

**COMMUNITY RESOURCES FOR CHILDREN**

**REPORT ON SINGLE AUDIT OF  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**VASIN, HEYN & COMPANY**

*ABOVE THE BRIGHT LINE*

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AN ACCOUNTANCY CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS



# COMMUNITY RESOURCES FOR CHILDREN

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**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**GENERAL INFORMATION**

Agency Name: Community Resources for Children

Program Numbers/Type Contract Numbers:  
C2AP-0036 Alternative Payment – Stage 2  
C3AP-0035 Alternative Payment – Stage 3  
CAPP-0040 Alternative Payment  
CAPP-9040 Alternative Payment  
CCIP-0038 Child Care Initiative Project  
CHST-0038 CCDF Health & Safety  
CRRP-0038 Resource & Referral

Type of Agency: A California Non-Profit Corporation

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

Name and Address of Executive Director: Erika Lubensky  
3299 Claremont Way, Suite 1  
Napa, CA 94558

Telephone Number: (707) 253-0376

Period Covered by Examination: July 1, 2020 through June 30, 2021

Number of Days of Agency Operation: 246 days

Scheduled Hours of Operation Each Day: Monday - Thursday 9:00 a.m. to 5:00 p.m.  
Friday 10:00 a.m. to 4:00 p.m.



# VASIN, HEYN & COMPANY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
Community Resources for Children  
(A California Non-Profit Corporation)  
Napa, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of Community Resources for Children (A California Non-Profit Corporation) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **INDEPENDENT AUDITORS' REPORT (Continued)**

### ***Emphasis of Matter***

As described in Note 6 to the financial statements, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic on March 11, 2020 and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time. Our opinion is not modified with respect to that matter.

### ***Report on Summarized Comparative Information***

We previously audited Community Resources for Children's 2020 financial statements and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 4, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived. The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Community Resources for Children.

### ***Other Matters***

#### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplementary Information, and Audited Final Attendance and Fiscal Report Forms are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and in conformity with the Audit Guide for Audits of Child Development and Nutrition Programs issued by the *California Department of Education (CDE Audit Guide)*. The Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplementary Information, and Audited Final Attendance and Fiscal Report Forms are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplementary Information, and Audited Final Attendance and Fiscal Report Forms are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## INDEPENDENT AUDITORS' REPORT (Continued)

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the 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*, 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 14, 2021, 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, and grant agreements and other matters. The purpose of that report is to solely 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 effectiveness of Community Resources for Children's 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 Community Resources for Children's internal control over financial reporting and compliance.

Vorlein, Hayn + Co.

Calabasas, California  
December 14, 2021

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR 2020)**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,190,410	\$ 1,186,492
Contracts and grants receivable	477,382	290,718
Short-term investments - other	-	10,016
Deposits and prepaid expenses	8,677	8,375
Property and equipment, net	<u>1,470</u>	<u>13,400</u>
 Total assets	 <u>\$ 1,677,939</u>	 <u>\$ 1,509,001</u>
 <b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 30,722	\$ 13,763
Accrued payroll and related liabilities	58,738	40,641
Provider payments payable	288,807	311,995
Deferrred revenue	215,904	314,395
California Department of Education reserve	19,317	10,918
Government funded assets	<u>1,409</u>	<u>11,135</u>
 Total liabilities	 614,897	 702,847
 <b>COMMITMENTS AND CONTINGENCIES</b>		
 <b>NET ASSETS</b>		
Without Donor Restrictions	<u>1,063,042</u>	<u>806,154</u>
 Total net assets	 <u>1,063,042</u>	 <u>806,154</u>
 Total liabilities and net assets	 <u>\$ 1,677,939</u>	 <u>\$ 1,509,001</u>

See accompanying auditors' reports and notes to financial statements.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR 2020)**

	2021	2020
<b>REVENUE AND SUPPORT</b>		
Governmental service contracts	\$ 4,650,681	\$ 3,886,061
Contributions and grants	1,828,229	617,031
Fees for services	151,229	78,371
Interest income	380	1,360
Other income	4,836	4,263
Fundraising	1,000	4,760
Total revenue and support	6,636,355	4,591,846
<b>EXPENSES</b>		
Resource and Referral	188,743	189,262
Alternative Payment Programs	4,160,593	3,404,558
Support Programs from California Department of Education	171,056	88,078
CalWorks Stage 1 Program	203,185	218,560
Non-CDE Programs	1,626,431	422,015
Support services	28,366	43,670
Total expenses	6,378,374	4,366,143
<b>CHANGE IN NET ASSETS</b>	257,981	225,703
<b>NET ASSETS - beginning of year</b>	806,154	580,451
<b>Prior Period Adjustments (Note 13)</b>	(1,093)	-
<b>NET ASSETS - beginning of year, as restated</b>	805,061	580,451
<b>NET ASSETS - end of year</b>	\$ 1,063,042	\$ 806,154

See accompanying auditors' reports and notes to financial statements.



**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR 2020)**

	Program Services	Support Services	2021 Total Expenses	2020 Total Expenses
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Salaries and related expenses</b>				
Salaries and wages	\$ 898,782	\$ 21,369	\$ 920,151	\$ 741,872
Payroll taxes	75,367	1,481	76,848	61,706
Employee benefits	<u>43,626</u>	<u>1,288</u>	<u>44,914</u>	<u>53,336</u>
	1,017,775	24,138	1,041,913	856,914
<b>Other expenses</b>				
Advertising	109	-	109	-
Consultants and contracts	41,636	-	41,636	28,043
Depreciation	-	2,621	2,621	5,651
Dues, memberships, and fees	52,209	1,316	53,525	29,266
Insurance	8,502	-	8,502	9,104
Leased equipment	5,582	271	5,853	5,528
Materials and supplies	27,371	1,328	28,699	49,305
Occupancy	94,510	-	94,510	85,548
Other operating expenses	23,469	(1,419)	22,050	72,841
Postage and printing	4,029	1	4,030	2,709
Provider incentives	1,486,208	-	1,486,208	64,800
Provider payments	3,570,073	-	3,570,073	3,127,306
Small equipment	-	-	-	10,473
Telephone and online services	13,362	14	13,376	11,896
Training and seminars	4,877	80	4,957	4,856
Travel and conferences	<u>296</u>	<u>16</u>	<u>312</u>	<u>1,903</u>
<b>Total Expenses</b>	<u>\$ 6,350,008</u>	<u>\$ 28,366</u>	<u>\$ 6,378,374</u>	<u>\$ 4,366,143</u>

