



Financial Statements and Report of Independent
Certified Public Accountants

**Child Care Fund of the Associated Students
of San Diego State University**

June 30, 2015

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Report of Independent Certified Public Accountants

The Board of Directors
Child Care Fund of the Associated Students
Of San Diego State University

We have audited the accompanying financial statements of the Child Care Fund of the Associated Students of San Diego State University (the “Fund”), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

The Reporting Entity

As discussed in Note 1 to the financial statements, the financial statements of the Fund are intended to present the financial position and the changes in financial position of only that portion of the Associated Students of San Diego State University that is attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of the Associated Students of San Diego State University, and the changes in its financial position for the year ended, in conformity with accounting principles generally accepted in the United States of America.

Supplementary 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 on page 13, and the accompanying supplementary information on pages 14 through 26, as required by the California Department of Education, are presented for purposes of additional analysis and are not a required part of the Fund's financial statements. Such supplementary 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. These additional procedures included 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 in conformity with the *CDE Audit Guide* issued by the California Department of Education. In our opinion, the supplementary 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 November 13, 2015 on our consideration of the Fund's internal control over financial reporting and 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 provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

Grant Thornton LLP

San Diego, California
November 13, 2015

Child Care Fund of the Associated Students of
San Diego State University

STATEMENT OF FINANCIAL POSITION

June 30, 2015

	<u>2015</u>
ASSETS	
Cash	\$ -
Receivables, net (Note 2)	<u>35,834</u>
Total assets	<u><u>\$ 35,834</u></u>
LIABILITIES AND NET ASSETS (DEFICIT)	
Other current liabilities	\$ 5,793
Due to other funds of Associated Students of San Diego State University	176,038
Due to State Department of Education	<u>13,218</u>
Total liabilities	195,049
Commitments (Note 3)	
Net assets (deficit), unrestricted	<u>(159,215)</u>
Total liabilities and net assets	<u><u>\$ 35,834</u></u>

The accompanying notes are an integral part of this financial statements.

Child Care Fund of the Associated Students of
San Diego State University

STATEMENT OF ACTIVITIES

Year ended June 30, 2015

	2015
Changes in unrestricted net assets:	
Unrestricted support:	
State apportionments	\$ 228,893
Child care food program	57,752
California State University contribution	57,900
Other unrestricted revenues:	
Parent fees, certified children	10,101
Parent fees, noncertified children	1,668,560
Other	48,506
Total unrestricted revenues and support, net of direct benefits	2,071,712
Expenses:	
Salaries:	
Certified	911,250
Noncertified	430,012
Employee benefits	474,116
Supplies	63,179
Food supplies	100,665
Audit fee	16,500
Facility rent (Note 3)	235,764
Other operating expenses	251,067
Total expenses	2,482,553
Expenses over revenue and other support	(410,841)
Transfers:	
Transfers from Associated Students General Fund	235,764
Transfers to Associated Students Designated Fund	42,310
Total transfers	278,074
Decrease in unrestricted net assets	(132,767)
Net deficit, beginning of year	(26,448)
Net deficit, end of year	\$ (159,215)

The accompanying notes are an integral part of this financial statements.

Child Care Fund of the Associated Students of
San Diego State University

STATEMENT OF CASH FLOWS

Year ended June 30, 2015

	<u>2015</u>
Cash flows from operating activities	
Decrease in unrestricted net assets	\$ (132,767)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Changes in assets and liabilities:	
Receivables	(10,536)
Liability to State Department of Education	(5,234)
Other current liabilities	<u>(693)</u>
Net cash used in operating activities	<u>(149,230)</u>
Cash flows from financing activities	
Net change in due to (from) other funds	<u>148,173</u>
Net cash provided by financing activities	<u>148,173</u>
Net change in cash	<u>(1,057)</u>
Cash	
Beginning of year	<u>1,057</u>
End of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this financial statements.

