

COMMUNITY RESOURCES FOR CHILDREN

**REPORT ON EXAMINATION
OF FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION**

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

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Board of Directors
Community Resources for Children
Napa, California

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of **Community Resources for Children**, which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 **Community Resources for Children**, as of June 30, 2017, 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.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of Federal and State Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the combining statements of financial position and activities, and the supplemental reporting requirements of the California Department of Education found on pages 23 to 35 of this report, are presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2017 on our consideration of **Community Resources for Children's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with the *Government Auditing Standards* in considering **Community Resources for Children's** internal control over financial reporting and compliance.

Board of Directors
Community Resources for Children
September 28, 2017

Report on Summarized Comparative Information

We have previously audited the **Community Resources for Children's** 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 2, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Randolph Scott & Co.

Certified Public Accountants, Inc.
Novato, California

COMMUNITY RESOURCES FOR CHILDREN

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2017

(With Comparative Total for 2016)

ASSETS	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total All Funds 2017</u>	<u>Total All Funds 2016</u>
CURRENT ASSETS:				
Cash and Cash Equivalents (Note A)	\$ 491,692	\$ 57,864	\$ 549,556	\$ 486,046
Accounts and Grants Receivable (Note D)	59,683	-	59,683	112,289
Prepaid Expenses	12,188	-	12,188	11,828
Total Current Assets	<u>563,563</u>	<u>57,864</u>	<u>621,427</u>	<u>610,163</u>
PROPERTY AND EQUIPMENT (Note E)	<u>16,980</u>	<u>-</u>	<u>16,980</u>	<u>4,780</u>
TOTAL ASSETS	<u>\$ 580,543</u>	<u>\$ 57,864</u>	<u>\$ 638,407</u>	<u>\$ 614,943</u>
 LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts Payable	\$ 31,806	\$ -	\$ 31,806	\$ 30,263
Accounts Payable - Providers	162,939	-	162,939	201,714
Accrued Expenses	22,827	-	22,827	18,751
Deferred Revenue	93,686	-	93,686	129,503
CDE Reserve (Note F)	2	-	2	2
Total Current Liabilities	<u>311,260</u>	<u>-</u>	<u>311,260</u>	<u>380,233</u>
COMMITMENTS AND CONTINGENCIES (Note H)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>311,260</u>	<u>-</u>	<u>311,260</u>	<u>380,233</u>
NET ASSETS:				
Unrestricted	269,283	-	269,283	172,422
Temporarily Restricted Net Assets (Note B)	<u>-</u>	<u>57,864</u>	<u>57,864</u>	<u>62,288</u>
TOTAL NET ASSETS	<u>269,283</u>	<u>57,864</u>	<u>327,147</u>	<u>234,710</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 580,543</u>	<u>\$ 57,864</u>	<u>\$ 638,407</u>	<u>\$ 614,943</u>

See Notes To Financial Statements.

COMMUNITY RESOURCES FOR CHILDREN

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2017

(With Comparative Totals for 2016)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total All Funds 2017</u>	<u>Total All Funds 2016</u>
REVENUES, GAINS, AND OTHER SUPPORT:				
Grant Income:				
Federal Programs	\$ 1,148,557	\$ -	\$ 1,148,557	\$ 1,166,226
State Programs	1,376,586	-	1,376,586	1,476,487
County and Other Grants	340,792	33,000	373,792	498,723
Family Fees	86,034	-	86,034	86,076
Contributions	69,866	-	69,866	63,550
Interest Income	108	-	108	54
Rental Income	25,170	-	25,170	22,069
Other Income	14,021	-	14,021	7,771
Net Assets Released From Restrictions (Note C):				
Satisfaction of Program Restrictions	37,424	(37,424)	-	-
Expiration of Time Restrictions	-	-	-	-
TOTAL REVENUES, GAINS, AND OTHER SUPPORT:	3,098,558	(4,424)	3,094,134	3,320,956
EXPENSES:				
Resource and Referral	177,300	-	177,300	177,395
Alternative Payment Programs	2,137,130	-	2,137,130	2,092,804
Support Programs from CDE	48,489	-	48,489	37,609
CalWorks Stage 1 Program	326,876	-	326,876	441,340
Non-CDE Programs	291,673	-	291,673	469,005
Support Services	32,429	-	32,429	67,087
TOTAL EXPENSES	3,013,897	-	3,013,897	3,285,240
CHANGE IN NET ASSETS	84,661	(4,424)	80,237	35,716
CHANGES TO NET ASSETS:				
Additions / Dispositions of Equipment	15,549	-	15,549	1,875
Depreciation of Equipment	(3,349)	-	(3,349)	(1,275)
NET ASSETS, Beginning of Year	172,422	62,288	234,710	198,394
NET ASSETS, End of Year	\$ 269,283	\$ 57,864	\$ 327,147	\$ 234,710

See Notes To Financial Statements.

COMMUNITY RESOURCES FOR CHILDREN
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

	<u>Total All Funds</u> 2017	<u>Total All Funds</u> 2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 80,237	\$ 35,716
Adjustments to Reconcile Net Revenue and Support to Cash Provided by Operating Activities:		
Depreciation, net of amount charged to restricted net assets (Note E)	-	-
(Increase) / Decrease in Assets:		
Accounts and Grants Receivable	52,606	33,079
Prepaid Expenses	(360)	5,922
Increase / (Decrease) in Liabilities:		
Accounts Payable	1,543	4,032
Accounts Payable - Providers	(38,775)	32,796
Accrued Expenses	4,076	(6,108)
Deferred Revenue	(35,817)	14,433
CDE Reserve	-	-
Total Adjustments	<u>(16,727)</u>	<u>84,154</u>
Net Cash Provided (Used) By Operating Activities:	<u>63,510</u>	<u>119,870</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Improv & Equipment, net of amounts charged to Net Assets	-	-
Net Cash Provided (Used) By Investing Activities:	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net Cash Provided (Used) By Financing Activities:	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>63,510</u>	<u>119,870</u>
CASH AND CASH EQUIVALENTS, beginning of year	<u>486,046</u>	<u>366,176</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 549,556</u>	<u>\$ 486,046</u>

See Notes To Financial Statements.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Community Resources for Children, (the Agency) was incorporated as a nonprofit corporation in 1978 to mobilize and coordinate the resources of Napa County to assure maximum public, private, agency and individual commitment to provide quality child care and related services to the children the families and the community of Napa County. The Agency is supported primarily by the Department of Education, and other government grants as well as support from other nonprofit organizations.