See accompanying auditors' reports and notes to financial statements.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(WITH COMPARATIVE TOTALS FOR 2020)**

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 257,981	\$ 225,703
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	2,621	5,651
Prior Period Adjustment	(1,093)	-
Adjustments to property and equipment	9,309	-
(Increase) decrease in:		
Contracts and grants receivable	(186,664)	(152,089)
Deposits and prepaid expenses	(302)	3,282
Increase (decrease) in:		
Accounts payable and accrued expenses	16,959	(21,384)
Accrued payroll and related liabilities	18,097	4,297
Provider payments payable	(23,188)	65,796
Deferred revenue	(98,491)	202,552
California Department of Education reserve	8,399	-
Government funded assets	(9,726)	6,438
	(264,079)	114,543
Net Cash Provided (Used) by Operating Activities	(6,098)	340,246
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from short-term investment - other	10,016	801,221
Interest and dividends reinvested on short-term investments - other	-	(1,112)
Purchase of short-term investments - other	-	(400,000)
Purchases of property and equipment	-	(10,472)
	10,016	389,637
Net Cash Provided (Used) by Investing Activities	10,016	389,637
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	3,918	729,883
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	1,186,492	456,609
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 1,190,410	\$ 1,186,492

See accompanying auditors' reports and notes to financial statements.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**1. DESCRIPTION OF ORGANIZATION**

*General*

Community Resources for Children 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 education to the children, the families and the community of Napa County. Community Resources for Children is supported primarily by the Department of Education and other government grants as well as support from other nonprofit organizations.

Community Resources for Children provides children with the best possible start by empowering the adults who impact their care and education. Whether a child is at home with a parent, in child care or preschool, or cared for by a friend or relative, Community Resources for Children provides the adults who take care of children with the knowledge, tools, and resources so that children under their care thrive. Community Resources for Children serves as the community link to child care, providing families with access to care that meets their needs and coaching individuals in starting and growing thriving child care businesses. Community Resources for Children's school readiness programs support children in our community so that they are ready to learn in Kindergarten.

*Major Programs:*

Resource and Referral — The Resource and Referral program provides child care referrals and other child care information that meet the individual needs of each family

Child Care Alternative Payment — Child Care Alternative Payment Programs provides financial assistance to help qualified families pay for child care costs while they are working, looking for employment, in school or training.

Quality Counts — Quality Counts strives to increase the quality of the early learning for young children and their families in Napa County. Through Quality Counts, Community Resources for Children (CRC) provides resources and support to early learning and care providers so they can create nurturing and effective early learning programs that support the development of the children under their care.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Community Resources for Children prepares its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America. The significant accounting and reporting policies used by Community Resources for Children are described below to enhance the usefulness and understandability of the financial statements.

*Accounting Method*

Community Resources for Children maintains its accounting records on the accrual basis.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fund Accounting*

To ensure observance of limitations and restrictions placed on the use of resources available to Community Resources for Children, the accounts of Community Resources for Children 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.

*Net Assets*

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

- *Net assets without donor restrictions.* Net assets without donor restrictions are resources available to support operations. The only limits on the use of the net assets without donor restrictions are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.
- *Net assets with donor restrictions.* Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Community Resources for Children's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of equipment (or less commonly, the contribution of those assets directly) are reported as net assets with donor restrictions until the specified asset is placed in service by Community Resources for Children, unless the donor provides more specific directions about the period of its use.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the use of the related resources is subject to donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*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.

*Contracts and Grants Receivables*

Receivables consist of contracts, grants and accounts receivable and are stated at the amount management expects to collect from outstanding balances. Contracts receivable are primarily comprised of revenue apportionments due from federal, state and local agencies. Accordingly, no provision for doubtful accounts has been provided for such receivables. Community Resources for Children uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all contracts and accounts receivable were collectible at year-end. No allowance for doubtful accounts for contracts and accounts receivable is considered necessary at June 30, 2021.

*Short-Term Investments – Other*

Certificates of deposit held for investment that are not debt securities are included in "investments-other." Certificates of deposit with original maturities greater than three months and remaining maturities less than one year are classified as "short-term investment-other". Certificates of deposit with remaining maturities greater than one year are classified as "long-term investments-other." There were no short-term investments-other held at June 30, 2021.

*Deposits and Prepaid Expenses*

Deposits and prepaid insurance and other costs are expensed ratably over their respective terms of agreement.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Property and Equipment, Net*

Property and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All property is capitalized. Equipment is capitalized if it has a cost of \$5,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Retirements are reflected as decreases to the property and equipment account, with a corresponding reduction in the restricted investment in fixed assets.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Computers	3 years
Furniture and Fixtures	3 -5 years
Office equipment	3 -5 years

Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Property and equipment 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 a liability of Community Resources for Children. 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, 2021 was \$53,516.

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 Community Resources for Children since payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenditures in the period the benefits are taken.

*Deferred Revenue*

Deferred revenue consists of advance payments received for grants.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Accounting for Contributions*

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as net assets with donor restrictions until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with donor-restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

*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. Net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions when a stipulated time restriction ends, purpose restriction is accomplished, or both. However, donor 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.

*Government Revenue*

Government revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Government revenue from federal agencies is subject to independent audit under the Uniform Guidance and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, Community Resources for Children's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of Community Resources for Children.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Indirect Costs*

Costs that benefit the operations of the entire organization are allocated according to an indirect cost allocation plan.

*Presentation of Expenses*

The statement of activities contains information about the costs associated with Community Resources for Children's services and how it uses its resources. This results in the expenses being reported by Community Resources for Children's major programs.

*Allocation of Expenses*

The costs of operating the various programs and other activities have been summarized in the combining statement of activities. Certain costs have been allocated among the programs benefited based upon Community Resources for Children's cost allocation plan.

*Income Taxes*

Community Resources for Children is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Community Resources for Children has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) Section 740-10, which clarifies the accounting for uncertainty in income taxes. ASC Section 740-10 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. ASC Section 740-10 requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position.