Child Care Fund of the Associated Students of
San Diego State University

NOTES TO FINANCIAL STATEMENTS

Year ended June 30, 2015

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES

Nature of Organization

The Child Care Fund (the “Fund”), doing business as the SDSU Child Care Center, is a fund administered by the Associated Students of San Diego State University (Associated Students) (a California not-for-profit auxiliary organization of California State University) and accounts for activities associated with offering child care services to students, faculty, staff and members of the community. These financial statements include only the operating accounts of the Fund and are not intended to present the financial position or results of operations of Associated Students.

Associated Students is exempt from federal and state income taxes.

The Fund contracts annually with the State of California for aid. These contracts are funded in part by the federal government through the State of California. Support needed to fund the Child Care program beyond any contract revenue, parent fees and any other miscellaneous sources is obtained from the General Fund of Associated Students and reflected as a transfer from the Associated Students General Fund in the statement of activities. In addition, the Fund is provided certain facilities and other services for its operations by Associated Students.

Future facility and equipment replacement funding requirements are provided for and reflected as a transfer to the Associated Students Designated Fund in the statement of activities.

Basis of Accounting and Reporting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The Fund’s financial statements present net assets and revenues classified as unrestricted, temporarily restricted and permanently restricted. These classifications are based on the existence or the absence of donor-imposed restrictions related to contributions and are summarized as follows:

Unrestricted net assets consist of net assets that are neither permanently restricted nor temporarily restricted by external stipulations.

Temporarily restricted net assets consist of unspent amounts that are subject to specific external restrictions that can be fulfilled by actions of the Fund or by the passage of time.

Permanently restricted net assets consist of amounts received with externally imposed stipulations that the funds be held in perpetuity. Generally, the income earned on such amounts is available for use by the Fund for the benefits of the program.

Unrestricted net assets at June 30, 2015 represent funds that are fully available, at the discretion of management and the Board of Directors, for the Fund to utilize in any of its programs or supporting services. There are no temporarily restricted or permanently restricted net assets as of June 30, 2015.

Child Care Fund of the Associated Students of
San Diego State University

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2015

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - Continued

Contributions

Contributions, including unconditional promises to give or to provide services, are recognized in the year the promise is made as opposed to when assets are received. Contributions with donor-imposed restrictions are reported as temporarily restricted or permanently restricted contributions. Temporarily restricted net assets are reclassified to unrestricted net assets at such time as the Fund has fulfilled the donor-imposed restriction. Contributions where donor-imposed restrictions both arose and expired in the same fiscal year are reported as unrestricted contributions.

Cash, Certificates of Deposit, and Cash Held for Others, Student Organizations

The Fund maintains accounts with a financial institution with funds insured by the Federal Deposit Insurance Corporation (“FDIC”). The Fund’s accounts at this institution may, at times, exceed FDIC-insured limits. The Fund has not experienced any losses in such accounts.

Revenues

The Fund generates a significant amount of revenue from providing child care services through state and federally funded programs. State and federal grants are conditioned upon the Fund incurring certain qualifying costs. Accordingly, grant revenue is recognized to the extent that allowable expenses have been incurred, up to the maximum funding provided by the grant. Certified and noncertified parent fees are recognized as revenue as services are performed. Revenues are recorded as unrestricted.

Receivables

Receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a monthly review of all outstanding amounts. Management determines the allowance for doubtful amounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received. The Fund does not charge interest on past due accounts.

Deferred Revenue

The Fund recognizes revenue related to child care services as the services are provided. Accordingly, certain child services fees are received in advance of the service being provided and are included in deferred revenue. Deferred revenue was \$4,823 as of June 30, 2015, and is disclosed within Other Current Liabilities within the statement of financial position.

Due to (from) Other Funds of Associated Students of San Diego State University

The amount represents the cash owed to Associated Students from the Fund or cash held by Associated Students on behalf of the Fund.

