

# Associated Students, Inc., California State University, Long Beach

Isabel Patterson Child Development Center

Financial Statements and Supplemental Information

Year Ended June 30, 2020



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Financial Statements and Supplemental Information**

Year Ended June 30, 2020

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**Table of Contents**

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements:	
Statement of Net Position	3
Statement of Revenues, Expenses, and Changes in Net Position	4
Statement of Cash Flows	5
Notes to Financial Statements	6
Supplemental Information:	
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 <i>Government Auditing Standards</i>	9
Schedule of Expenditures of Federal and State Awards	11
Note to Schedule of Expenditures of Federal and State Awards	12
General Information	13
Combining Statement of Net Position	14
Combining Statement of Revenues, Expenses, and Changes in Net Position	15
General Child Care and Development Program and California State Preschool Program:	
Schedule of Expenditures by State Categories	16
Schedule of Equipment Expenditures Utilizing Contract Funds	17
Schedule of Reimbursable Expenditures for Renovations and Repairs	18
Schedule of Administrative Costs	19
Child Care Food Program – Child Care Centers:	
Summary of Claim	20
Statement of Claim	21
Schedule of Reported, Adjusted, and Allowed Meals and Earned Reimbursement	22
Schedule of Reported, Adjusted, and Allowed Eligibility	23
Schedule of Reported, Adjusted, and Allowed Meals	24
Audited Attendance and Fiscal Reports – Child Development Programs	
General Child Care and Development Programs CCTR-9064	26
California State Preschool Program CSPP-9152	33
Schedule of Findings and Questioned Costs	40
Status of Corrective Action on Prior Year Findings	41
Corrective Action Plan	42

## INDEPENDENT AUDITORS' REPORT

To the Audit Committee  
Associated Students, Inc., California State University, Long Beach  
Isabel Patterson Child Development Center

We have audited the accompanying financial statements of Associated Students, Inc., California State University, Long Beach (a nonprofit organization), Isabel Patterson Child Development Center (referred to as "Center"), which comprise the statement of net position as of June 30, 2020, and the related statements of revenue, expenses, and changes in net position 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 Associated Students, Inc., California State University, Long Beach, Isabel Patterson Child Development Center, as of June 30, 2020, and the changes in its net position 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 4 to the financial statements, 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. Our opinion is unmodified with respect to that matter.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information presented on pages 9 to 42 is presented for purposes of additional analysis as required by the California Department of Education 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 and with the CDE Audit Guide issued by the California Department of Education. 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 10, 2020, on our consideration of Center's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Center's internal control over financial reporting and compliance.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
December 10, 2020

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**  
**Statement of Net Position**  
June 30, 2020

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**ASSETS**

Accounts Receivable	\$ 1,481
Receivable from Associated Students, Inc., California State University, Long Beach	<u>9,254</u>
Total Assets	<u>10,735</u>

**LIABILITIES**

Deferred Revenue	7,050
Payable to Associated Students, Inc., California State University, Long Beach	<u>3,685</u>
Total Liabilities	<u>10,735</u>

**NET POSITION**

\$ -

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
Year Ended June 30, 2020

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Revenue and Support:		
State apportionments	\$	243,043
Federal apportionments		116,252
Child care food program		27,394
CSULB apportionments		123,319
Parent fees		516,638
ASI fees		710,534
Contributions and other income		<u>9,177</u>
Total Revenue and Support		1,746,357
Expenses:		
Salaries		1,400,929
Employee benefits		462,523
Books and supplies		59,673
Services and other operating expenses		<u>102,403</u>
Total Expenses		<u>2,025,528</u>
Change in Net Position Prior to Transfers		(279,171)
Transfers from the General Fund of the Associated Students, Inc., California State University, Long Beach		<u>279,171</u>
Change in Net Position	\$	<u><u>-</u></u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Cash Flows**

Year Ended June 30, 2020

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Cash Flows from Operating Activities:	
Student activity fees	\$ 824,599
Grants and contracts	418,188
Other operating revenues	799,936
Payments to suppliers	(179,271)
Payments to employees	<u>(1,863,452)</u>
Net Change in Cash	-
Cash, beginning	<u>-</u>
Cash, ending	<u><u>\$ -</u></u>
Reconciliation of change in net position to net cash used by operating activities:	
Change in net position	\$ -
Adjustments to reconcile change in net position to net cash used by operating activities:	
Change in operating assets and liabilities:	
Accounts receivable	31,499
Receivable from Associated Students, Inc., California State University, Long Beach	(9,254)
Deferred Revenue	(5,050)
Payable to Associated Students, Inc., California State University, Long Beach	<u>(17,195)</u>
Net Cash Used by Operating Activities	<u><u>\$ -</u></u>

# ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH

## ISABEL PATTERSON CHILD DEVELOPMENT CENTER

### Notes to Financial Statements

Year Ended June 30, 2020

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#### Note 1 – Organization and Summary of Significant Accounting Policies

##### Nature of Activities

Associated Students, Inc., California State University, Long Beach (Associated Students or ASI) is a nonprofit, tax exempt, California State University auxiliary organization located on the campus of California State University, Long Beach (University or CSULB). The University is one of 23 campuses in the California State University System (System). Associated Students was established to administer various student programs and activities including the Isabel Patterson Child Development Center (Center). The Center is a childcare facility operated by Associated Students on the campus of the University under a lease and operating agreement with the System. During the fiscal year ended June 30, 2020, the Center operated the following programs for the benefit of University students, faculty, staff and the community:

- a) Child Development Program: Provides child care and development services.
- b) Child Care Food Program: Provides free and subsidized meals.