As of and for the year ended June 30, 2021, Community Resources for Children had no material unrecognized tax benefits, tax penalties or interest.

Community Resources for Children's Forms 990, *Return of Organization Exempt from Income Tax*, for each of the tax years ended June 30, 2020, 2019, and 2018, are subject to examination by the IRS, generally for 3 years after they were filed.

Community Resources for Children's Forms 199, *California Exempt Organization Return*, for each of the tax years ended June 30, 2020, 2019, 2018, and 2017, are subject to examination by the Franchise Tax Board, generally for 4 years after they were filed.



**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Use of Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, Community Resources for Children's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. Community Resources for Children's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

*Reclassifications*

Certain amounts in the 2020 comparative totals have been reclassified to conform with the 2021 reporting format.

*Comparative Totals*

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Community Resources for Children's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*Fair Value Measurements*

Community Resources for Children reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which Community Resources for Children has access at the measurement date.
- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets in markets that are not active;
  - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
  - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of cash and cash equivalents and accounts receivable approximate fair value because of the terms and relatively short maturity of these financial instruments.

The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

When available, Community Resources for Children measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

**3. CONTRACTS AND GRANTS RECEIVABLE**

At June 30, 2021, accounts and grants receivable consisted of the following:

	Amount
California of Department of Education	\$ 338,429
City of St. Helena and City of Napa	526
First 5 Napa	122,534
Napa County Health and Human Services	15,893
Total Contracts and Grants Receivable	\$ 477,382

In management's opinion, all contracts and accounts receivable were collectible at year-end. No allowance for doubtful accounts for contracts and accounts receivable is considered necessary at June 30, 2021.

**4. PROPERTY AND EQUIPMENT, NET**

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

	Government Funded	Agency Owned	Total
Computers	\$ -	\$ 1,875	\$ 1,875
Furniture and Fixtures	6,444	11,669	18,113
Office Equipment	3,042	-	3,042
	9,486	13,544	23,030
Accumulated depreciation	(8,077)	(13,483)	(21,560)
Property and Equipment, net	\$ 1,409	\$ 61	\$ 1,470

The depreciation expense for the year ended June 30, 2021 was \$2,621.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

**5. CALIFORNIA DEPARTMENT OF EDUCATION RESERVE**

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. Community Resources for Children maintains one reserve account for its 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, 2021, the balance for the CDE reserve account was \$19,317.

**6. CONTINGENCIES**

*Contracts and Grants*

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. Community Resources for Children 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. Community Resources for Children's management is of the opinion that the organization has complied with the terms of all grants.

*Legal*

In the ordinary course of business, Community Resources for Children may be subject to certain lawsuits and other potential legal actions. Community Resources for Children is not aware of any pending legal matters as of June 30, 2021.

*COVID-19*

On March 11, 2020 the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated at this time.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

**7. LEASE COMMITMENTS**

Community Resources for Children conducts its operations at a leased facility. The lease was renewed on January 1, 2020 and extends through June 30, 2023. In addition, Community Resources for Children has operating lease agreements for its copier and postage meter.

Future obligations on non-cancelable leases are as follows:

<u>Year Ending June 30,</u>	<u>Building</u>	<u>Equipment</u>	<u>Total</u>
2022	\$ 83,700	\$ 5,495	\$ 89,195
2023	84,720	5,628	90,348
2024	-	5,767	5,767
2025	-	5,911	5,911
Total	<u>\$ 168,420</u>	<u>\$ 22,801</u>	<u>\$ 191,221</u>

Total rent and associated utilities expense for the year ended June 30, 2021 was \$90,583 with associated utilities expense for the year ended June 30, 2021 of \$3,927.

**8. ALLOCATION OF EXPENSES**

Community Resources for Children updates its cost allocation plans annually or more frequently when there is a need due to changes in program direct child care costs or other cost drivers. The cost allocation plan is reviewed by Community Resources for Children’s auditors for compliance with applicable laws and regulations. The Director of Finance and Operation and Executive Director of Community Resources for Children 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. Community Resources for Children 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 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 Community Resources for Children.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

**9. RELATED PARTY TRANSACTIONS**

From time to time, Community Resources for Children purchases goods or services from entities affiliated with various Board members. Management believes these transactions have been conducted on an arms-length basis and no preferential treatment has been afforded the organization or the vendors.

**10. LIQUIDITY AND FUNDS AVAILABLE**

The total financial assets held by the Community Resources for Children at June 30, 2021 and the amount of those financial assets that could be made available for general expenditure within one year of the date of the statement of financial position are summarized in the following table:

	<u>June 30, 2021</u>
Cash and cash equivalents	\$ 1,190,410
Contract and grants receivable	<u>477,382</u>
Total financial assets:	<u>\$ 1,667,792</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,667,792</u>

In addition to existing financial assets available to meet general expenditures within one year, Community Resources for Children receives significant contributions restricted by donors and considers contributions restricted for programs, which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures. Community Resources for Children manages its liquidity and reserves following three guiding principles: Operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. Community Resources for Children has a liquidity internal procedure to maintain current financial assets less current liabilities at a minimum of 60 days operating expenses and has a goal to target a year-end balance of reserves of net assets without donor restrictions at 75 to 90 days of expected operating expenditures. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity and its reserves quarterly. During the year ended June 30, 2021 the level of liquidity and reserves was managed within the established procedures.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

**11. FUNDRAISING**

Community Resources for Children hosted a fundraising event during the fiscal year ending June 30, 2021, which generated fundraising revenue of \$9,905 of which \$8,905 is from contributions and sponsorships. The breakdown for the fundraising event is as follows:

	<u>Revenue</u>	<u>Event Sales</u>	<u>Expenses</u>	<u>Net Revenue</u>
Spring Into Action for Children	<u>\$ 8,905</u>	<u>\$ 1,000</u>	<u>\$ (1,042)</u>	<u>\$ 8,863</u>

**12. CONCENTRATIONS**

*Concentration of Revenue Sources*

During the year ended June 30, 2021, Community Resources for Children had four major revenue funding sources. The California Department of Education accounted for approximately 68%, the County of Napa accounted for approximately 12%, First 5 accounted for approximately 6%, and COVID-19 relief funding from local and private foundations accounted for approximately 6% of the total revenue.