Child Care Fund of the Associated Students of
San Diego State University

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2015

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - Continued

Equipment

Acquisitions of equipment reduce the net assets of the Fund through a transfer to the Plant Fund of Associated Students. The Plant Fund is not included in the Fund's financial statements.

Deferred Employee Benefits

Associated Students is a member of the California Public Employees' Retirement System (CalPERS), a multiemployer pension system that provides a contributory defined benefit pension and postretirement benefit program for its salaried employees. CalPERS functions as an investment and administrative agent for participating entities within the state of California.

Further information about the pension and postretirement benefit programs can be obtained from the financial statements of Associated Students as of and for the year ended June 30, 2015.

Due to the State Department of Education

The Fund performs an annual earnings calculation as prescribed by the California Department of Education (CDE) to determine the actual revenues earned for the year. The maximum reimbursable amount is adjusted by the percentage of actual operational days to calculate the actual amount earned. The excess amounts received from the state over the actual amount earned are the amount due to the CDE from the Fund and is disclosed as Due to State Department of Education within the Statement of Financial Position.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include, but are not limited to, assessing the collectability of receivables. Actual results could differ from those estimates.

Subsequent Events

The Fund has evaluated subsequent events through November 13, 2015, the date the financial statements were available to be issued, and has determined that there were no subsequent events to recognize in these financial statements.

Child Care Fund of the Associated Students of
San Diego State University

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2015

NOTE 1 – NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES - Continued

Recent Accounting Pronouncement

On May 28, 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014-09, *Revenue from Contracts with Customers*, which impacts the way in which some entities recognized revenue for certain types of transactions. The new standards will become effective beginning in 2018 for private companies. The Fund is currently assessing the potential impact of this accounting standard and the effect the standard might have on its revenue recognition policy upon adoption.

Income Taxes

The Fund applied the provisions of Financial Accounting Standards Board Accounting Standards Codification 740, *Accounting for Uncertainty in Income Taxes*. The Fund files a Form 990 (Return of Organization Exempt from Income Tax) annually. When these returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the tax position taken or the amount of the position that would ultimately be sustained. Examples of tax positions common to the Fund include such matters as the tax-exempt status of each entity and various positions relative to potential sources of Unrelated Business Income Tax (UBIT). UBIT is reported on Form 990-T, as appropriate. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any.

Tax positions are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely to be realized on settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying statements of financial position, along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Upon adoption and as of June 30, 2015, the Fund has addressed uncertainty in its income tax position, and there are no unrecognized/derecognized tax benefits requiring an accrual.

All tax-exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the organization as a tax-exempt entity under Internal Revenue Code Section 501(c)(3) and applicable state statutes.

As of June 30, 2015, the federal statute of limitations remains open for the 2011 through 2015 tax years. The statute of limitations for the California income tax remains open for 2010 through 2015 tax years.

Child Care Fund of the Associated Students of
San Diego State University

NOTES TO FINANCIAL STATEMENTS - CONTINUED

Year ended June 30, 2015

NOTE 2 – RECEIVABLES

The Fund's receivables, net, consist of the following at June 30, 2015:

State Department of Education Food Program	\$	4,383
Parent Fees		-
San Diego State University		28,950
Other		2,658
		<u>35,991</u>
Less allowance for doubtful accounts		(157)
	\$	<u><u>35,834</u></u>

NOTE 3 – FACILITY RENT

The SDSU Child Care Center operates in a facility of approximately 16,000 square feet, which is leased by Associated Students through June 30, 2016. The rental commitment through the expiration of the lease is \$235,764. Associated Students charges the Fund rent at a rate of \$1.23 per square foot on a month-to-month basis. Rent expense during the year ended June 30, 2015 was \$235,764.