##### Financial Reporting Entity

The basic financial statements include the accounts of Associated Students. Associated Students is a government organization under accounting principles generally accepted in the United States of America (US GAAP) and is also a component unit of the University, a public university under the California State University system. Associated Students has chosen to use the reporting model for special-purpose governments engaged only in business-type activities.

##### Basis of Presentation

The basic financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with US GAAP as prescribed by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Voluntary non-exchange transactions are recognized as revenue as soon as all eligibility requirements have been met.

##### Use of Estimates

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

##### Classification of Revenues and Expenses

Associated Students considers operating revenues and expenses in the statement of revenues, expenses, and changes in net position to be those revenues and expenses that result from exchange transactions or from other activities that are connected directly with Associated Students' primary functions. Exchange transactions include charges for services rendered and the acquisition of goods and services. Certain other transactions are reported as non-operating revenues and expenses in accordance with GASB Statement No. 35.

Revenue from grants/contracts is recognized to the extent of eligible costs incurred up to an amount not to exceed the total grant/contract authorized. Deferred revenue results from registration deposits received for enrollment of non-certified children that are applicable to the subsequent period.

##### Accounts Receivable

The accounts receivable arise in the normal course of operations. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt write-offs experienced in the past, and establish an allowance for doubtful accounts for uncollectible amounts. Management believes that all accounts receivable are fully collectible, therefore, no allowance for doubtful accounts is considered necessary.



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Notes to Financial Statements**

Year Ended June 30, 2020

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**Note 1 – Organization and Summary of Significant Accounting Policies, continued**

Contributed Materials and Services

Contributed materials are recorded at their fair market value where an objective basis is available to measure their value. Such items are capitalized or charged to operations as appropriate. The Center receives a substantial amount of services donated by volunteers in carrying out the operation of the Center. The services do not meet the criteria as contributions and are, therefore, not recognized in the financial statements.

Income Taxes

Associated Students is a qualified nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. In addition, Associated Students qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi) and has been classified as an organization that is not a private foundation under Section 509(a)(1). However, Associated Students remains subject to taxes on any net income which is derived from a trade or business, regularly carried on, and unrelated to its exempt purpose.

Associated Students follows accounting standards generally accepted in the United States of America related to the recognition of uncertain tax positions. Associated Students recognizes accrued interest and penalties associated with uncertain tax positions as part of the statement of revenues, expenses, and changes in net position, when applicable. Management has determined that the Associated Students has no uncertain tax positions at June 30, 2020 and therefore no amounts have been accrued.

Reconciliation of California Department of Education (CDE) and US GAAP Expense Reporting

The supplementary combining statements of net position and revenues, expenses, and changes in net position and basic financial statements present financial data in conformity with US GAAP. The other supplementary financial data presented in the audit, including data in the schedule of expenditures by state categories, present expenditures according to CDE reporting requirements. However, reporting differences arise because CDE contract funds must be expended during the contract period (usually one year). For example, program amounts that are capitalized and depreciated over multiple years under US GAAP are expensed in the contract period under CDE requirements. There were no such reporting differences for the year ended June 30, 2020.

Subsequent Events

Associated Students has evaluated subsequent events through December 10, 2020, which is the date the financial statements were available to be issued.

**Note 2 – Accounts Receivable**

Accounts receivable consist of the following:

Grants Receivable – CSPP-9152	\$	1,304
Grants Receivable – CCTR-9064		177
		<hr/>
	\$	1,481
		<hr/>

As of June 30, 2020, 100% of accounts receivable were from a single grantor.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH**  
**ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Notes to Financial Statements**

Year Ended June 30, 2020

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**Note 3 – Contingencies**

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

**Note 4 – Subsequent Event**

In December 2019, a novel strain of coronavirus (COVID-19) was reported in Wuhan, China. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States of America (U.S.) has caused business disruption through mandated and voluntary closings of businesses and shelter-in-place orders, including California, where Associated Students is located. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of business closures, shelter-in-place orders, and the ultimate impact of governmental initiatives. It is at least reasonably possible that this matter will negatively impact Associated Students. However, the financial impact and duration cannot be reasonably estimated at this time.

As of the date through which Associated Students has evaluated events occurring subsequent to the statement of financial position, June 30, 2020, Associated Students believes it understands the risk associated with COVID-19. Associated Students is in the process of implementing risk mitigation tactics for Associated Students as to the risk of the impact of COVID-19 related to all aspects of Associated Students' business transactions with customers and vendors and human interaction within and outside of the Associated Students.