*Concentration of Credit Risk*

Financial instruments that potentially subject Community Resources for Children to concentrations of credit risk consist principally of uninsured cash balances. Community Resources for Children places its cash deposits with high-credit, quality financial institutions. At times, balances in Community Resources for Children's cash accounts may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. Uninsured balances at June 30, 2021 were approximately \$651,936.

**13. PRIOR PERIOD ADJUSTMENT**

During the year ended June 30, 2021, Community Resources for Children corrected an error pertaining to its property and equipment. The effect of the correction of the error resulted in a decrease in net assets in the amount of \$1,093 as of June 30, 2020.

**14. SUBSEQUENT EVENTS**

Community Resources for Children has evaluated its financial position and activities from the June 30, 2021 year end of this report through December 14, 2021, 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.

**CALIFORNIA DEPARTMENT OF EDUCATION  
SUPPLEMENTARY INFORMATION**



**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**COMBINING SCHEDULE OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Alternative Payment CZAP-0036	Alternative Payment C3AP-0035	Alternative Payment CAPP-9040	Alternative Payment CAPP-0040	General Child Care Initiative Project CCIP-0038	Match General Child Care Initiative Project CCIP-0038	General Health & Safety Initiative Project CHST-0038	California Resource & Referral CRRP-0038	Cleaning & Supplies for Childcare Providers CSCP	Alternative Payment Providers Stipends CDE Stipends	Total CDE Programs
<b>Revenue</b>											
<b>Grant Income:</b>											
Federal programs	\$ 129,550	\$ 600,935	\$ -	\$ 1,301,505	\$ 22,000	\$ -	\$ 2,794	\$ 27,041	\$ -	\$ 267,432	\$ 2,351,257
State programs	315,992	435,335	958,615	-	2,118	-	-	161,609	138,810	-	2,012,479
Contributions and grants	-	-	-	-	-	4,236	-	-	-	-	4,236
Fees for services	2,810	35,035	31,799	81,585	-	-	-	-	-	-	151,229
Interest income	-	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	26	-	-	26
Fundraising	-	-	-	-	-	-	-	-	-	-	-
Total revenue	448,352	1,071,305	990,414	1,383,090	24,118	4,236	2,794	188,676	138,810	267,432	4,519,227
<b>Expenses</b>											
Salaries and wages	41,457	96,253	84,868	129,066	17,948	3,117	152	148,435	4,449	-	525,745
Payroll taxes	3,500	8,240	6,438	11,776	1,393	312	11	12,344	323	-	44,337
Employee benefits	1,537	3,321	4,190	3,243	2,197	807	9	4,548	88	-	19,940
Advertising	5	14	-	32	-	-	-	-	-	-	51
Consultants and contracts	3,648	8,215	5,268	12,080	929	-	15	3,239	467	-	33,861
Depreciation	-	-	-	-	-	-	-	-	-	-	-
Dues, memberships and fees	4,441	8,930	9,799	10,758	677	-	11	5,840	249	-	40,705
Insurance	566	1,361	1,287	1,738	52	-	2	535	108	-	5,649
Leased equipment	501	917	501	1,616	-	-	-	240	-	-	3,775
Materials and supplies	580	1,554	246	3,049	13	-	1	1,617	6	-	7,066
Occupancy	6,377	15,302	14,418	19,550	546	-	38	9,044	1,164	-	66,439
Other operating expenses	1,173	3,025	85	6,734	21	-	331	298	-	-	11,667
Postage and printing	411	980	542	1,655	3	-	-	54	4	-	3,649
Provider incentives	-	-	-	-	700	-	2,235	-	132,088	267,432	402,455
Provider payments	383,063	920,669	860,374	1,178,590	-	-	-	-	-	-	3,342,696
Telephone and online services	793	1,870	1,636	2,531	220	-	1	1,538	119	-	8,708
Training and seminars	298	648	756	665	250	-	-	1,001	-	-	3,618
Travel and conferences	2	6	6	7	-	-	-	10	-	-	31
Total expenses	448,352	1,071,305	990,414	1,383,090	24,949	4,236	2,806	188,743	139,065	267,432	4,520,392
<b>CHANGE IN NET ASSETS</b>	\$ -	\$ -	\$ -	\$ -	\$ (831)	\$ -	\$ (12)	\$ (67)	\$ (255)	\$ -	\$ (1,165)

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**COMBINING SCHEDULE OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(CONTINUED)**

	<u>First 5 Grants</u>	<u>Quality Early Learning Programs</u>	<u>Child Care Stabalization Project Grants</u>	<u>Development Block Grants</u>	<u>Napa Valley Vintners</u>	<u>Small Projects</u>	<u>Child Care Alternative Payment Stage 1 - NCHHS</u>	<u>Emergency Child Care Bridge Program</u>	<u>CalWorks Stage 1 Stipends</u>	<u>Support</u>	<u>Total Programs and Support</u>
<b>Revenue</b>											
<b>Grant Income:</b>											
Federal Programs	\$ -	\$ -	\$ -	\$ 526	\$ -	\$ -	\$ 188,845	\$ 83,229	\$ 14,345	\$ -	\$ 2,638,202
State Programs	-	-	-	-	-	-	-	-	-	-	2,012,479
Contributions and grants	259,014	209,082	\$ 1,036,949	-	163,500	26,443	-	-	-	129,005	1,828,229
Fees for services	-	-	-	-	-	-	-	-	-	-	151,229
Interest income	-	-	-	-	-	-	-	-	-	380	380
Other Income	-	-	-	-	-	4,001	-	-	-	809	4,836
Fundraising	-	-	-	-	-	-	-	-	-	1,000	1,000
Total revenue	259,014	209,082	1,036,949	526	163,500	30,444	188,845	83,229	14,345	131,194	6,636,355
<b>Expenses</b>											
Salaries and wages	189,011	68,820	37,794	481	30,081	14,288	17,704	14,858	-	21,369	920,151
Payroll taxes	15,219	5,932	3,312	38	2,311	1,456	1,536	1,226	-	1,481	76,848
Employee benefits	11,853	3,477	2,314	7	4,606	290	656	483	-	1,288	44,914
Advertising	-	55	-	-	-	-	2	1	-	-	109
Consultants and contracts	1,570	1,598	2,327	-	-	32	1,696	552	-	-	41,636
Depreciation	-	-	-	-	-	-	-	-	-	2,621	2,621
Dues, memberships and fees	3,614	1,586	231	-	-	3,622	1,814	637	-	1,316	53,525
Insurance	591	1,398	275	-	-	2	493	94	-	-	8,502
Leased equipment	12	1,323	260	-	-	-	184	28	-	271	5,853
Materials and supplies	4,570	14,193	833	-	-	337	253	119	-	1,328	28,699
Occupancy	6,355	15,020	2,865	-	-	67	2,732	1,032	-	-	94,510
Other operating expenses	6,987	3,143	930	-	-	12	390	340	-	(1,419)	22,050
Postage and printing	105	13	17	-	-	2	179	64	-	-	4,030
Provider incentives	16,590	77,362	975,450	-	-	6	-	-	14,345	-	1,486,208
Provider payments	-	-	-	-	-	3,222	160,720	63,435	-	-	3,570,073
Telephone and online services	2,661	1,286	211	-	-	34	337	125	-	14	13,376
Training and seminars	28	851	1	-	-	-	143	236	-	80	4,957
Travel and conferences	-	263	1	-	-	-	1	-	-	16	312
Total expenses	259,166	196,320	1,026,821	526	36,998	23,370	188,840	83,230	14,345	28,366	6,378,374
<b>CHANGE IN NET ASSETS</b>	\$ (152)	\$ 12,762	\$ 10,128	\$ -	\$ 126,502	\$ 7,074	\$ 5	\$ (1)	\$ -	\$ 102,828	\$ 257,981