SUPPLEMENTARY INFORMATION

Child Care Fund of the Associated Students of
San Diego State University

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year ended June 30, 2015

Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Pass-Through Grantor's Number / Contract Number	Program or Award Amount			Expenditures		
			Federal	State	Total	Federal	State	Total
FEDERAL								
<u>U.S. Department of Agriculture:</u>								
Passed through State of California Department of Education: Child Care food program	10.558	H37-1548-6A	\$ 57,752	\$ -	\$ 57,752	\$ 57,752	\$ -	\$ 57,752
<u>U.S. Department of Health and Human Services:</u>								
Passed through State of California Department of Education: Child Care and Development Fund (CCDF):								
CCDF General Center Child Care	93.596/93.575	CCTR-4206	58,846	-	58,846	58,846	-	58,846
CCDF General Center Child Care (preschool only)	93.596/93.575	CSPP-4408	25,655	-	25,655	25,655	-	25,655
Total expenditures of federal awards			142,253	-	142,253	142,253	-	142,253
STATE								
Child Development Center Program:								
CCDF General Center Child Care	N/A	CCTR-4206	-	62,055	62,055	-	-	-
CCDF General Center Child Care (preschool only)	N/A	CSPP-4408	-	77,211	77,211	-	-	-
CCDF General Center Child Care	N/A	CCTR-4206/ CSPP-4408	-	-	-	-	2,335,174	2,335,174
CCDF Renovation and Repair Project	N/A	CRPM-2060	-	5,126	5,126	-	5,126	5,126
Total expenditures of state awards			-	144,392	144,392	-	2,340,300	2,340,300
Total expenditures of federal and state awards			\$ 142,253	\$ 144,392	\$ 286,645	\$ 142,253	\$ 2,340,300	\$ 2,482,553

N/A = Not applicable

CFDA = Catalog of Federal Domestic Assistance

Expenditures per this schedule are reported using the same basis of accounting as that used for the statement of activities on page 5 of the financial statements.

Child Care Fund of the Associated Students of
San Diego State University

COMBINING STATEMENT OF ACTIVITIES

Year ended June 30, 2015

	CCTR-4206	CSPP-4408	Food Programs CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts	Non-CDE Programs	Total
Revenue and Support:							
Government contracts:							
Child care programs:	\$ 120,901	\$ 102,866	\$ 223,767	\$ 5,126	\$ 228,893	\$ -	\$ 228,893
Child Care Food Program, #H37-1548-6A	57,752	-	57,752	-	57,752	-	57,752
Subtotal government contracts	<u>178,653</u>	<u>102,866</u>	<u>281,519</u>	<u>5,126</u>	<u>286,645</u>	<u>-</u>	<u>286,645</u>
Other support:							
Unrestricted contributions and other income	106,406	-	106,406	-	106,406	-	106,406
Family fees - certified children	10,101	-	10,101	-	10,101	-	10,101
Family fees - noncertified children	1,668,560	-	1,668,560	-	1,668,560	-	1,668,560
Subtotal other support	<u>1,785,067</u>	<u>-</u>	<u>1,785,067</u>	<u>-</u>	<u>1,785,067</u>	<u>-</u>	<u>1,785,067</u>
Total revenue and support	<u>1,963,720</u>	<u>102,866</u>	<u>2,066,586</u>	<u>5,126</u>	<u>2,071,712</u>	<u>-</u>	<u>2,071,712</u>
Expenses:							
Provider payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries	-	-	1,341,262	-	1,341,262	-	1,341,262
Employee benefits	-	-	474,116	-	474,116	-	474,116
Books and supplies	-	-	163,844	-	163,844	-	163,844
Facility rent	-	-	235,764	-	235,764	-	235,764
Other operating expenses	-	-	222,660	-	222,660	-	222,660
Building repairs and maintenance	-	-	16,365	5,126	21,491	-	21,491
Equipment expense	-	-	23,416	-	23,416	-	23,416
Depreciation	-	-	-	-	-	-	-
In-kind contributions expense	-	-	-	-	-	-	-
General, administrative and indirect	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>-</u>	<u>2,477,427</u>	<u>5,126</u>	<u>2,482,553</u>	<u>-</u>	<u>2,482,553</u>
Expenses over revenue and other support	<u>\$ 1,963,720</u>	<u>\$ 102,866</u>	<u>\$ (410,841)</u>	<u>\$ -</u>	<u>\$ (410,841)</u>	<u>\$ -</u>	<u>\$ (410,841)</u>