Continued closure of the child development center since March 2020 has presented the most significant impact on ASI's operating revenue as compared to other department budgets. Prior to the pandemic, management estimated over \$900,000 in revenue from user fees to be realized from the Center in fiscal year 2020-2021. Thus, the continued closure that is anticipated to last through spring 2021, will have an overall impact on the budget to the amount of just over \$900,000 in operating revenues. Simultaneously, the Center's management and teaching staff have been required to continue working, mostly remotely, to further safeguard the facility for an eventual reopening, further straining resources on the maintenance and capital budget side. Teaching staff are navigating a remote environment in which they develop and deliver curriculum to previous clients of the Center via virtual formats, also necessitating financial resources. A small benefit during this time is the ability to retain most of the Center's government contract revenues, but those sources of funding are also precarious in an environment where the future impacts of the pandemic are uncertain. Despite these challenges, management has developed and regularly updates a Reopening Plan that aims to best prepare the Center to gradually reopen upon approval from university and health officials.

**SUPPLEMENTAL INFORMATION**

**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 Audit Committee  
Associated Students, Inc., California State University, Long Beach  
Isabel Patterson Child Development Center

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Associated Students, Inc., California State University, Long Beach, Isabel Patterson Child Development Center (Center), which comprise the statement of net position as of June 30, 2020, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated December 10, 2020.

### **Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2020-001, which we consider to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2020-001.

**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*, CONTINUED**

**Associated Students, Inc., California State University, Long Beach, Isabel Patterson Child Development Center's Response to Findings**

The Center's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The Center's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Aldrich CPAs + Advisors LLP*

San Diego, California  
December 10, 2020

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Expenditures of Federal and State Awards  
Year Ended June 30, 2020**

Federal/Pass-Through Grantor and Program Title	Federal CFDA Number	Grantor's Number	Award Amount		Expenditures
			Federal	State	
<u>Research and Development Cluster:</u>					
<u>U.S. Department of Education</u>					
Direct Program:					
CSULB CCAMPIS Project	84.335	P335A170087-19	\$ 137,502	\$ -	\$ 116,253
Total Research and Development Cluster			137,502	-	116,253
<u>U.S. Department of Agriculture</u>					
Pass-through California Department of Education:					
Child Nutrition and Food Distribution Division:					
Child and Adult Care Food Program - Center	10.558	04493-CACFP-19-NP-IC	27,394	-	27,394
<u>U.S. Department of Health &amp; Human Services</u>					
Pass-through California Department of Education:					
General Child Care & Development Program	93.575/93.596	CCTR-9064	36,178	102,725	122,643
California State Preschool Program	N/A	CSPP-9152	-	138,180	120,400
			36,178	240,905	243,043
Total Federal and State			\$ 201,074	\$ 240,905	\$ 386,690

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Note to Schedule of Expenditures of Federal and State Awards**

Year Ended June 30, 2020

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**Note 1 – Basis of Presentation**

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Associated Students, Inc., California State University, Long Beach, Isabel Patterson Child Development Center and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Audit Guide for Child Development, Nutrition, and Adult Basic Education programs, issued by the California Department of Education.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**General Information**

Year Ended June 30, 2020

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Full official name of agency:	Associated Students, Inc. California State University, Long Beach Isabel Patterson Child Development Center
Program type:	Child development program
Project number:	19-B776-00-6
Type of agency:	Nonprofit corporation
Address of agency headquarters:	1212 Bellflower Boulevard Long Beach, CA 90815
<u>Program Name</u> General Child Care and Development Program California State Preschool Program	<u>Contract Number</u> CCTR-9064 CSPP-9152
Name and address of Executive Director:	Miles Nevin 1212 Bellflower Boulevard Long Beach, CA 90815
Name and address of Director of Administrative Services:	Martiz Ware 1212 Bellflower Boulevard Long Beach, CA 90815
Telephone number:	(562) 985-2437, Associated Students, Inc. (562) 985-5333, Child Development Center
Period covered by examination:	July 1, 2019 to June 30, 2020
Number of days of operation of agency:	194
Scheduled hours of operation each day:	Monday through Thursday: 7:00 am to 6:00 pm Friday: 7:00 a.m. to 5:30 p.m.



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Combining Statement of Net Position**  
June 30, 2020

	Child Development Program	Child Care Food Program	Total
<b>ASSETS</b>			
Accounts Receivable	\$ 1,481	\$ -	\$ 1,481
Receivable from Associated Students, Inc., California State University, Long Beach	<u>9,254</u>	<u>-</u>	<u>9,254</u>
Total Assets	<u>10,735</u>	<u>-</u>	<u>10,735</u>
<b>LIABILITIES</b>			
Deferred Revenue	7,050	-	7,050
Payable to Associated Students, Inc., California State University, Long Beach	<u>3,685</u>	<u>-</u>	<u>3,685</u>
Total Liabilities	<u>10,735</u>	<u>-</u>	<u>10,735</u>
<b>NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
Year Ended June 30, 2020