**COMMUNITY RESOURCES FOR CHILDREN  
(A California Non-Profit Corporation)  
SCHEDULE OF CLAIMED EQUIPMENT EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2021**

	Alternative Payment C2AP-0036	Alternative Payment C3AP-0035	Alternative Payment CAPP-9040	Alternative Payment CAPP-0040	Child Care Initiative Project CCIP-0038	CCIP Match Fund CCIP-0038	CCDR Health & Safety CHST-0038	Resource & Referral CRRP-0038	Trauma Informed Care TIC	Cleaning & Supplies for Childcare Providers CSCP	Payment Providers Stipends CDE Stipends	Total Costs
Capitalize equipment expense on the AUD with prior written CDE approval:												
Item:												
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	-	-	-	-	-	-	-	-	-	-	-	-
Capitalize equipment expense on the AUD without prior written CDE approval:												
Item:												
None	-	-	-	-	-	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Equipment Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Community Resources for Children's capitalization threshold is \$5,000 or more.

**COMMUNITY RESOURCES FOR CHILDREN  
(A California Non-Profit Corporation)  
SCHEDULE OF CLAIMED EXPENDITURES FOR RENOVATIONS AND REPAIRS  
FOR THE YEAR ENDED JUNE 30, 2021**

	Alternative Payment C2AP-0036	Alternative Payment C3AP-0035	Alternative Payment CAPP-9040	Alternative Payment CAPP-0040	Child Care Initiative Project CCIP-0038	CCIP Match Fund CCIP-0038	CCDR Health & Safety CHST-0038	Resource & Referral CRRP-0038	Trauma Informed Care TIC	Cleaning & Supplies for Childcare Providers CSCP	Alternative Payment Providers Stipends CDE Stipends	Total Costs
<b>Unit Cost Under \$10,000 Per Item:</b>												
Item:												
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total:	-	-	-	-	-	-	-	-	-	-	-	-
<b>Unit Cost \$10,000 or More Per Item With Prior Written Approval:</b>												
Item:												
None	-	-	-	-	-	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-	-	-	-	-	-
<b>Unit Cost \$10,000 or More Per Item Without Prior Approval:</b>												
Item:												
None	-	-	-	-	-	-	-	-	-	-	-	-
Total:	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures for Renovations &amp; Repairs</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Community Resources for Children's capitalization threshold is \$5,000 or more.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**SCHEDULE OF CLAIMED ADMINISTRATIVE COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Alternative Payment C2AP-0036	Alternative Payment C3AP-0035	Alternative Payment CAPP-9040	Alternative Payment CAPP-0040	Child Care Initiative Project CCIP-0038	CCIP Match Fund CCIP-0038	CCDR Health & Safety CHST-0038	Resource & Referral CRRP-0038	Cleaning & Supplies for Childcare Providers CSCP	Alternative Payment Providers Stipends CDE Stipends	Total Reimbursable	Total Non- Reimbursable
1000 Certificated Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2000 Classified Salaries	15,284	35,159	30,402	48,024	4,033	-	152	38,341	1,131	-	172,526	-
3000 Employee Benefits	1,698	3,934	3,254	5,494	460	-	19	3,203	120	-	18,182	-
4000 Books and Supplies	212	624	41	1,257	1	-	1	-	6	-	2,142	-
5000 Services and Other Expenses	8,299	20,745	16,679	29,438	80	-	83	-	1,827	-	77,151	-
6400 New Equipment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Administrative Costs</b>	<u>\$ 25,493</u>	<u>\$ 60,462</u>	<u>\$ 50,376</u>	<u>\$ 84,213</u>	<u>\$ 4,574</u>	<u>\$ -</u>	<u>\$ 255</u>	<u>\$ 41,544</u>	<u>\$ 3,084</u>	<u>\$ -</u>	<u>\$ 270,001</u>	<u>\$ -</u>