Child Care Fund of the Associated Students of
San Diego State University

CHILD DEVELOPMENT CENTER PROGRAM
Project No. 37-H378-00-9

SCHEDULE OF EXPENDITURES BY STATE CATEGORIES

Year ended June 30, 2015

Expenditures	CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts
Direct payments to providers	\$ -	\$ -	\$ -
1100 Certificated salaries	911,250	-	911,250
2000 Classified salaries	430,012	-	430,012
3000 Employee benefits	474,116	-	474,116
4000 Books and supplies	163,844	-	163,844
5000 Services and other operating expenses	428,765	-	428,765
6100/6200 Other approved capital outlay	16,365	5,126	21,491
6400 New equipment	4,182	-	4,182
6500 Replacement equipment	19,234	-	19,234
Depreciation on assets not purchased with public funds	29,659	-	29,659
Start-up expenses-service level exemption	-	-	-
Indirect costs	-	-	-
Total expenses claimed for reimbursement	2,477,427	5,126	2,482,553
Supplemental expenses	-	-	-
Total expenditures	\$ 2,477,427	\$ 5,126	\$ 2,482,553

Child Care Fund of the Associated Students of
San Diego State University

RECONCILIATION OF CDE AND GAAP EXPENSE REPORTING

Year ended June 30, 2015

Expenses	CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts
Schedule of Expenditures by State Categories (CDE)	\$ 2,477,427	\$ 5,126	\$ 2,482,553
Adjustments to reconcile differences in reporting:			
Depreciation on assets funded by CDE-CD1	-	-	-
Capitalized renovation and repairs expensed on AUD forms	-	-	-
Capitalized lease expensed on AUD form	-	-	-
Capitalized carpeting expensed on supplemental AUD Form	-	-	-
Capitalized equipment expensed on AUD form	-	-	-
Audit fees expensed on AUD forms (in advance of services)	-	-	-
Subtotal	-	-	-
Combining statement of activities (GAAP)	<u>\$ 2,477,427</u>	<u>\$ 5,126</u>	<u>\$ 2,482,553</u>

Child Care Fund of the Associated Students of
San Diego State University

CHILD DEVELOPMENT CENTER PROGRAM
Project No. 37-H378-00-9

SCHEDULE OF REIMBURSABLE EQUIPMENT EXPENDITURES

Year ended June 30, 2015

	CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts
<hr/>			
Unit Cost Under \$7,500 Per Item			
Computers/classroom supplies	\$ 23,416	\$ -	\$ 23,416
Subtotal	<u>23,416</u>	<u>-</u>	<u>23,416</u>
Unit Cost Over \$7,500 Per Item			
With Prior Written Approval			
None	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Unit Cost Over \$7,500 Per Item			
Without Prior Approval			
None	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 23,416</u>	<u>\$ -</u>	<u>\$ 23,416</u>

Child Care Fund of the Associated Students of
San Diego State University

CHILD DEVELOPMENT CENTER PROGRAM
Project No. 37-H378-00-9

SCHEDULE OF REIMBURSABLE EXPENDITURES FOR RENOVATIONS AND REPAIRS

Year ended June 30, 2015

	CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts
<hr/>			
Unit Cost Under \$10,000 Per Item			
Computers/classroom supplies	\$ 3,489	\$ 5,126	\$ 8,615
Subtotal	<u>3,489</u>	<u>5,126</u>	<u>8,615</u>
Unit Cost Over \$10,000 Per Item With Prior Written Approval			
None	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Unit Cost Over \$10,000 Per Item Without Prior Approval			
Facility repairs	12,876	-	12,876
Subtotal	<u>12,876</u>	<u>-</u>	<u>12,876</u>
Total	<u>\$ 16,365</u>	<u>\$ 5,126</u>	<u>\$ 21,491</u>