Major Programs

Resource and Referral – The Resource and Referral programs provide child care referrals and other child care information as well as support and services to parents and the community.

Child Care/Alternative Payment – Child Care Payment Programs subsidize the child care costs of qualified low-income parents while they are working, looking for employment, in school or training.

CalWorks Stage 1 – Provides child care subsidies for CalWorks Stage 1 families in the County of Napa.

Basis of Accounting and Reporting

Accounting Method

The Agency maintains its accounting records on the accrual basis.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Agency, the accounts of the Agency are maintained in accordance with the principles of fund accounting. Fund accounting is the procedures by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, grantors, and governing boards. Separate accounts are maintained for each fund.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, net assets, and revenue and expenses for the reporting period. Actual results could differ from those estimates.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Fair Values of Financial Instruments

The following methods and assumptions were used to estimate the fair value of financial instruments:

Cash and cash equivalents: The carrying amount reported in the balance sheet for cash and cash equivalents approximates its fair value.

Accounts receivable and deferred revenue: The carrying amounts of accounts receivable and accounts payable in the balance sheet approximates fair value.

Concentration of Revenue Sources

During the year ended June 30, 2017, the Agency had two major revenue funding sources. The California Department of Education accounted for approximately 71%, while the County of Napa accounted for approximately 12% of the total revenue.

Concentration of Credit Risk

Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of uninsured cash balances. The Agency places its cash deposits with high-credit, quality financial institutions. At times, balances in the Agency's cash accounts may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. Uninsured balances at June 30, 2017 were approximately \$143,230.

Cash and Cash Equivalents

Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of their acquisition date. Not included as cash equivalents are funds restricted as to their use, regardless of liquidity or the maturity dates of investments.

Accounts Receivable

In the opinion of management, all account receivable are collectable in full as the amounts recorded are due from governmental grantors and in accordance with the respective contracts. Therefore no allowance for bad debts is provided.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Prepaid Expenses

Prepaid expense balances are calculated and adjusted monthly to properly charge funds in the period benefited.

Property and Equipment

As further discussed in Note E, property and equipment purchased with unrestricted funds are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the related assets. The Agency's policy is to capitalize assets with a per unit cost of \$1,000 or greater. Fixed assets and capital improvements funded by restricted grants are recorded as expenditures in the year of acquisition in accordance with the grantor's funding terms and conditions. The capital expenditures are then recapitalized, and depreciation is charged to offset the government owned liability. The individual funders or grantors retain title to those assets based on the terms and conditions of the grants.

Accrued Vacation and Sick Leave Benefits

Accumulated unpaid employee vacation benefits are recognized as liability of the Agency. Paid personal time off is based on the number of years of an eligible employee's continuous employment. The value of accumulated vacation benefits as of June 30, 2017 was \$19,490.

Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulate sick leave. Accumulated employee sick leave benefits are not recognized as a liability of the Agency since payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenditures in the period the benefits are taken.

Revenue Recognition

Contributions and unconditional grants are recognized as support and revenues when they are received or unconditionally pledged. These contributions and gifts are shown as restricted support and revenues if they are subject to time or donor restrictions. Temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions when a stipulated time restriction ends, purpose restriction is accomplished, or both. However, temporarily restricted contributions and grants are reported as unrestricted support and revenues if the restriction is met in the same year that the gift is received.

Conditional contributions are not recorded as support and revenues until the conditions are met. Payments classified as exchange transactions (reciprocal transfers between two entities in which goods and services of equal value is exchanged) are not recorded as other support and revenue until allowable expenditures are incurred.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE A – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Presentation of Expenses

The statement of activities contains information about the costs associated with the Agency's services and how it uses its resources. This results in the expenses being reported by the Agency's major programs. The expenses of the Agency as allocated by their functional and natural classification are as follows:

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising Activities</u>	<u>Total</u>
Personnel Costs	\$ 460,246	\$ 229,863	\$ 19,469	\$ 709,578
Provider Payments	1,967,100	-	-	1,967,100
Occupancy	94,436	85,687	-	180,123
Other Goods & Services	106,740	44,887	5,469	157,096
	<u>\$ 2,628,522</u>	<u>\$ 360,437</u>	<u>\$ 24,938</u>	<u>\$ 3,013,897</u>

Allocation of Expenses

The costs of operating the various programs and other activities have been summarized in the combining statement of activities. As further discussed in Note G, certain costs have been allocated among the programs benefited based upon the Agency's cost allocation plan.

Income Taxes

The Agency is exempt from Federal and State income tax under Section 501 (c)(3) of the Internal Revenue Code, and Section 23701(d) of the State of California Revenue and Taxation Code.