	General Child Care and Development CCTR-9064	California State Preschool Program CSPP-9152	Total
Revenue and Support:			
State apportionments	\$ 122,643	\$ 120,400	\$ 243,043
Federal apportionments	48,374	67,878	116,252
Child care food program	12,098	15,296	27,394
CSULB apportionments	51,315	72,004	123,319
Parent fees	233,058	283,580	516,638
ASI fees	295,664	414,870	710,534
Contributions and other income	3,819	5,358	9,177
	<u>766,971</u>	<u>979,386</u>	<u>1,746,357</u>
Total Revenue and Support			
Expenses:			
Salaries	687,026	713,903	1,400,929
Employee benefits	200,712	261,811	462,523
Books and supplies	25,407	34,266	59,673
Services and other operating expenses	42,995	59,408	102,403
	<u>956,140</u>	<u>1,069,388</u>	<u>2,025,528</u>
Total Expenses			
Change in Net Position Prior to Transfers	(189,169)	(90,002)	(279,171)
Transfers from the General Fund of the Associated Students, Inc., California State University, Long Beach	<u>189,169</u>	<u>90,002</u>	<u>279,171</u>
Change in Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Expenditures by State Categories  
Year Ended June 30, 2020**

	CCTR-9064 Reimbursable	CSPP-9152 Reimbursable	Total Reimbursable
1000 <u>Certificated Salaries</u>	\$ 311,945	287,077	\$ 599,022
2000 <u>Classified Salaries</u>	375,081	426,826	801,907
3000 <u>Employee Benefits</u>	200,712	261,811	462,523
4000 <u>Books and Supplies</u>	25,407	34,266	59,673
4300 <u>Materials and Supplies</u>	8,159	11,004	19,163
4700 <u>Food</u>	17,248	23,262	40,510
5000 <u>Services and Other Operating Expenses</u>	42,995	59,408	102,403
5100 <u>Contracts for personnel services</u>	3,641	5,033	8,674
5200 <u>Travel, conferences and other</u>	3,261	4,505	7,766
5400 <u>Insurance</u>	13,601	18,793	32,394
5500 <u>Operations and housekeeping</u>	1,754	2,424	4,178
5600 <u>Rentals, leases and repairs</u>	11,845	16,366	28,211
5700 <u>Legal, election and audit</u>	5,404	7,466	12,870
5800 <u>Other services and operating expenses</u>	3,489	4,821	8,310
6000 <u>Capital Outlay</u>	-	-	-
6500 <u>Equipment replacement</u>	-	-	-
<u>Other Non-reimbursable Expenses</u>	-	-	-
<u>Depreciation</u>	-	-	-
<u>In-kind expenses</u>	-	-	-
<b>Total expenditures</b>	<b>\$ 956,140</b>	<b>\$ 1,069,388</b>	<b>\$ 2,025,528</b>

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

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Equipment Expenditures Utilizing Contract Funds  
Year Ended June 30, 2020**

	<u>CCTR-9064</u>	<u>CSPP-9152</u>	<u>Total</u>
Unit Cost Under \$7,500 Per Item:			
None	\$ -	\$ -	\$ -
Unit Cost \$7,500 or More Per Item With Prior Written Approval			
None	-	-	-
Unit Cost \$7,500 or More Per Item Without Prior Approval			
None	-	-	-
Total Equipment Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reimbursable Expenditures for Renovations and Repairs  
Year Ended June 30, 2020**

	<u>CCTR-9064</u>	<u>CSPP-9152</u>	<u>Total</u>
Unit Cost Under \$10,000 Per Item:			
None	\$ -	\$ -	\$ -
Unit Cost \$10,000 or More Per Item With Prior Written Approval			
None	-	-	-
Unit Cost \$10,000 or More Per Item Without Prior Approval			
None	-	-	-
Total Renovation and Repair Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Administrative Costs**

Year Ended June 30, 2020

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	CCTR-9064	CSPP-9152	Total
Salaries, benefits, and overhead	\$ 75,106	\$ 105,387	\$ 180,493

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Summary of Claim**

Year Ended June 30, 2020

---

Federal Fund Reimbursement Variance			
Amount Reimbursable from Federal Fund	\$	24,146	
Less: Federal Fund Payments to Date		<u>24,146</u>	\$ -
Cash In-Lieu Reimbursement:			
Allowed		3,248	
Paid	\$	<u>3,248</u>	-
Total Program Reimbursement Refund			\$ <u><u>-</u></u>

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Statement of Claim**

Year Ended June 30, 2020

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Reimbursement per Examination (Supported by pages 22-25)	\$ 27,394
Program Reimbursements Claimed and Received	<u>27,394</u>
Amount Due from Agency	<u>\$ -</u>

**Footnotes:**

Note 1: Total income accrued to the program for year ended June 30, 2020 was \$27,394.

Note 2: All Child Care Food Program claims for reimbursement have been paid.

Note 3: There were no revised claims for the year ended June 30, 2020.