Child Care Fund of the Associated Students of
San Diego State University

CHILD DEVELOPMENT CENTER PROGRAM
Project No. 37-H378-00-9

SCHEDULE OF REIMBURSABLE ADMINISTRATIVE COSTS

Year ended June 30, 2015

Reimbursable Administrative Costs	CCTR-4206 CSPP-4408 Combined	CRPM-2060	Total CDE CD Contracts
Salaries	\$ -	\$ -	\$ -
Employee benefits	-	-	-
Books and supplies	-	-	-
Services and other operating expense	-	-	-
Depreciation on non-CDE-funded assets used in program	-	-	-
Indirect costs	-	-	-
Total	\$ -	\$ -	\$ -

AUDITED ATTENDANCE AND FISCAL REPORT

for California State Preschool Programs

Agency Name: Associated Students of San Diego State University Vendor No. H378

Fiscal Year Ended: June 30, 2015 Contract No. CSPP-4408

Independent Auditor's Name: Grant Thornton LLP

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Three and Four Year Olds</i>					
Full-time-plus			-	1.1800	-
Full-time	2,778	8	2,786	1.0000	2,786.000
Three-quarters-time	243	(17)	226	0.7500	169.500
One-half-time			-	0.6172	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.4160	-
Full-time			-	1.2000	-
Three-quarters-time			-	0.9000	-
One-half-time			-	0.6172	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6172	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6172	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.7700	-
Full-time			-	1.5000	-
Three-quarters-time			-	1.1250	-
One-half-time			-	0.6172	-
TOTAL DAYS OF ENROLLMENT	3,021	(9)	3,012		2,955.500
DAYS OF OPERATION	242		242		
DAYS OF ATTENDANCE	3,013	(9)	3,004		

NO NONCERTIFIED CHILDREN - Check box, omit page 2 & continue to Section III if no noncertified children were enrolled in the program.

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

**AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs**

Agency Name: Associated Students of San Diego State University Vendor No. H378

Fiscal Year Ended: June 30, 2015 Contract No. CSPP-4408

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children.	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
DAYS OF ENROLLMENT	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Three and Four Year Olds</i>					
Full-time-plus			-	1.1800	-
Full-time	17,007		17,007	1.0000	17,007.000
Three-quarters-time	285		285	0.7500	213.750
One-half-time	6		6	0.6172	3.703
<i>Exceptional Needs</i>					
Full-time-plus			-	1.4160	-
Full-time			-	1.2000	-
Three-quarters-time			-	0.9000	-
One-half-time			-	0.6172	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6172	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6172	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.7700	-
Full-time			-	1.5000	-
Three-quarters-time			-	1.1250	-
One-half-time			-	0.6172	-
TOTAL DAYS OF ENROLLMENT	17,298	-	17,298		17,224.453

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

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Associated Students of San Diego State University Vendor No. H378

Fiscal Year Ended: June 30, 2015 Contract No. CCTR-4206

Independent Auditor's Name: Grant Thornton LLP

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus			-	2.006	-
Full-time	753		753	1.700	1,280.100
Three-quarters-time	20		20	1.275	25.500
One-half-time			-	0.935	-
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus			-	1.652	-
Full-time			-	1.400	-
Three-quarters-time			-	1.050	-
One-half-time			-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus			-	1.652	-
Full-time	1,257	25	1,282	1.400	1,794.800
Three-quarters-time	73	(13)	60	1.050	63.000
On-half-time			-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus			-	1.180	-
Full-time	393		393	1.000	393.000
Three-quarters-time	14		14	0.750	10.500
One-half-time			-	0.550	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.416	-
Full-time			-	1.200	-
Three-quarters-time			-	0.900	-
One-half-time			-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.770	-
Full-time			-	1.500	-
Three-quarters-time			-	1.125	-
One-half-time			-	0.825	-
TOTAL DAYS OF ENROLLMENT	2,510	12	2,522		3,566.900
DAYS OF OPERATION	242		242		
DAYS OF ATTENDANCE	2,503	11	2,514		

NO NONCERTIFIED CHILDREN - Check box, omit page 2 & continue to Section III if no noncertified children were enrolled in the program.