Generally accepted accounting principles provide accounting and disclose guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Agency in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Agency's returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

Summarized Financial Information For 2016:

The 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE B – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are part of the net assets of the Agency resulting from contributions and other inflows of assets whose use by the Agency is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. At June 30, 2017, temporarily restricted net assets consisted of the following:

Toy Library	\$	38,420
Other		19,444
Total Temporarily Restricted Net Assets	\$	<u>57,864</u>

NOTE C – NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net Assets are released from donor restrictions by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors. For the year ended June 30, 2017, temporarily restricted net assets that were released from donor restrictions are as follows:

Toy Library	\$	28,155
Other		9,269
	\$	<u>37,424</u>

NOTE D – ACCOUNTS AND GRANTS RECEIVABLE

At June 30, 2017, accounts and grants receivable consisted of the following:

County of Napa	\$	659
California of Dept. of Education		59,024
Total Accounts and Grants Receivable:	\$	<u>59,683</u>

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment at June 30, 2017 consisted of the following:

	<u>Cost or</u> <u>Basis</u>	<u>Accum.</u> <u>Depreciation</u>	<u>Net</u> <u>Book Value</u>
Furniture & Equipment	\$ 21,924	\$ 4,944	\$ 16,980
Vehicle	-	-	-
	<u>\$ 21,924</u>	<u>\$ 4,944</u>	<u>\$ 16,980</u>

The depreciation for the year ended June 30, 2017 was \$3,347 all of which was charged directly to restricted net assets.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE F – STATE CHILD DEVELOPMENT RESERVES

Child development contractors with the California Department of Education (CDE) are allowed, with prior CDE approval, to maintain a reserve account from earned but unexpended child development contract funds for three types of programs: Center Based, Resource and Referral, and Alternative Payment. Transfers from a reserve account are considered restricted income for child development programs, but may be applied to any of the contracts that are eligible to contribute to that particular program type. The Agency maintains one reserve account for Alternative Payment contracts, and funds are deposited into an interest bearing account. The CDE analyst has calculated a transfer into the AP reserves based on June reports. However, the transfer is not finalized until the audit is closed.

As of June 30, 2017, the balance for the CDE reserve account was \$2.

NOTE G – ALLOCATION OF EXPENSES

The Agency updates its cost allocation plans annually or more frequently when there is a need due to changes in program enrollment or other cost drivers. The cost allocation plan is reviewed by the Agency's auditors for compliance with applicable laws and regulations. The Fiscal Manager and Executive Director of the Agency review the cost allocation plan annually. Its written cost allocation plan, including descriptions and percentages is on file in the organization's main accounting office. The Agency applies several methods for allocating costs:

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

Shared Costs. Costs identified to specific multiple programs or activities are shared between the programs benefitting.

- Payroll costs are allocated using individual time distribution records that report the actual time spent by employees in each program each day.
- Rent and associated utilities, maintenance, and insurance are allocated using the square footage of building space occupied by each program, according to floor plans and/or room measurements. Cost of common areas is shared based on the percentage of square footage occupied by each program.
- Office expenses such as supplies, postage and printing are allocated based on a transaction analysis of each of the programs.
- Other expenses such as office supplies, advertising, consultants, dues/fees and memberships are allocated based on the percentage of direct operating expenses by each program to the total operating expenses of the Agency.

COMMUNITY RESOURCES FOR CHILDREN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

NOTE H – COMMITMENTS AND CONTINGENCY

Commitments

The Agency conducts its operations at leased facilities. In addition, the Agency has operating lease agreements for their copier and postage meter. Future obligations under lease agreements in excess of one year as of the date of the audit report are:

Future obligations on non-cancelable leases are as follows:

	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
Year Ending:			
June 30, 2018	\$ 113,160	\$ 8,447	\$ 121,607
	<u>\$ 113,160</u>	<u>\$ 8,447</u>	<u>\$ 121,607</u>

Total rent and associated utilities expense for the year ended June 30, 2017 was \$173,541.

Contingency

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Agency deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the provisions of the grants. The Agency's management is of the opinion that the organization has complied with the terms of all grants.

NOTE I – SUBSEQUENT EVENTS

The Agency has evaluated their financial position and activities from the June 30, 2017 year end of this report through September 28, 2017, which is the date that the financial statements were available to be issued. No material subsequent event items that required recognition or disclosure were identified.

ADDITIONAL INFORMATION

COMMUNITY RESOURCES FOR CHILDREN
SCHEDULE OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2017

Grantor / Pass-Through Grantor / or Program Title	Federal CFDA Number	Entity Identifying Number	Grant Award Amount		Revenue Earned / Expenditures	
			Federal	State	Federal	State
			Total	Total	Total	Total
U.S. Department of Health & Human Services:						
Pass-Through Program From:						
California Department of Education-						
Resource & Referral	93.575	CRRP-6038	\$ 15,065	\$ 162,020	\$ 15,065	\$ 162,020
Child Care Initiative Project	93.575	CCIP-6038	22,000	6,664	22,000	6,664
CCDF Health & Safety	93.575	CHST-6038	2,800	-	1,630	-
Alternative Payment	93.596	CAPP-6040	427,597	292,711	427,597	274,973
Alternative Payment - Stage 2	--	C2AP-6037	-	865,577	-	865,577
Alternative Payment - Stage 3	93.575/93.596	C3AP-6036	391,598	71,880	368,024	67,352
County of Napa						
CalWorks, Stage 1	93.558	4000	600,691	-	314,241	-
Total U. S. Department of Health & Human Services			\$ 1,459,751	\$ 1,398,852	\$ 1,148,557	\$ 1,376,586
Total Federal and State Awards			\$ 1,459,751	\$ 1,398,852	\$ 1,148,557	\$ 1,376,586

Note 1. Basis of Presentation:

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Community Resources for Children, and is presented on the accrual basis of accounting. The Federal information in this schedule is presented in accordance with the requirements of Title 2 U. S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2. De Minimis Cost Rate:

The Agency did not use the 10% de minimis cost rate within their financial statements.