**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Meals and Earned Reimbursement  
Year Ended June 30, 2020**

**FIXED PERCENTAGE METHOD**

<b>Federal Meal Compensation</b>	<b>Reported</b>	<b>Meals Adjusted</b>	<b>Allowed</b>	<b>Food Service Rates</b>	<b>Revenue Recognized</b>	<b>Audit Adjustments</b>	<b>Earned Reimbursement</b>
<b>Breakfast</b>							
Free	1,622	-	1,622	\$ 1.84	\$ 2,984	\$ -	\$ 2,984
Reduced	596	-	596	\$ 1.54	918	-	918
Base	5,304	-	5,304	\$ 0.31	1,644	-	1,644
<b>Total</b>	<b>7,522</b>	<b>-</b>	<b>7,522</b>		<b>\$ 5,546</b>	<b>\$ -</b>	<b>\$ 5,546</b>
<b>Lunch</b>							
Free	2,662	-	2,662	\$ 3.41	\$ 9,078	\$ -	\$ 9,078
Reduced	1,056	-	1,056	\$ 3.01	3,179	-	3,179
Base	9,959	-	9,959	\$ 0.32	3,187	-	3,187
<b>Total</b>	<b>13,677</b>	<b>-</b>	<b>13,677</b>		<b>\$ 15,444</b>	<b>\$ -</b>	<b>\$ 15,444</b>
<b>Supplement</b>							
Free	2,098	-	2,098	\$ 0.94	\$ 1,972	\$ -	\$ 1,972
Reduced	920	-	920	\$ 0.47	432	-	432
Base	9,397	-	9,397	\$ 0.08	752	-	752
<b>Total</b>	<b>12,415</b>	<b>-</b>	<b>12,415</b>		<b>\$ 3,156</b>	<b>\$ -</b>	<b>\$ 3,156</b>
<b>Total Federal Meal Reimbursement</b>					<b>24,146</b>	<b>-</b>	<b>\$ 24,146</b>
<b>Cash-in-Lieu</b>	<b>13,677</b>	<b>-</b>	<b>13,677</b>	<b>\$ 0.2375</b>	<b>3,248</b>	<b>-</b>	<b>3,248</b>
<b>Total Federal Reimbursement</b>					<b>\$ 27,394</b>	<b>\$ -</b>	<b>\$ 27,394</b>
<b>State Meal Compensation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 0.1822</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

See independent auditors' report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Eligibility  
Year Ended June 30, 2020**

**FIXED PERCENTAGE METHOD**

	July	August	September	October	November	December	January	February	March	April	May	June
<u>Total Enrolled</u>												
Reported	-	157	157	162	162	162	162	162	162	-	-	-
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	157	157	162	162	162	162	162	162	-	-	-
<u>Eligibility Categories</u>												
Free												
Reported	-	46	46	32	32	32	32	32	32	-	-	-
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	46	46	32	32	32	32	32	32	-	-	-
Reduced												
Reported	-	16	16	12	12	12	12	12	12	-	-	-
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	16	16	12	12	12	12	12	12	-	-	-
Base												
Reported	-	95	95	118	118	118	118	118	118	-	-	-
Adjusted	-	-	-	-	-	-	-	-	-	-	-	-
Allowed	-	95	95	118	118	118	118	118	118	-	-	-

See independent auditors' report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Reported, Adjusted, and Allowed Meals  
Year Ended June 30, 2020**

**FIXED PERCENTAGE METHOD**

	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>
		July 2019			August 2019			September 2019	
<u>Breakfast</u>									
Free	-	-	-	89	-	89	355	-	355
Reduced	-	-	-	31	-	31	123	-	123
Base	-	-	-	199	-	199	733	-	733
Total	-	-	-	<b>319</b>	-	<b>319</b>	<b>1,211</b>	-	<b>1,211</b>
<u>Lunch</u>									
Free	-	-	-	134	-	134	590	-	590
Reduced	-	-	-	48	-	48	208	-	208
Base	-	-	-	327	-	327	1,418	-	1,418
Total	-	-	-	<b>509</b>	-	<b>509</b>	<b>2,216</b>	-	<b>2,216</b>
<u>Supplement</u>									
Free	-	-	-	114	-	114	493	-	493
Reduced	-	-	-	41	-	41	179	-	179
Base	-	-	-	327	-	327	1,448	-	1,448
Total	-	-	-	<b>482</b>	-	<b>482</b>	<b>2,120</b>	-	<b>2,120</b>
	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>	<u>Reported</u>	<u>Adjusted</u>	<u>Allowed</u>
		October 2019			November 2019			December 2019	
<u>Breakfast</u>									
Free	286	-	286	212	-	212	144	-	144
Reduced	107	-	107	80	-	80	54	-	54
Base	1,055	-	1,055	793	-	793	532	-	532
Total	<b>1,448</b>	-	<b>1,448</b>	<b>1,085</b>	-	<b>1,085</b>	<b>730</b>	-	<b>730</b>
<u>Lunch</u>									
Free	481	-	481	347	-	347	240	-	240
Reduced	198	-	198	143	-	143	99	-	99
Base	2,030	-	2,030	1,462	-	1,462	1,019	-	1,019
Total	<b>2,709</b>	-	<b>2,709</b>	<b>1,952</b>	-	<b>1,952</b>	<b>1,358</b>	-	<b>1,358</b>
<u>Supplement</u>									
Free	361	-	361	266	-	266	189	-	189
Reduced	172	-	172	123	-	123	89	-	89
Base	1,874	-	1,874	1,337	-	1,337	975	-	975
Total	<b>2,407</b>	-	<b>2,407</b>	<b>1,726</b>	-	<b>1,726</b>	<b>1,253</b>	-	<b>1,253</b>

See independent auditors' report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

Schedule of Reported, Adjusted, and Allowed Meals, continued  
Year Ended June 30, 2020