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**SCHEDULE OF EXPENDITURES BY STATE CATEGORIES**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Alternative Payment C2AP-0036	Alternative Payment C3AP-0035	Alternative Payment CAPP-9040	Alternative Payment CAPP-0040	Child Care Initiative Project CCIP-0038	CCIP Match Fund CCIP-0038	CCDR Health & Safety CHST-0038	Resource & Referral CRRP-0038	Cleaning & Supplies for Childcare Providers CSCP	Alternative Payment Providers Stipends CDE Stipends	Total Reimbursable	Total Non- Reimbursable
<b>Direct payments to providers</b>	\$ 383,063	\$ 920,669	\$ 860,374	\$ 1,178,590	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,342,696	\$ -
<b>Certificated Salaries</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Classified Salaries</b>	41,457	96,253	84,868	129,066	17,948	3,474	152	148,435	4,449	-	526,102	-
<b>Employee Benefits</b>	5,037	11,561	10,628	15,019	3,590	762	20	16,892	411	-	63,920	-
<b>Books, Supplies and Equipment</b>	580	1,554	246	3,049	13	-	1	1,617	6	-	7,066	-
<b>Services/other Operating Expenses</b>	18,215	41,268	34,298	57,366	3,398	-	2,633	21,773	134,199	267,432	580,582	-
<b>Other approved capital outlay</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>New equipment</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Replacement equipment</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Depreciation</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Start-up expenses-service level exemption</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Indirect costs</b>	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenses claimed for reimbursement</b>	448,352	1,071,305	990,414	1,383,090	24,949	4,236	2,806	188,717	139,065	267,432	4,520,366	-
<b>Supplemental expenses</b>	-	-	-	-	-	-	-	26	-	-	26	-
<b>Total Expenditures by State Categories</b>	\$ 448,352	\$ 1,071,305	\$ 990,414	\$ 1,383,090	\$ 24,949	\$ 4,236	\$ 2,806	\$ 188,743	\$ 139,065	\$ 267,432	\$ 4,520,392	\$ -

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO THE CHILD CARE AND DEVELOPMENT PROGRAM**  
**SUPPLEMENTAL INFORMATION**  
**FOR THE YEAR ENDED JUNE 30, 2021**

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. Community Resources for Children had no interest expense claimed as a reimbursable expense for the year ended June 30, 2021. No interest expense relating to the line of credit was claimed to a child development contract for the year ended June 30, 2021.
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, 2021.
3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2021.

**AUDITED FINAL ATTENDANCE AND FISCAL REPORT FORMS**



**California Department of Social Services  
Audited Fiscal Report for CalWORKs, Alternative Payment  
or Family Child Care Home Programs**

Fiscal Year End	June 30, 2021
Contract Number	C2AP0036
Vendor Code	B524

A U D 9500AP v2 Page 1 of 4

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 1 - Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)			3,387	3,387
Family Fees Collected for Certified Children (September - June)		2,810		2,810
Waived Family Fees for Certified Children (September - June)		64		64
<b>Family Fees (September - June) - Subtotal</b>		<b>2,874</b>		<b>2,874</b>
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
<b>Total Revenue</b>		<b>2,810</b>		<b>2,810</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		383,063		383,063
1000 Certificated Salaries				
2000 Classified Salaries		41,457		41,457
3000 Employee Benefits		5,036	1	5,037
4000 Books and Supplies		580		580
5000 Services and Other Operating Expenses		18,215		18,215
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>448,351</b>	<b>1</b>	<b>448,352</b>
Total Administrative Cost (included in Section 2 above)		25,493		25,493
Days of Operation		246		246

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		2,874		2,874
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		383,063		383,063
Total Administrative Cost		25,493		25,493
Days of Operation		246		246
Total Reimbursable Expenses		448,351	1	448,352

Comments:

# California Department of Social Services Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

Fiscal Year End June 30, 2021

Contract Number C3AP0035

Vendor Code B524

A U D 9500AP v2 Page 1 of 4

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

## Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)			8,944	8,944
Family Fees Collected for Certified Children (September - June)		35,035		35,035
Waived Family Fees for Certified Children (September - June)		875		875
<b>Family Fees (September - June) - Subtotal</b>		<b>35,910</b>		<b>35,910</b>
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
<b>Total Revenue</b>		<b>35,035</b>		<b>35,035</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		920,669		920,669
1000 Certificated Salaries				
2000 Classified Salaries		96,253		96,253
3000 Employee Benefits		11,561		11,561
4000 Books and Supplies		1,554		1,554
5000 Services and Other Operating Expenses		41,268		41,268
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>1,071,305</b>		<b>1,071,305</b>
Total Administrative Cost (included in Section 2 above)		60,462		60,462
Days of Operation		246		246

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		35,910		35,910
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		920,669		920,669
Total Administrative Cost		60,462		60,462
Days of Operation		246		246
Total Reimbursable Expenses		1,071,305		1,071,305

Comments:

# California Department of Social Services Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

Fiscal Year End June 30, 2021

Contract Number CAPP9040

Vendor Code B524

A U D 9500AP v2 Page 1 of 4

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

## Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)		22,152		22,152
Family Fees Collected for Certified Children (September - June)	17,634	31,799		49,433
Waived Family Fees for Certified Children (September - June)		904		904
<b>Family Fees (September - June) - Subtotal</b>	<b>17,634</b>	<b>32,703</b>		<b>50,337</b>
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
<b>Total Revenue</b>	<b>17,634</b>	<b>31,799</b>		<b>49,433</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers	1,139,823	860,374		2,000,197
1000 Certificated Salaries				
2000 Classified Salaries	110,908	84,868		195,776
3000 Employee Benefits	18,654	10,626	2	29,282
4000 Books and Supplies	8,611	294	-48	8,857
5000 Services and Other Operating Expenses	50,115	34,252	46	84,413
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>	<b>1,328,111</b>	<b>990,414</b>	<b>0</b>	<b>2,318,525</b>
Total Administrative Cost (included in Section 2 above)	89,988	50,375	1	140,364
Days of Operation	246			246

Approved Indirect Cost Rate:

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



Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)	17,634	32,703		50,337
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers	1,139,823	860,374		2,000,197
Total Administrative Cost	89,988	50,375	1	140,364
Days of Operation	246			246
Total Reimbursable Expenses	1,328,111	990,414	0	2,318,525

Comments:

# California Department of Social Services Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

Fiscal Year End June 30, 2021

Contract Number CAPP0040

Vendor Code B524

A U D 9500AP v2 Page 1 of 4

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

## Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)		81,585		81,585
Waived Family Fees for Certified Children (September - June)		1,205		1,205
<b>Family Fees (September - June) - Subtotal</b>		<b>82,790</b>		<b>82,790</b>
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
<b>Total Revenue</b>		<b>81,585</b>		<b>81,585</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		1,178,589	1	1,178,590
1000 Certificated Salaries				
2000 Classified Salaries		129,066		129,066
3000 Employee Benefits		15,021	-2	15,019
4000 Books and Supplies		3,049		3,049
5000 Services and Other Operating Expenses		57,365	1	57,366
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>1,383,090</b>	<b>0</b>	<b>1,383,090</b>
Total Administrative Cost (included in Section 2 above)		84,213		84,213
Days of Operation		246		246