COMMUNITY RESOURCES FOR CHILDREN
COMBINING STATEMENT OF ACTIVITIES - OPERATING PROGRAMS
YEAR ENDED JUNE 30, 2017
(With Comparative Totals for 2016)

	Resource & Referral Programs	Alternative Payment Programs	CDE Support Programs	Subtotal CDE Programs	CalWorks Stage 1 Program	Non-CDE Programs	Support Services	Total Year Ended 6/30/2017	Comparative Year Ended 6/30/2016
REVENUE:									
Grant Income:									
Federal Programs	\$ 15,065	\$ 795,621	\$ 23,630	\$ 834,316	\$ 314,241	\$ -	\$ -	\$ 1,148,557	\$ 1,166,226
State Programs	162,020	1,207,902	6,664	1,376,586	-	-	-	1,376,586	1,476,487
County and Other Grants	-	-	13,328	13,328	-	364,888	-	378,216	482,206
Family Fees	-	86,034	-	86,034	-	-	-	86,034	86,076
Contributions	-	-	-	-	-	4,988	64,878	69,866	63,550
Interest Income	-	-	-	-	-	-	108	108	54
Rental Income	-	-	-	-	-	25,170	-	25,170	22,069
Other Income	65	-	-	65	-	4,563	9,393	14,021	7,771
Total Revenue:	177,150	2,089,557	43,622	2,310,329	314,241	399,609	74,379	3,098,558	3,304,439
EXPENSES:									
Provider Payments	-	1,715,559	-	1,715,559	251,393	148	-	1,967,100	2,078,616
Provider Incentives	-	-	1,080	1,080	-	2,064	-	3,144	57,215
Salaries	107,618	233,296	33,786	374,700	42,930	170,999	23,158	611,787	691,974
Payroll Tax Expenses	9,178	19,954	4,043	33,175	3,745	14,550	2,101	53,571	61,771
Employee Benefits	5,172	23,660	1,209	30,041	4,358	8,490	1,333	44,222	54,510
Consultants and Contracts	993	32,938	79	34,010	5,540	1,191	-	40,741	25,663
Materials and Supplies	894	3,222	1,239	5,355	583	10,786	84	16,808	26,218
Equipment and Software	155	7,111	19	7,285	1,095	7,167	-	15,547	1,875
Travel and Conferences	481	594	69	1,144	107	1,416	66	2,733	4,061
Equipment Lease / Maintenance	2,052	6,213	497	8,762	1,110	2,631	383	12,886	9,787
Dues, Memberships, and Fees	6,614	5,729	13	12,356	889	4,503	1,056	18,804	28,740
Training and Seminars	1,063	3,936	1	5,000	731	3,301	-	9,032	7,143
Occupancy	32,107	68,866	5,584	106,557	11,361	55,623	-	173,541	191,327
Insurance	1,576	2,805	142	4,523	820	2,769	-	8,112	11,729
Postage and Printing	331	3,628	12	3,971	604	35	25	4,635	4,579
Telephone and Online Services	1,295	5,489	699	7,483	912	1,767	-	10,162	7,160
Depreciation	-	-	-	-	-	-	-	-	-
Fundraising	225	-	-	225	-	-	4,223	4,448	9,950
Other Operating Expenses	7,546	4,130	17	11,693	698	4,233	-	16,624	12,922
Total Expenses	177,300	2,137,130	48,489	2,362,919	326,876	291,673	32,429	3,013,897	3,285,240
CHANGE IN NET ASSETS:	\$ (150)	\$ (47,573)	\$ (4,867)	\$ (52,590)	\$ (12,635)	\$ 107,936	\$ 41,950	\$ 84,661	\$ 19,199

COMMUNITY RESOURCES FOR CHILDREN
COMBINING STATEMENT OF ACTIVITIES - CDE CONTRACTS
YEAR ENDED JUNE 30, 2017

	Resource & Referral CRRP-6038	Alternative Programs		CDE Support Programs		Total Year Ended 6/30/2017
		Alternative Payment CAPP-6040	Alternative Payment C2AP-6037	Alternative Payment C3AP-6036	Child Care Initiative Project CCIP-6038	
REVENUE:						
Grant Income:						
Federal Programs	\$ 15,065	\$ 427,597	\$ -	\$ 368,024	\$ 1,630	\$ 834,316
State Programs	162,020	274,973	865,577	67,352	-	1,376,586
County and Other Grants	-	-	-	-	-	13,328
Family Fees	-	16,102	31,661	38,271	-	86,034
Miscellaneous Income	65	-	-	-	-	65
Total Revenue:	\$ 177,150	\$ 718,672	\$ 897,238	\$ 473,647	\$ 1,630	\$ 2,310,329
EXPENSES:						
Provider Payments	-	592,695	735,842	387,022	-	1,715,559
Provider Incentives	-	-	-	-	1,080	1,080
Salaries	107,618	67,265	104,640	61,391	33,491	374,700
Payroll Tax Expenses	9,178	5,798	8,920	5,236	4,022	33,175
Employee Benefits	5,172	6,801	10,622	6,237	1,200	30,041
Consultants and Contracts	993	10,926	14,077	7,935	65	34,010
Materials and Supplies	894	1,027	1,390	805	958	5,355
Equipment and Software	155	2,173	3,030	1,908	19	7,285
Travel and Conferences	481	175	266	153	69	1,144
Equipment Lease / Maintenance	2,052	1,883	2,730	1,600	497	8,762
Dues, Memberships, and Fees	6,614	2,132	2,306	1,291	10	12,356
Training and Seminars	1,063	1,092	1,842	1,002	1	5,000
Occupancy	32,107	22,760	29,559	16,547	5,515	106,557
Insurance	1,576	915	1,211	679	141	4,523
Postage and Printing	331	1,033	1,674	921	12	3,971
Telephone and Online Services	1,295	1,773	2,371	1,345	690	7,483
Depreciation	-	-	-	-	-	-
Fundraising	225	-	-	-	-	225
Other Operating Expenses	7,546	1,421	1,783	926	8	11,693
Total Expenses	177,300	719,869	922,263	494,998	46,698	2,362,919
CHANGE IN NET ASSETS:						
	\$ (150)	\$ (1,197)	\$ (25,025)	\$ (21,351)	\$ (4,706)	\$ (52,590)