**FIXED PERCENTAGE METHOD**

	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
<u>Breakfast</u>		January 2020			February 2020			March 2020	
Free	163	-	163	252	-	252	121	-	121
Reduced	61	-	61	95	-	95	45	-	45
Base	601	-	601	946	-	946	445	-	445
<b>Total</b>	<b>825</b>	<b>-</b>	<b>825</b>	<b>1,293</b>	<b>-</b>	<b>1,293</b>	<b>611</b>	<b>-</b>	<b>611</b>
<u>Lunch</u>									
Free	258	-	258	417	-	417	195	-	195
Reduced	107	-	107	172	-	172	81	-	81
Base	1,103	-	1,103	1,763	-	1,763	837	-	837
<b>Total</b>	<b>1,468</b>	<b>-</b>	<b>1,468</b>	<b>2,352</b>	<b>-</b>	<b>2,352</b>	<b>1,113</b>	<b>-</b>	<b>1,113</b>
<u>Supplement</u>									
Free	201	-	201	321	-	321	153	-	153
Reduced	94	-	94	149	-	149	73	-	73
Base	1,029	-	1,029	1,616	-	1,616	791	-	791
<b>Total</b>	<b>1,324</b>	<b>-</b>	<b>1,324</b>	<b>2,086</b>	<b>-</b>	<b>2,086</b>	<b>1,017</b>	<b>-</b>	<b>1,017</b>
	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>	<b>Reported</b>	<b>Adjusted</b>	<b>Allowed</b>
<u>Breakfast</u>		April 2020			May 2020			June 2020	
Free	-	-	-	-	-	-	-	-	-
Reduced	-	-	-	-	-	-	-	-	-
Base	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Lunch</u>									
Free	-	-	-	-	-	-	-	-	-
Reduced	-	-	-	-	-	-	-	-	-
Base	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<u>Supplement</u>									
Free	-	-	-	-	-	-	-	-	-
Reduced	-	-	-	-	-	-	-	-	-
Base	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

See independent auditors' report.

# California Department of Education Audited Attendance and Fiscal Report for Child Development Programs

Fiscal Year Ending **June 30, 2020**

Contract Number **CCTR-9064**

Vendor Code **B776**

A U D 9500 Page 1 of 8

Full Name of Contractor **Associated Students, California State University Long Beach**

## Section 1 - Days of Enrollment Certified Children

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	0
Infants (up to 18 months) Full-time	137		137	2.4400	334.28
Infants (up to 18 months) Three-quarters-time	87		87	1.8300	159.21
Infants (up to 18 months) One-half-time	156		156	1.3420	209.352
Toddlers (18 up to 36 months) Full-time-plus				2.1240	0
Toddlers (18 up to 36 months) Full-time	604		604	1.8000	1,087.2
Toddlers (18 up to 36 months) Three-quarters-time	313		313	1.3500	422.55
Toddlers (18 up to 36 months) One-half-time	112		112	0.9900	110.88
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time	8		8	1.0000	8
Three Years and Older Three-quarters-time	6		6	0.7500	4.5
Three Years and Older One-half-time	141		141	0.5500	77.55
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.8470	0

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 1 - Days of Enrollment Certified Children (continued)**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6050	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.0615	0
<b>TOTAL CERTIFIED DAYS OF ENROLLMENT</b>	<b>1,564</b>		<b>1,564</b>	<b>N/A</b>	<b>2,413.522</b>
<b>DAYS OF OPERATION</b>	<b>194</b>		<b>194</b>	<b>N/A</b>	<b>N/A</b>
<b>DAYS OF ATTENDANCE</b>	<b>1,531</b>	<b>1</b>	<b>1,532</b>	<b>N/A</b>	<b>N/A</b>

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

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 2 - Days of Enrollment Non-Certified Children**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	0
Infants (up to 18 months) Full-time	513	51	564	2.4400	1,376.16
Infants (up to 18 months) Three-quarters-time	73	8	81	1.8300	148.23
Infants (up to 18 months) One-half-time	128	24	152	1.3420	203.984
Toddlers (18 up to 36 months) Full-time-plus	76	23	99	2.1240	210.276
Toddlers (18 up to 36 months) Full-time	1,366	290	1,656	1.8000	2,980.8
Toddlers (18 up to 36 months) Three-quarters-time	647	114	761	1.3500	1,027.35
Toddlers (18 up to 36 months) One-half-time	491	112	603	0.9900	596.97
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time	102	1	103	1.0000	103
Three Years and Older Three-quarters-time	1,089	226	1,315	0.7500	986.25
Three Years and Older One-half-time	3,171	706	3,877	0.5500	2,132.35
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.8470	0

Full Name of Contractor **Associated Students, California State University Long Beach**

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

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6050	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.0615	0
<b>TOTAL NON-CERTIFIED DAYS OF ENROLLMENT</b>	<b>7,656</b>	<b>1,555</b>	<b>9,211</b>	<b>N/A</b>	<b>9,765.37</b>



Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 3 - Revenue**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	12,098		12,098
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
<b>Restricted Income - Subtotal</b>	<b>12,098</b>		<b>12,098</b>
Transfer From Reserve			
Family Fees for Certified Children	376		376
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children	306,718	-74,036	232,682
Unrestricted Income - Head Start			
Unrestricted Income - Other:	224,519	174,653	399,172
<b>Total Revenue</b>	<b>543,711</b>	<b>100,617</b>	<b>644,328</b>

