned Costs:* The related conditions did not result in reportable questioned costs because reimbursement in fiscal year 2021 was not based on days of attendance.
5. *Context:* The Development Lab management stated that the parent was contacted via telephone and provided a valid reason for an excused absence, however, documentation of the conversation was not retained in the child's file.
6. *Effect:* Considered to be a significant deficiency in controls over compliance.
7. *Cause:* The verification for the reason of the absence was made via telephone and the reason was not documented by the Development Lab's authorized representative after completing this call.
8. *Recommendation:* We recommend that the Development Lab correctly document the specific reason for all absences which will be claimed as excused and not claim an absence as excused unless the verification documentation is complete.
9. *Views of Responsible Officials and Planned Corrective Actions:* Staff will be trained so that notifications of absences made via telephone will be properly documented on the sign-in/sign-out sheet. Each week, the Office Coordinator will review the sign-in/sign-out sheets for completeness, including the specific reason for absence. Any missing information will be highlighted on the sheets for follow up. The Office Coordinator will work with the teacher and/or parents to ensure all fields are completed in an authorized manner before entering the data in the attendance software, CenterTrack. The Assistant Director or the Director will provide a final verification of the sign-in/sign-out sheets and attendance entry before filing the completed reports.
10. *Status:* The Development Lab has implemented policies and procedures to ensure all excused absences are properly verified and the specific reason is documented.

Finding 2021-003

1. *Program Information:* General Child Care and Development Program (CCTR-0018) and California State Preschool Program (CSPP-0039)
2. *Criteria:* Per Section VI(D) of the California Department of Education Funding Terms & Conditions, attendance, for the purposes of reimbursement includes excused absences. If an absence is claimed by the contractor as an excused absence, the attendance accounting records shall contain verification including the name of the child, the date(s) of absence, the specific reason for the absence, and the signature of the parent or the contractor's authorized representative if verification is made by telephone.
3. *Condition:* For 37 out of 40 excused absence days tested, there was no signature by the parent, or designated staff person if the verification was made by telephone, documented.
4. *Questioned Costs:* The related conditions did not result in reportable questioned costs because reimbursement in fiscal year 2021 was not based on days of attendance.
5. *Context:* It was not part of the Development Lab's policy to obtain signatures for absences and, thus, these signatures were generally not documented.
6. *Effect:* Considered to be a significant deficiency in controls over compliance.

ASSOCIATED STUDENTS CHILD DEVELOPMENT LABORATORY
Status of Corrective Action Plan on Prior Year Findings
Year Ended June 30, 2022

Finding 2021-003, continued

7. *Cause:* The Development Lab did not have a process for obtaining signatures for absences which will be claimed as excused.
8. *Recommendation:* We recommend that the Development Lab train staff to ensure that a signature of the parent, or designed staff person if the verification was made by telephone, for all absences which will be claimed as excused are documented.
9. *Views of Responsible Officials and Planned Corrective Actions:* Staff will be trained so that notifications of absences made via telephone will be properly documented, including authorized signatures on the sign-in/sign-out sheet. Each week, the Office Coordinator will review the sign-in/sign-out sheets for completeness, including the verification of proper signatures. Any missing information will be highlighted on the sheets for follow up. The Office Coordinator will work with the teacher and/or parents to ensure all fields are completed in an authorized manner before entering the data in the attendance software, CenterTrack. The Assistant Director or the Director will provide a final verification of the sign-in/sign-out sheets and attendance entry before filing the completed reports.
10. *Status:* The Development Lab has implemented policies and procedures to ensure that a signature of the parent, or a designated staff person, if the verification was made by telephone, for all excused absences are documented.

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