**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matter Based on an
Audit of Financial Statements Performed in Accordance
With Government Auditing Standards**

September 28, 2017

Independent Auditor's Report

Board of Directors
Community Resources for Children
Napa, California

We have audited, 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, the financial statements of **Community Resources for Children**, which comprise the statement of financial position as of June 30, 2017, 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 September 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Community Resources for Children's** internal control over financial reporting (internal control) to determine the 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 **Community Resources for Children's** internal control. Accordingly, we do not express an opinion on the effectiveness of **Community Resources for Children'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 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 may exist that have not been identified.

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matter Based on an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Community Resources for Children's** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Randolph Scott & Co.

Certified Public Accountants, Inc.
Novato, California



RANDOLPH SCOTT & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS, INC.

Report on Compliance for Each Major Federal Program; and Report on Internal Control Over Compliance Required by the Uniform Guidance

September 28, 2017

Independent Auditor's Report

Board of Directors
Community Resources for Children
Napa, California

Report on Compliance for Each Major Federal Program

We have audited **Community Resources for Children's** compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of **Community Resources for Children's** major federal programs for the year ended June 30, 2017. **Community Resources for Children's** major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of **Community Resources for Children's** major federal programs based on our audit of the type of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Community Resources for Children's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **Community Resources for Children's** compliance.

**Report on Compliance for Each Major Federal Program; and
Report on Internal Control Over Compliance
Required by the Uniform Guidance**

Opinion on Each Major Federal Program

In our opinion, **Community Resources for Children** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

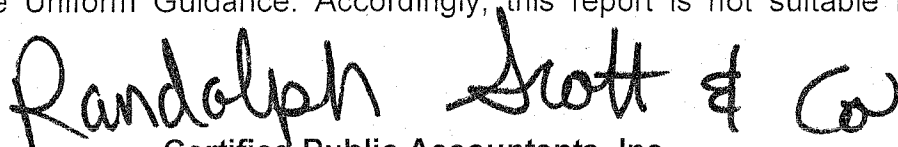
Report on Internal Control Over Compliance

The management of **Community Resources for Children** is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered **Community Resources for Children**'s internal control over compliance with the types of requirements that could have a direct and material effect on a each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Community Resources for Children**'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Certified Public Accountants, Inc.
Novato, California

SUPPLEMENTAL REPORTING REQUIREMENTS
OF THE
CALIFORNIA DEPARTMENT OF EDUCATION

COMMUNITY RESOURCES FOR CHILDREN

GENERAL INFORMATION

YEAR ENDED JUNE 30, 2017

Agency Name: Community Resources for Children

Address of Agency: 3299 Claremont Way, Suite 1
Napa, CA 94558

Type of Agency: California Nonprofit Public Benefit
Corporation

California Department of Education,
Project Numbers: Alternative Payment-Stage 2 C2AP-6037
Alternative Payment-Stage 3 C3AP-6036
Alternative Payment CAPP-6040
Child Care Initiative Project. CCIP-6038
CCDF Health & Safety CHST-6038
Resource & Referral CRRP-6038

Executive Director: Erika Lubensky

Report Period: Fiscal Year ended June 30, 2017

Schedule of Daily Hours: Varied

Number of Days of Operation: 247 Days

CALIFORNIA STATE DEPARTMENT OF EDUCATION
ALTERNATIVE PAYMENT AND RESOURCE & REFERRAL PROGRAMS

COMMUNITY RESOURCES FOR CHILDREN
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES

YEAR ENDED JUNE 30, 2017

	Resource & Referral CRRP-6038	Alternative Payment CAPP-6040	Alternative Payment Stage 2 C2AP-6037	Alternative Payment Stage 3 C3AP-6036	Subtotal Alternative Payment Programs
Direct payments to providers	\$ -	\$ 592,695	\$ 735,842	\$ 387,022	\$ 1,715,559
1000 Certificated Salaries	27,219	9,724	14,906	8,842	33,472
2000 Classified Salaries	80,399	57,540	89,734	52,549	199,823
3000 Employee Benefits	14,350	12,600	19,541	11,473	43,614
4000 Books and Supplies	894	1,027	1,390	805	3,222
5000 Services and Other Operating Expenses	54,218	44,110	57,820	32,399	134,329
6100/6200 Other approved capital outlay	-	-	-	-	-
6400 New equipment	-	-	-	-	-
6500 Replacement equipment	155	2,173	3,030	1,908	7,111
Depreciation	-	-	-	-	-
Start-up expenses-service level exemption	-	-	-	-	-
Indirect costs	-	-	-	-	-
Total expenses claimed for reimbursement	\$ 177,235	\$ 719,869	\$ 922,263	\$ 494,998	\$ 2,137,130
Supplemental expenses	65	-	-	-	-
Total Expenditures	\$ 177,300	\$ 719,869	\$ 922,263	\$ 494,998	\$ 2,137,130

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.