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

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Associated Students of San Diego State University Vendor No. H378

Fiscal Year Ended: June 30, 2015 Contract No. CCTR-4206

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children.	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
DAYS OF ENROLLMENT	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus			-	2.006	-
Full-time	3,121		3,121	1.700	5,305.700
Three-quarters-time	57		57	1.275	72.675
One-half-time	1		1	0.935	0.935
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus			-	1.652	-
Full-time			-	1.400	-
Three-quarters-time			-	1.050	-
One-half-time			-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus			-	1.652	-
Full-time	9,558	(1)	9,557	1.400	13,379.800
Three-quarters-time	106	28	134	1.050	140.700
On-half-time			-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus			-	1.180	-
Full-time	2,179	2	2,181	1.000	2,181.000
Three-quarters-time	5		5	0.750	3.750
One-half-time			-	0.550	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.416	-
Full-time			-	1.200	-
Three-quarters-time			-	0.900	-
One-half-time			-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.298	-
Full-time			-	1.100	-
Three-quarters-time			-	0.825	-
One-half-time			-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.770	-
Full-time			-	1.500	-
Three-quarters-time			-	1.125	-
One-half-time			-	0.825	-
TOTAL DAYS OF ENROLLMENT	15,027	29	15,056		21,084.560

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

**AUDITED ATTENDANCE AND FISCAL REPORT
for General or Migrant Center-Based Programs**

Agency Name: Associated Students of San Diego State University Vendor No. H378
 Fiscal Year End: June 30, 2015 Contract No. CCTR-4206
CSSP-4408

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION III - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$57,752		\$57,752
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify):			0
Subtotal	\$57,752	\$0	\$57,752
Transfer from Reserve Contract #			0
Family Fees for Certified Children Contract #			0
CCTR Program Contract # 4206	4,858	258	5,116
CSPP Program Contract # 4408	5,243	(258)	4,985
Interest Earned on Apportionments Contract #			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children	1,668,560		1,668,560
Head Start Program (EC § 8235(b))			0
Other (Specify):	143,257	(36,851)	106,406
TOTAL REVENUE	\$1,879,670	(\$36,851)	\$1,842,819

SECTION IV - REIMBURSABLE EXPENSES			
<i>Direct Payments to Providers (FCCH Only)</i>	\$0		\$0
1000 Certificated Salaries	937,492	(26,242)	911,250
2000 Classified Salaries	429,910	102	430,012
3000 Employee Benefits	474,116		474,116
4000 Books and Supplies	163,950	(106)	163,844
5000 Services and Other Operating Expenses	215,499	242,925	458,424
6100/6200 Other Approved Capital Outlay	0	16,365	16,365
6400 New Equipment (program-related)	4,182		4,182
6500 Replacement Equipment (program-related)	19,234		19,234
Depreciation or Use Allowance	0		0
Start-Up Expenses (service level exemption)	0		0
Budget Impasse Credit Contract #	0		0
Indirect Costs. Rate: 0.00% (Rate is Self-Calculating)	0		0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$2,244,383	\$233,044	\$2,477,427

TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$0		\$0
FOR CDE-A&I USE ONLY:			

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Early Education and Support Division:

Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO): *

YES *

NO - Explain any discrepancies.

Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO): *

YES *

NO - Explain any discrepancies.

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

Other unrestricted income is comprised of the following:
 CSU Allocation: \$57,900
 Donations: \$20,615
 Other: \$27,891

* See 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 on pages 27 and 28.

NO SUPPLEMENTAL REVENUES OR EXPENSES - Check box and omit page 4 if there are no supplemental revenues or expenses to report.