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		82,790		82,790
Interest Earned on Child Development Apportionment Payments				
Direct Payments to Providers		1,178,589	1	1,178,590
Total Administrative Cost		84,213		84,213
Days of Operation		246		246
Total Reimbursable Expenses		1,383,090	0	1,383,090

Comments:

# California Department of Social Services Audited Fiscal Report for Child Development Support Contracts

A U D 9529 Page 1 of 4

Fiscal Year Ending **June 30, 2021**

Contract Number **CCIP0038**

Vendor Code **B524**

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

## Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Match Requirement (CCIP and CLPC only)		4,236		4,236
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Other:				
<b>Restricted Income - Subtotal</b>		<b>4,236</b>		<b>4,236</b>
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Match Requirement (CCIP and CLPC only)				
Unrestricted Income - Other:				
<b>Total Revenue</b>		<b>4,236</b>		<b>4,236</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries				
2000 Classified Salaries		21,065	357	21,422
3000 Employee Benefits		4,709	-357	4,352
4000 Books and Supplies		13		13
5000 Services and Other Operating Expenses		3,398		3,398
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>29,185</b>	<b>0</b>	<b>29,185</b>
Total Administrative Cost (included in Section 2 above)		4,574		4,574

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income		4,236		4,236
Restricted Income - Match Requirement (CCIP and CLPC only)		4,236		4,236
Unrestricted Income - Match Requirement				
Interest Earned on Child Development Apportionment Payments				
Total Reimbursable Expenses		29,185	0	29,185
Total Administrative Cost		4,574		4,574

Comments:

# California Department of Social Services Audited Fiscal Report for Child Development Support Contracts

A U D 9529 Page 1 of 4

Fiscal Year Ending June 30, 2021

Contract Number CHST0038

Vendor Code B524

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

## Section 1 - Revenue

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



Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries				
2000 Classified Salaries		152		152
3000 Employee Benefits		19	1	20
4000 Books and Supplies		1		1
5000 Services and Other Operating Expenses		2,634	-1	2,633
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
<b>Total Reimbursable Expenses</b>		<b>2,806</b>	<b>0</b>	<b>2,806</b>
Total Administrative Cost (included in Section 2 above)		256	-1	255

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Restricted Income - Match Requirement (CCIP and CLPC only)				
Unrestricted Income - Match Requirement				
Interest Earned on Child Development Apportionment Payments				
Total Reimbursable Expenses		2,806	0	2,806
Total Administrative Cost		256	-1	255

Comments:

**California Department of Social Services**  
**Audited Fiscal Report for**  
**Resource and Referral Programs**  
 A U D 2507 Page 1 of 4

Fiscal Year Ending June 30, 2021

Contract Number CRRP0038

Vendor Code B524

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

**Section 1 - Revenue**

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
<b>Restricted Income - Subtotal</b>			
Transfer from Reserve (resource & referral only)			
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Other:			
<b>Total Revenue</b>			

Full Name of Contractor COMMUNITY RESOURCES FOR CHILDREN

**Section 2 - Reimbursable Expenses**

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries	148,435		148,435
3000 Employee Benefits	16,892		16,892
4000 Books and Supplies	1,617		1,617
5000 Services and Other Operating Expenses	21,772	1	21,773
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable (State use only)			
<b>Total Reimbursable Expenses</b>	<b>188,716</b>	<b>1</b>	<b>188,717</b>

Approved Indirect Cost Rate:

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

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 3 - Supplemental Revenue**

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding	26		26
Other:			
Other:			
<b>Total Supplemental Revenue</b>	<b>26</b>		<b>26</b>

**Section 4 - Supplemental Expenses**

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses	26		26
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
<b>Total Supplemental Expenses</b>	<b>26</b>		<b>26</b>

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

**Section 5 - Summary**

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income			
Transfer from Reserve			
Interest Earned on Apportionment Payments			
Total Reimbursable Expenses	188,716	1	188,717

Comments:

# California Department of Social Services Audited Reserve Account Activity Report

Fiscal Year End

June 30, 2021

Reserve Account Type

Alternative Payment

A U D 9530A Page 1 of 1

Vendor Code

B524

Full Name of Contractor **COMMUNITY RESOURCES FOR CHILDREN**

## Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2019-20 AUD 9530A Ending Balance)	10,918
2. Plus Transfers to Reserve Account:	Per 2019-20 Post-Audit CDNFS 9530
Contract No. C3AP9036	945
Contract No. C2AP9037	7,453
Contract No.	
Contract No.	
Contract No.	
Contract No.	
<b>Total Transferred from 2019-20 Contracts to Reserve</b>	<b>8,398</b>
3. Less Excess Reserve to be Billed	
<b>4. Ending Balance per 2019-20 Post-Audit CDNFS 9530</b>	<b>19,316</b>

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

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve			
6. Less Transfers to Contracts from Reserve:			
CSPP General-Contract No.			
CSPP General-Contract No.			
CSPP Professional Development-Contract No.			
CSPP Professional Development-Contract No.			
<b>Subtotal CSPP Transfers</b>			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
<b>Subtotal Other Contract Transfers</b>			
<b>Total Transferred to Contracts from Reserve Account</b>			
<b>7. Ending Balance on June 30, 2021</b>	<b>19,316</b>		<b>19,316</b>

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

Interest earned during FY 20-21 = \$0.58

**GOVERNMENT AUDIT INFORMATION SECTION**





**VASIN, HEYN & COMPANY**

*ABOVE THE BRIGHT LINE*



AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

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

To the Board of Directors of  
Community Resources for Children  
(A California Non-Profit Corporation)  
Napa, 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 Community Resources for Children (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 14, 2021.

***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) as a basis for designing 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 the Organization'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 may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Community Resources for Children 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*.

### ***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.

Vorwin, Hryn + Co.

Calabasas, California  
December 14, 2021



**VASIN, HEYN & COMPANY**

ABOVE THE BRIGHT LINE



AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

**INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of  
Community Resources for Children  
(A California Non-Profit Corporation)  
Napa, California

***Report on Compliance for Each Major Federal Program***

We have audited Community Resources for Children's (A California Non-Profit Corporation) compliance with the types of compliance requirements described in the *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, 2021. Community Resources for Children major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditors' 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 types 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.