CALIFORNIA STATE DEPARTMENT OF EDUCATION
SUPPORT PROGRAMS

COMMUNITY RESOURCES FOR CHILDREN
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
YEAR ENDED JUNE 30, 2017

	Child Care Initiative Project CCIP-6038	CCIP Match Fund	Subtotal Child Care Initiative Project	CCDF Health & Safety CHST-6038	Subtotal from Page 24	Total CDE Program
Direct payments to providers	\$ -	\$ -	\$ -	\$ -	\$ 1,715,559	\$ 1,715,559
1000 Certificated Salaries	3,211	-	3,211	29	60,691	63,931
2000 Classified Salaries	21,358	8,922	30,280	267	280,222	310,769
3000 Employee Benefits	3,394	1,827	5,221	30	57,964	63,215
4000 Books and Supplies	959	-	959	281	4,116	5,356
5000 Services and Other Operating Expenses	4,429	2,579	7,008	1,184	188,547	196,739
6100/6200 Other approved capital outlay	-	-	-	-	-	-
6400 New equipment	-	-	-	-	-	-
6500 Replacement equipment	19	-	19	-	7,266	7,285
Depreciation	-	-	-	-	-	-
Start-up expenses-service level exemption	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-
Total expenses claimed for reimbursement	\$ 33,370	\$ 13,328	\$ 46,698	\$ 1,791	\$ 2,314,365	\$ 2,362,854
Supplemental expenses					65	65
Total Expenditures	\$ 33,370	\$ 13,328	\$ 46,698	\$ 1,791	\$ 2,314,430	\$ 2,362,919

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.

COMMUNITY RESOURCES FOR CHILDREN
SCHEDULE OF EQUIPMENT EXPENDITURES
AND SCHEDULE EXPENDITURES FOR RENOVATION AND REPAIRS
YEAR ENDED JUNE 30, 2017

EQUIPMENT EXPENDITURES

UNIT COST UNDER \$7,500 PER ITEM -

CC3 Alternative Payment Software	\$ 5,348
Dell FireWall TZ400	1,937

UNIT COST OVER \$7,500 PER ITEM
WITH PRIOR WRITTEN APPROVAL -

None.

UNIT COST OVER \$7,500 PER ITEM
WITHOUT PRIOR WRITTEN APPROVAL -

None.

TOTAL EQUIPMENT EXPENDITURES \$ 7,285

RENOVATION AND REPAIRS

UNIT COST UNDER \$10,000 PER ITEM -

None.

UNIT COST \$10,000 OR MORE PER ITEM
WITH PRIOR WRITTEN APPROVAL -

None.

UNIT COST \$10,000 OR MORE PER ITEM
WITHOUT PRIOR WRITTEN APPROVAL -

None.

TOTAL RENOVATIONS & REPAIRS \$ -

NOTE: Agency's Capitalization Threshold is \$1,000.

COMMUNITY RESOURCES FOR CHILDREN
COMBINING SCHEDULE OF ADMINISTRATIVE COSTS
RELATING TO CALIFORNIA DEPARTMENT OF EDUCATION PROGRAMS
YEAR ENDED JUNE 30, 2017

	Alternative Payment CAPP-6040	Alt. Payment		Child Care Initiative Proj. CCIP-6038	Health & Safety CHST-6038	Total
		Stage 2 C2AP-6037	Stage 3 C3AP-6036			
Salaries and Wages	\$ 26,013	\$ 40,040	\$ 23,588	\$ 7,721	\$ 296	\$ 97,658
Payroll Taxes	2,235	3,409	2,005	653	21	8,323
Employee Benefits	1,183	1,807	1,062	345	9	4,406
Occupancy	16,829	20,387	11,171	131	70	48,588
Supplies	451	556	302	3	-	1,312
Audit and Accounting	4,359	5,444	2,843	40	9	12,695
Travel and Conferences	154	196	100	1	-	451
Outside Services	4,214	5,039	2,542	33	11	11,839
Postage and Printing	114	135	70	1	-	320
Telephone	1,112	1,350	728	11	9	3,210
Equipment Lease and Maintenance	207	304	169	47	-	727
Insurance	621	756	411	6	1	1,795
Dues and Publications	960	1,272	671	10	4	2,917
Total expense	\$ 58,452	\$ 80,695	\$ 45,662	\$ 9,002	\$ 430	\$ 194,241

AUDITED FISCAL REPORT
for Resource and Referral Programs or Centralized Eligibility Contracts

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524
 Fiscal Year End: June 30, 2017 Contract No. CRRP-6038
 Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 2507	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION I - REVENUE			
RESTRICTED INCOME			
County Maintenance of Effort (EC § 8279)	\$0	\$0	\$0
Other (Specify):			0
Other (Specify):			0
Subtotal	\$0	\$0	\$0
TRANSFER FROM RESERVE (<i>Resource & Referral Only</i>)			0
INTEREST EARNED ON APPORTIONMENTS			0
UNRESTRICTED INCOME			
Other (Specify):			0
Other (Specify):			0
TOTAL REVENUE	\$0	\$0	\$0

SECTION II - REIMBURSABLE EXPENSES

1000 Certificated Salaries	\$27,219		\$27,219
2000 Classified Salaries	80,399		80,399
3000 Employee Benefits	14,350		14,350
4000 Books and Supplies	894		894
5000 Services and Other Operating Expenses	54,217	1	54,218
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (<i>program-related</i>)			0
6500 Replacement Equipment (<i>program-related</i>)	155		155
Depreciation or Use Allowance			0
Indirect Costs. Rate: 0.00% (<i>Rate is Self-Calculating</i>)			0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$177,234	\$1	\$177,235
FOR CDE-A&I USE ONLY:			

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

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

AUDITED FISCAL REPORT
for Resource and Referral Programs or Centralized Eligibility Contracts