AUD 9500, Page 3 of 4 (FY 2014-15) California Department of Education

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

Agency Name: Associated Students of San Diego State University Vendor No. H378

Fiscal Year End: June 30, 2015 Contract No. CRPM-2060

Contract Term From: 7/1/2012 To: 6/30/2015

Independent Auditor's Name: Grant Thornton LLP

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	PRIOR YEAR'S AUD 9529-CRPM ENDING BALANCE FOR THIS CONTRACT (Multi- Year Contract Only)	CURRENT FISCAL YEAR PER FORM CDFS 9529- CRPM	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE THROUGH CURRENT FISCAL YEAR PER AUDIT
SECTION I - REVENUE				
RESTRICTED INCOME				
Prorated Portion for Nonsubsidized Enrollment	\$0	\$16,257		\$16,257
Other (Specify):				0
Other (Specify):				0
Other (Specify):				0
Subtotal	\$0	\$16,257	\$0	\$16,257
INTEREST EARNED ON APPORTIONMENTS				
				0
UNRESTRICTED INCOME				
Other (Specify):				0
Other (Specify):				0
TOTAL REVENUE	\$0	\$16,257	\$0	\$16,257

SECTION II - REIMBURSABLE EXPENSES

1000 Certificated Salaries				\$0
2000 Classified Salaries				0
3000 Employee Benefits				0
4000 Books and Supplies				0
5000 Services and Other Operating Expenses				0
6100/6200 Other Approved Capital Outlay	3,758	3,758	1,368	8,884
6400 New Equipment (<i>program-related</i>)				0
6500 Replacement Equipment (<i>program-related</i>)				0
Depreciation or Use Allowance				0
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable Capital Outlay				0
Other (Specify):		17,084	(5,126)	11,958
Other (Specify):				0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT (Subsidized and Nonsubsidized)	\$3,758	\$20,842	(\$3,758)	\$20,842
FOR CDE-A&I USE ONLY:				

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

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Agency Name: Associated Students of San Diego State University

Fiscal Year End: June 30, 2015

Vendor No. H378

Independent Auditor's Name: Grant Thornton LLP

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

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

THIS YEAR:			
5. Plus Interest Earned This Year on Reserve Funds (column A must agree with this year's CDFS 9530-A, Section II)			\$0
6. Less Transfers to Contracts from Reserve Account (column A amounts must agree with this year's CDFS 9530-A, Section III; and column C amounts must be reported on this year's AUD forms for respective contracts):			
Contract No.			\$0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred to Contracts from Reserve Account	\$0	\$0	\$0
7. Ending Balance on June 30, 2015 (column A must agree with this year's CDFS 9530-A, Section IV)	\$0	\$0	\$0

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



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*

The Board of Directors
Child Care Fund of the Associated Students
of San Diego State University

Audit • Tax • Advisory

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We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Child Care Fund of the Associated Students of San Diego State University (the “Fund”) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Fund’s basic financial statements, and have issued our report thereon dated November 13, 2015.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the Fund’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 Fund’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund’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 the Fund'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Grant Thornton LLP

San Diego, California
November 13, 2015

Child Care Fund of the Associated Students of
San Diego State University

SCHEDULE OF CHILD CARE FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2015

A. Significant Deficiencies in Internal Control over Financial Reporting

No matters were reported.

B. Compliance Findings

No compliance findings were identified for the year ended June 30, 2015.

Child Care Fund of the Associated Students of
San Diego State University

SCHEDULE OF PRIOR AUDIT FINDINGS

Year ended June 30, 2015

A. Significant Deficiencies in Internal Control over Financial Reporting

No matters were reported, as disclosed by the prior year auditors. Those auditors expressed an unmodified opinion on those 2014 financial statements in their report dated November 11, 2014.

B. Compliance Findings

No compliance findings were identified for the year ended June 30, 2014, as reported by the prior year auditors.