### ***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, 2021.

### ***Report on Internal Control Over Compliance***

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 of compliance, 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 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 required by 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 noncompliance 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 a 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 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.

*Vorstin, Hryn + Co.*

Calabasas, California  
December 14, 2021

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**  
**(FEIN: 94-2524785)**

Federal Grantor, Pass-Through Grantor, Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Program or Award Amount	Expenditures	Non-Federal/ Match Expenditures	Payments to Subrecipients
<b>FEDERAL FUNDING</b>						
<b>U.S. Department of Health and Human Services</b>						
Child Care and Development Fund Cluster:						
Passed Through California Department of Education						
Alternative Payment-Stipends (COVID-19)	93.575	CDE COVID-19 Stipends	\$ 267,432	\$ 267,432	\$ -	\$ -
Resource & Referral	93.575	CRRP-0038	27,041	27,041	-	-
Child Care Initiative Project	93.575	CCIP-0038	22,000	22,000	4,236	-
CCDF Health & Safety	93.575	CHST-0038	2,794	2,794	-	-
Alternative Payment	93.575/93.596	CAPP-0040	2,091,062	1,301,505	-	-
Alternative Payment-Stage 2	93.575	C2AP-0036	129,550	129,550	-	-
Alternative Payment-Stage 3	93.575/93.596	C3AP-0035	600,935	600,935	-	-
<b>Child Care and Development Fund (CCDF) Cluster</b>	<b>93.575/93.596</b>		<b>3,140,814</b>	<b>2,351,257</b>	<b>4,236</b>	<b>-</b>
Passed Through California Department of Social Services (County of Napa):						
CalWorks-Stage 1-Stipends (COVID-19)	93.558	CDE COVID-19 Stipends	\$ 14,345	\$ 14,345	\$ -	\$ -
CalWorks-Stage 1 Child Care Services	93.558	4000	600,691	188,845	-	-
Emergency Child Care Bridge Program	93.558	190321B	132,622	83,229	-	-
<b>Temporary Assistance for Needy Families</b>	<b>93.558</b>		<b>747,658</b>	<b>286,419</b>	<b>-</b>	<b>-</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>\$ 3,888,472</b>	<b>\$ 2,637,676</b>	<b>\$ 4,236</b>	<b>\$ -</b>
<b>U.S. Department of Housing and Urban Development</b>						
Passed Through California Department of Housing and Community Development:						
CDBG CARES - City of Napa						
<b>Community Development Block Grants</b>	<b>14.218</b>	C2021-168	<b>\$ 100,000</b>	<b>\$ 153</b>	<b>\$ -</b>	<b>\$ -</b>
CDBG-CV - City of St. Helena						
<b>Community Development Block Grants/State's Program and     Non-Entitlement Grants in Hawaii</b>	<b>14.228</b>	FY2021-073	<b>\$ 74,484</b>	<b>\$ 373</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total U.S. Department of Housing and Urban Development</b>			<b>\$ 174,484</b>	<b>\$ 526</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL FEDERAL EXPENDITURES</b>			<b>\$ 4,062,956</b>	<b>\$ 2,638,202</b>	<b>\$ 4,236</b>	<b>\$ -</b>
<b>STATE FUNDING</b>						
<b>California Department of Education</b>						
General Child Care and Development Programs						
Resource & Referral		CRRP-0038	\$ 161,609	\$ 161,609	\$ -	\$ -
Child Care Initiative Project		CCIP-0038	6,354	2,118	-	-
Alternative Payment		CAPP-9040	958,615	958,615	-	-
Alternative Payment		CAPP-0040	1,041,592	-	-	-
Alternative Payment-Stage 2		C2AP-0036	582,085	315,992	-	-
Alternative Payment-Stage 3		C3AP-0035	448,207	435,335	-	-
<b>TOTAL STATE EXPENDITURES</b>			<b>\$ 3,198,462</b>	<b>\$ 1,873,669</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL FEDERAL AND STATE EXPENDITURES</b>			<b>\$ 7,261,418</b>	<b>\$ 4,511,871</b>	<b>\$ 4,236</b>	<b>\$ -</b>

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**NOTES TO SCHEDULE OF FEDERAL AND STATE AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal grant activity of Community Resources for Children under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of Community Resources for Children, it is not intended to and does not present the financial position, changes in net assets or cash flows of Community Resources for Children.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

**3. DE MINIMIS INDIRECT COST RATE**

Community Resources for Children did not elect to use the 10% de minimis indirect cost rate for the year ended June 30, 2021.

**4. LOAN AND LOAN GUARANTEE**

Community Resources for Children did not have any balances of loan and loan guarantee programs outstanding at June 30, 2021 for loans described in 2 CFR section 200.50(b).

**COMMUNITY RESOURCES FOR CHILDREN  
(A California Non-Profit Corporation)  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2021**

**Section I - Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified.

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes          X     No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes          X     None Reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes          X     No

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes          X     No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes          X     None Reported

Type of auditors' report issued on compliance for major programs Unmodified.

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)? \_\_\_\_\_ Yes          X     No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.575	<b>Child Care and Development Fund (CCDF) Cluster:</b> Child Care and Development Block Grant
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund
93.558	Temporary Assistance for Needy Families

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? \_\_\_\_\_     X     Yes      \_\_\_\_\_ No

**Section II - Financial Statement Findings**

No matters were reported.

**Section III - Federal Award Findings and Questioned Costs**

No matters were reported.

**COMMUNITY RESOURCES FOR CHILDREN**  
**(A California Non-Profit Corporation)**  
**SCHEDULE OF CURRENT AND PRIOR YEARS FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

**CURRENT YEAR:**

**2021 Findings:**

There were no 2021 findings noted.

2021 Questioned Costs:

There were no 2021 questioned costs noted.

**PRIOR YEARS:**

**2020 Findings:**

There were no 2020 findings noted.

2020 Questioned Costs:

There were no 2020 questioned costs noted.

**2019 Findings:**

There were no 2019 findings noted.

2019 Questioned Costs:

There were no 2019 questioned costs noted.