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. CRRP-6038

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 2507	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION III - SUPPLEMENTAL REVENUE			
Enhancement Funding	\$0	\$0	\$0
Other (Specify): CA CHILD CARE R&R NETWORK	65		65
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL REVENUE	\$65	\$0	\$65

SECTION IV - SUPPLEMENTAL EXPENSES

EXPENSES RELATED TO SUPPLEMENTAL REVENUE			
1000 Certificated Salaries	\$0	\$0	\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies			0
5000 Services and Other Operating Expenses	65		65
6000 Equipment/Other Capital Outlay			0
Depreciation or Use Allowance			0
Indirect Costs			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay			0
Other (Specify):			0
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL EXPENSES	\$65	\$0	\$65

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

AUDITED FISCAL REPORT
for CalWORKS, Alternative Payment or Family Child Care Home Programs

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. CAPP-6040

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

	Column A	Column B	Column C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500-AP	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION I - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify):			0
Subtotal	\$0	\$0	\$0
TRANSFER FROM RESERVE <i>(Alternative Payment Only)</i>			0
FAMILY FEES FOR CERTIFIED CHILDREN	16,028	74	16,102
INTEREST EARNED ON APPORTIONMENTS			0
UNRESTRICTED INCOME			
Other (Specify):			0
TOTAL REVENUE	\$16,028	\$74	\$16,102

SECTION II - REIMBURSABLE EXPENSES

<i>Direct Payments to Providers</i>	\$592,769	(\$74)	\$592,695
1000 Certificated Salaries	9,724		9,724
2000 Classified Salaries	57,540		57,540
3000 Employee Benefits	12,600		12,600
4000 Books and Supplies	1,027		1,027
5000 Services and Other Operating Expenses	45,721	(1,611)	44,110
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment <i>(program-related)</i>			0
6500 Replacement Equipment <i>(program-related)</i>	562	1,611	2,173
Depreciation or Use Allowance			0
Indirect Costs. Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay			0
Other (Specify):			0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$719,943	(\$74)	\$719,869
TOTAL ADMINISTRATIVE COSTS <i>(included in Section II above)</i>	\$58,452	\$0	\$58,452
DAYS OF OPERATION	247	-	247

FOR CDE-A&I USE ONLY:

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

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

AUDITED FISCAL REPORT
for CalWORKS, Alternative Payment or Family Child Care Home Programs

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. C2AP-6037

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

	Column A	Column B	Column C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500-AP	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION I - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify):			0
Subtotal	\$0	\$0	\$0
TRANSFER FROM RESERVE <i>(Alternative Payment Only)</i>			0
FAMILY FEES FOR CERTIFIED CHILDREN	31,661		31,661
INTEREST EARNED ON APPORTIONMENTS			0
UNRESTRICTED INCOME			
Other (Specify):			0
TOTAL REVENUE	\$31,661	\$0	\$31,661

SECTION II - REIMBURSABLE EXPENSES

<i>Direct Payments to Providers</i>	\$735,842	\$0	\$735,842
1000 Certificated Salaries	14,906		14,906
2000 Classified Salaries	89,734		89,734
3000 Employee Benefits	19,541		19,541
4000 Books and Supplies	1,390		1,390
5000 Services and Other Operating Expenses	60,075	(2,255)	57,820
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment <i>(program-related)</i>			0
6500 Replacement Equipment <i>(program-related)</i>	775	2,255	3,030
Depreciation or Use Allowance			0
Indirect Costs. Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay			0
Other (Specify):			0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$922,263	\$0	\$922,263
TOTAL ADMINISTRATIVE COSTS <i>(included in Section II above)</i>	\$80,695	\$0	\$80,695
DAYS OF OPERATION	247	-	247

FOR CDE-A&I USE ONLY:

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

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

AUDITED FISCAL REPORT
for CalWORKS, Alternative Payment or Family Child Care Home Programs

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. C3AP-6036

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

	Column A	Column B	Column C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500-AP	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION I - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify):			0
Subtotal	\$0	\$0	\$0
TRANSFER FROM RESERVE <i>(Alternative Payment Only)</i>			0
FAMILY FEES FOR CERTIFIED CHILDREN	38,271		38,271
INTEREST EARNED ON APPORTIONMENTS			0
UNRESTRICTED INCOME			
Other (Specify):			0
TOTAL REVENUE	\$38,271	\$0	\$38,271
SECTION II - REIMBURSABLE EXPENSES			
<i>Direct Payments to Providers</i>	\$387,022		\$387,022
1000 Certificated Salaries	8,842		8,842
2000 Classified Salaries	52,549		52,549
3000 Employee Benefits	11,473		11,473
4000 Books and Supplies	805		805
5000 Services and Other Operating Expenses	33,881	(1,482)	32,399
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment <i>(program-related)</i>			0
6500 Replacement Equipment <i>(program-related)</i>	426	1,482	1,908
Depreciation or Use Allowance			0
Indirect Costs. Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay			0
Other (Specify):			0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$494,998	\$0	\$494,998
TOTAL ADMINISTRATIVE COSTS <i>(included in Section II above)</i>	\$45,662	\$0	\$45,662
DAYS OF OPERATION	247	-	247
FOR CDE-A&I USE ONLY:			

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

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

**AUDITED FISCAL REPORT
for Childcare Initiative Project Contracts**

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. CCIP-6038

Multi-Year Contract? (Check "No" Box or Enter Contract Period): No: or Period: _____