Comments: See Finding 2020-001 on the Schedule of Findings and Questioned Costs

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 4 - Reimbursable Expenses**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	225,118	86,827	311,945
2000 Classified Salaries	292,509	82,572	375,081
3000 Employee Benefits	109,552	91,160	200,712
4000 Books and Supplies	37,109	-11,702	25,407
5000 Services and Other Operating Expenses	36,939	6,056	42,995
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)			
Non-Reimbursable (State use only)			
<b>Total Reimbursable Expenses</b>	<b>701,227</b>	<b>254,913</b>	<b>956,140</b>
Total Administrative Cost (included in Section 4 above)		75,106	75,106
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate:

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

Full Name of Contractor Associated Students, California State University Long Beach

**Section 7 - Summary**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	1,564		1,564
Days of Operation	194		194
Days of Attendance	1,531	1	1,532
Restricted Program Income	12,098		12,098
Transfer from Reserve			
Family Fees for Certified Children	376		376
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	701,227	254,913	956,140
Total Administrative Cost		75,106	75,106
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment 2,413.522

Total Non-Certified Adjusted Days of Enrollment 9,765.37

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

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

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

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

# California Department of Education Audited Attendance and Fiscal Report for California State Preschool Programs

A U D 8501 Page 1 of 8

Fiscal Year Ending **June 30, 2020**

Contract Number **CSPP-9152**

Vendor Code **B776**

Full Name of Contractor **Associated Students, California State University Long Beach**

## Section 1 - Days of Enrollment Certified Children

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time	1,327		1,327	1.0000	1,327
Three Years and Older Three-quarters-time	1,340		1,340	0.7500	1,005
Three Years and Older One-half-time	394		394	0.6193	244.0042
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.9537	0
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6193	0

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 1 - Days of Enrollment Certified Children (continued)**

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.1952	0
<b>TOTAL DAYS OF ENROLLMENT</b>	<b>3,061</b>		<b>3,061</b>	N/A	<b>2,576.0042</b>
<b>DAYS OF OPERATION</b>	<b>194</b>		<b>194</b>	N/A	N/A
<b>DAYS OF ATTENDANCE</b>	<b>3,009</b>	<b>-1</b>	<b>3,008</b>	N/A	N/A

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

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 2 - Days of Enrollment Non-Certified Children**

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Toddlers (18 up to 36 months) Full-time-plus				2.1240	0
Toddlers (18 up to 36 months) Full-time	76		76	1.8000	136.8
Toddlers (18 up to 36 months) Three-quarters-time	69		69	1.3500	93.15
Toddlers (18 up to 36 months) One-half-time	22		22	0.9900	21.78
Three Years and Older Full-time-plus	235		235	1.1800	277.3
Three Years and Older Full-time	4,510		4,510	1.0000	4,510
Three Years and Older Three-quarters-time	2,369		2,369	0.7500	1,776.75
Three Years and Older One-half-time	1,396		1,396	0.6193	864.5428
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.9537	0

Full Name of Contractor **Associated Students, California State University Long Beach**

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

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	0
Limited and Non-English Proficient Full-time				1.1000	0
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6193	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.1952	0
<b>TOTAL NON-CERTIFIED DAYS OF ENROLLMENT</b>	<b>8,677</b>		<b>8,677</b>	<b>N/A</b>	<b>7,680.3228</b>

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 3 - Revenue**

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	15,296		15,296
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
<b>Restricted Income - Subtotal</b>	<b>15,296</b>		<b>15,296</b>
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
<b>Transfer from Reserve Total</b>			
Family Fees for Certified Children	2,776		2,776
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children	280,804		280,804
Unrestricted Income - Head Start			
Unrestricted Income - Other:	635,262	-75,152	560,110
<b>Total Revenue</b>	<b>934,138</b>	<b>-75,152</b>	<b>858,986</b>

Comments: See Finding 2020-001 on the Schedule of Findings and Questioned Costs



Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 4 - Reimbursable Expenses**

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	255,464	31,613	287,077
2000 Classified Salaries	381,998	44,828	426,826
3000 Employee Benefits	207,313	54,498	261,811
4000 Books and Supplies	46,861	-12,595	34,266
5000 Services and Other Operating Expenses	44,319	15,089	59,408
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)			
Non-Reimbursable (State use only)			
<b>Total Reimbursable Expenses</b>	<b>935,955</b>	<b>133,433</b>	<b>1,069,388</b>
Total Administrative Cost (included in Section 4 above)		105,387	105,387
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate:

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

Full Name of Contractor **Associated Students, California State University Long Beach**

**Section 7 - Summary**

	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	3,061		3,061
Days of Operation	194		194
Days of Attendance	3,009	-1	3,008
Restricted Program Income	15,296		15,296
Transfer from Reserve			
Family Fees for Certified Children	2,776		2,776
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	935,955	133,433	1,069,388
Total Administrative Cost		105,387	105,387
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment **2,576.0042**

Total Non-Certified Adjusted Days of Enrollment **7,680.3228**

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

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

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

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

See independent auditors' report.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Schedule of Findings and Questioned Costs  
Year Ended June 30, 2020**

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**Financial Reporting Findings**

None reported.