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	PRIOR YEAR'S AUD 9529-CCIP ENDING BALANCE FOR THIS CONTRACT (Multi- Year Contract Only)	CURRENT FISCAL YEAR PER FORM CDFS 9529-CCIP	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE THROUGH CURRENT FISCAL YEAR PER AUDIT
SECTION I - REVENUE				
RESTRICTED INCOME				
Match Requirement	\$0	\$13,328	\$0	\$13,328
County Maintenance of Effort (EC § 8279)				0
Other (Specify):				0
Other (Specify):				0
Subtotal	\$0	\$13,328	\$0	\$13,328
INTEREST EARNED ON APPORTIONMENTS				0
UNRESTRICTED INCOME				
Match Requirement				0
Other (Specify):				0
Other (Specify):				0
TOTAL REVENUE	\$0	\$13,328	\$0	\$13,328

SECTION II - REIMBURSABLE EXPENSES				
1000 Certificated Salaries	\$0	\$3,211	\$0	\$3,211
2000 Classified Salaries		30,280		30,280
3000 Employee Benefits		5,221		5,221
4000 Books and Supplies		959		959
5000 Services and Other Operating Expenses		7,008		7,008
6100/6200 Other Approved Capital Outlay				0
6400 New Equipment (program-related)				0
6500 Replacement Equipment (program-related)		19		19
Depreciation or Use Allowance				0
Indirect Costs, Rate: 0.00%				0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$0	\$46,698	\$0	\$46,698
TOTAL ADMINISTRATIVE COSTS (included in section II above)	\$0	\$9,002	\$0	\$9,002

FOR CDE-A&I USE ONLY:

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

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

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

Agency Name: COMMUNITY RESOURCES FOR CHILDREN Vendor No. 28-B524

Fiscal Year End: June 30, 2017 Contract No. CHST-6038

Multi-Year Contract? (Check "No" Box or Enter Contract Period): No: or Period: _____

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

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

SECTION II - REIMBURSABLE EXPENSES				
1000 Certificated Salaries	\$0	\$29	\$0	\$29
2000 Classified Salaries		267		267
3000 Employee Benefits		30		30
4000 Books and Supplies		281		281
5000 Services and Other Operating Expenses		1,184		1,184
6100/6200 Other Approved Capital Outlay				0
6400 New Equipment (<i>program-related</i>)				0
6500 Replacement Equipment (<i>program-related</i>)				0
Depreciation or Use Allowance				0
Indirect Costs. Rate: 0.00%				0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$0	\$1,791	\$0	\$1,791
TOTAL ADMINISTRATIVE COSTS (included in section II above)	\$0	\$430	\$0	\$430
FOR CDE-A&I USE ONLY:				

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

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

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Agency Name: COMMUNITY RESOURCES FOR CHILDREN

Fiscal Year End: June 30, 2017

Vendor No. 28-B524

Independent Auditor's Name: Randolph Scott & Company, CPA's, Inc.

RESERVE ACCOUNT TYPE (Check One): <input type="checkbox"/> Center Based <input type="checkbox"/> Resource and Referral <input checked="" type="checkbox"/> Alternative Payment	COLUMN A	COLUMN B	COLUMN C
	PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	PER AUDIT

LAST YEAR:

1. Beginning Balance (must equal ending balance from Last Year's AUD 9530-A)	\$2	\$0	\$2
2. Plus Transfers from Contracts to Reserve Account (based on last year's post-audit CDFS 9530, Section IV):			
Contract No.	\$0	\$0	\$0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred from Contracts to Reserve Account	0	0	0
3. Less Excess Reserve to be Billed (enter as a positive amount any excess amount calculated by CDFS on last year's post-audit CDFS 9530)	\$0		\$0
4. Ending Balance on Last Year's Post-Audit CDFS 9530	\$2	\$0	\$2

THIS YEAR:

5. Plus Interest Earned This Year on Reserve Funds (column A must agree with this year's CDFS 9530-A, Section II)	\$0	\$0	\$0
6. Less Transfers to Contracts from Reserve Account (column A amounts must agree with this year's CDFS 9530-A, Section III; and column C amounts must be reported on this year's AUD forms for respective contracts):			
CSPP - General			
Contract No.			\$0
Contract No.			0
CSPP - Professional Development			
Contract No.			\$0
Contract No.			0
Subtotal	\$0	\$0	\$0
Other Contracts			
Contract No.			\$0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Subtotal	\$0	\$0	\$0
Total Transferred to Contracts from Reserve Account	0	0	0
7. Ending Balance on June 30, 2017 (column A must agree with this year's CDFS 9530-A, Section IV)	\$2	\$0	\$2

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

COMMUNITY RESOURCES FOR CHILDREN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2017

SECTION I: SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- * Material weakness(es) identified? yes no
- * Significant deficiency(ies) identified? yes none reported
- * Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- * Material weakness(es) identified? yes no
- * Significant deficiency(ies) identified? yes none reported

Type of auditor's report issued: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?

yes no

Identification of major programs:

Department of Health & Human Services:
CCDF Cluster

CFDA Number: 93.575/93.596

Dollar threshold used to distinguish Type A programs from Type B programs was \$750,000.

Auditee qualified as low risk auditee? yes no

COMMUNITY RESOURCES FOR CHILDREN

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - (Continued)

YEAR ENDED JUNE 30, 2017

SECTION II: FINANCIAL STATEMENTS FINDINGS

PRIOR YEAR AUDIT FINDINGS AND RECOMMENDATIONS

None.

SIGNIFICANT DEFICIENCY(IES)

None.

SIGNIFICANT DEFICIENCY(IES) – NON-MATERIAL WEAKNESSES

None.

SECTION III: FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

PRIOR YEAR AUDIT FINDINGS AND RECOMMENDATIONS

None.

SIGNIFICANT DEFICIENCY(IES)

None.

SIGNIFICANT DEFICIENCY(IES) – NON-MATERIAL WEAKNESSES

None.

QUESTIONED COSTS

None.