**Child Development Programs Findings**

**Finding 2020-001**

1. *Program Information:* General Child Care and Development Program, CFDA 93.575/93.596 (CCTR-9604) and California State Preschool Program (CSPP-9152).
2. *Criteria:* Enrollment for each program is required to be reported to the California Department of Education (CDE) on a quarterly or monthly basis for both certified (subsidized) and non-certified (non-subsidized) children. Reports must indicate how many days were attended for one-half-time, three-quarters-time, full-time, and full-time-plus. In addition, revenues and expenses for each program are required to be reported to the CDE on a quarterly or monthly basis by category.
3. *Condition:* In quarter two, certified attendance for CCTR-9064 was over-reported by one day and certified attendance for CSPP-9152 was under-reported by one day. Also in quarter two, non-certified enrollment for CCTR-9064 was misreported across all age and time categories. In quarter four, revenues and expenses for CCTR -9064 were misreported across all categories.
4. *Questioned Costs:* The related conditions did not result in reportable questioned costs.
5. *Context:* During the audit, a comparison was made between the summary of daily enrollment and attendance for each program per the attendance records to totals of enrollment and attendance reported on Forms 8501 and 9500. For certified quarter two reporting, attendance was off by one day due to human error in counting the absences on the attendance records. For non-certified quarter two reporting, the error was the result of mistakenly using the certified attendance records for reporting rather than the non-certified attendance records.

During the audit, a comparison was made between the revenues and expenses per the general ledger for each program to the revenues and expenses reported on Forms 8501 and 9500. The quarter four error in this amount was the result of mistakenly using the quarter three revenues and expenses for reporting in the revised version of the quarter four Form 9500 rather than the quarter four revenues and expenses per the general ledger.

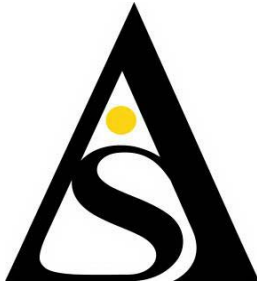
6. *Effect:* Considered to be a significant deficiency in controls over financial reporting and compliance.
7. *Cause:* Quarterly reporting was not reviewed for accuracy before submission.
8. *Recommendation:* We recommend that the Center attempt to identify the cause of the errors and design new controls around reporting. We recommend that more than one individual participate in the reporting progress and that there is appropriate designation of preparation, review, and supervision procedures.
9. *Views of Responsible Officials and Planned Corrective Actions:* See corrective action plan beginning on page 42.

**ASSOCIATED STUDENTS, INC., CALIFORNIA STATE UNIVERSITY, LONG BEACH  
ISABEL PATTERSON CHILD DEVELOPMENT CENTER**

**Status of Corrective Action on Prior Year Findings**  
Year Ended June 30, 2020

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None reported.



**Associated Students, Incorporated**  
California State University, Long Beach  
1212 Bellflower Boulevard  
Long Beach, California 90815-4199

December 10, 2020

Aldrich CPAs + Advisors LLP  
7676 Hazard Center Drive, Suite 1300  
San Diego, CA 92108  
Re: Corrective Action Plan

Dear Aldrich,

The following are responses to the audit findings from the most recent audit of Associated Students, Inc., California State University, Long Beach, Isabel Patterson Child Development Center for the year ended June 30, 2020.

**1. Finding 2020-001**

To avoid misreporting enrollment, attendance, revenues, and expenses moving forward, the Director of the Center will implement the following:

- A. Enrollment and attendance will be tracked and recorded by Dena Peru (Administrative Assistant). Once complete, Luz Lopez (Eligibility Specialist) will review the recorded data for entry into the quarterly report. To ensure data are accurate before submitting to CDE, Dena Peru will conduct a second review of the report focusing on completed enrollment and completed sections of the report.
- B. Revenue and expenses will be recorded after the enrollment and attendance portions of the CDE report is complete. Alec Colchico (Director) will record all revenue and expenses in that portion of the CDE report. Idris Aydin (Accounting Manager) and Stewart Ohanesian (Accounting Analyst) will review this portion of the report for accuracy and final submittal of report.
- C. Quarterly, before any CDE report is submitted, ASI's Business Office and the Center's Administrative team will meet for review of the report and final submittal will be determined upon agreement of completion.

**Contact person(s) responsible for corrective action:**

- 1) Alec Colchico (Director)
- 2) Luz Lopez (Eligibility Specialist)
- 3) Dena Peru (Administrative Assistant)

**Anticipated completion date:** 12/07/2020

Note: the errors found in 2019-2020 are not typical errors the Center encounters. On March 13, 2020, the Center had to close its doors due to the COVID-19 pandemic. This action created some confusion with normal protocols in the revenue and expenses portion of the reporting. In addition, there was new online reporting format for the CDE quarterly report in which no training or guidance was provided.

As far as the enrollment and attendance portion, human error was at play. By putting in the new protocols of double checks of reported numbers in both areas of enrollment/attendance and revenues/expenses with the combined efforts of the Center's office administration team and ASI's business office, errors will be more easily detected.

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Administrative  
Services  
(562) 985-4994

Government  
Operations  
(562) 985-5241

Patterson Child  
Development Center  
(562) 985-5333

Student  
Media  
(562) 985-1624

University Student  
Union  
(562) 985-5211

See independent auditors' report.