

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

Financial and Compliance Report
June 30, 2014

Contents

General Information	1
Independent Auditor's Report on the Financial Statements and Supplementary Information	2-3
Financial Statements	
Statement of financial position	4
Statement of activities	5
Statement of cash flows	6
Notes to financial statements	7-9
Supplementary Information	
Schedule of expenditures of federal and state awards	10
Combining statement of activities	11
Schedule of expenditures by state categories	12
Reconciliation of CDE and GAAP expense reporting	13
Schedule of reimbursable equipment expenditures	14
Schedule of reimbursable expenditures for renovations and repairs	15
Schedule of reimbursable administrative costs	16
AUD 9500—Audited attendance and fiscal report for child development programs— Contract No. CCTR-3208	17-18
AUD 8501—Audited attendance and fiscal report for California state preschool programs— Contract No. CSPP-3416	19-20
AUD 9500—Audited attendance and fiscal report for child development programs— Contract Nos. CCTR-3208 and CSPP-3416	21
AUD 9529—Audited fiscal report for child development CRPM support contracts— Contract No. CRPM-2060	22
AUD 9530-A—Audited reserve account activity report	23
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	24-25
Schedule of Child Care Findings and Questioned Costs	26
Schedule of Prior Audit Findings	27

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

General Information

June 30, 2014

Full official name of the agency:

Associated Students of San Diego State University System

Child Development Center Program:

Project No. 37-H378-00-9, Contract Nos. CCTR-3208 and CSPP-3416

Type of agency:

Auxiliary Organization of the California State University

Address of agency headquarters:

5500 Campanile Drive
San Diego, CA 92182

Officers:

President—J. Cole

Executive Director—C. Brown

(All may be reached at the agency headquarters address)

Telephone number:

(619) 594-6487

Period covered by the examination:

July 1, 2013 through June 30, 2014

Number of days of operation:

241

Scheduled hours of operation each day:

For children over the age of 18 months—7:00 a.m. to 6:00 p.m., or 11 hours per day

For infants—8:00 a.m. to 4:00 p.m., or 8 hours per day



Independent Auditor's Report on the Financial Statements and Supplementary Information

To the Board of Directors
Child Care Fund of the Associated Students
of San Diego State University
San Diego, CA

Report on the Financial Statements

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, 2014 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 (U.S. GAAP); this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our 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 of 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, 2014, and the changes in its net assets and its cash flows for the year then ended, in conformity with U.S. GAAP.

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 then ended, in conformity with U.S. GAAP.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards on page 10, as required by *Government Auditing Standards*, listed in the table of contents as supplementary information, and the accompanying supplementary information on pages 11 through 23, 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 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 is in conformity with the *Audit Guide for the Audits of Child Development and Nutrition Programs* issued by the California Department of Education, and all other laws, regulations and sub-grant requirements. In our opinion, the schedule of expenditures of federal and state awards and the other 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 12, 2014 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 to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.



San Diego, CA
November 12, 2014

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

**Statement of Financial Position
June 30, 2014**

Assets

Cash	\$	1,057
Receivables, net (Note 2)		25,298
Total assets	\$	26,355

Liabilities and Net Assets (Deficit)

Other Current Liabilities	\$	6,486
Due to Other Funds of Associated Students of San Diego State University		27,865
Due to State Department of Education		18,452
Total liabilities		52,803

Commitment (Note 3)

Net Assets (Deficit), unrestricted		(26,448)
Total liabilities and net assets (deficit)	\$	26,355

See Notes to Financial Statements.

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

**Statement of Activities
Year Ended June 30, 2014**

Changes in unrestricted net assets:	
Unrestricted support:	
State apportionments	\$ 206,982
Child care food program	59,517
California State University contribution	57,900
Other unrestricted revenues:	
Parent fees, certified children	7,052
Parent fees, noncertified children	1,647,159
Other	37,909
Total unrestricted revenues and support, net of direct benefits	<u>2,016,519</u>
Expenses:	
Salaries:	
Certified	867,131
Noncertified	381,964
Employee benefits	439,989
Supplies	51,922
Food supplies	96,703
Audit fee	16,377
Facility rent (Note 3)	235,764
Other operating expenses	227,224
Total expenses	<u>2,317,074</u>
Expenses over revenue and other support	<u>(300,555)</u>
Transfers:	
Transfers from Associated Students General Fund	215,765
Transfers from Associated Students Designated Fund	56,552
Total transfers	<u>272,317</u>
Decrease in unrestricted net assets	<u>(28,238)</u>
Net assets, beginning of year	1,790
Net deficit, end of year	<u><u>\$ (26,448)</u></u>

See Notes to Financial Statements.

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

**Statement of Cash Flows
Year Ended June 30, 2014**

Cash Flows From Operating Activities	
Decrease in unrestricted net assets	\$ (28,238)
Changes in assets and liabilities:	
Receivables	5,021
Liability to State Department of Education	(29,590)
Other current liabilities	471
Net cash used in operating activities	<u>(52,336)</u>
Cash Flows From Financing Activities	
Net change in due to (from) other funds	53,393
Net cash provided by financing activities	<u>53,393</u>
Net change in cash	<u>1,057</u>
Cash	
Beginning of year	-
End of year	<u>\$ 1,057</u>

See Notes to Financial Statements.

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

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of organization: The Child Care Fund (the Fund), d/b/a 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.

A summary of significant accounting policies is as follows:

Basis of accounting and reporting: 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 benefit of the program.

Unrestricted net assets at June 30, 2014 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, 2014.

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.

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

Notes to Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

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. 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 accounts 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 service fees are received in advance of the service being provided and are included in deferred revenue. Deferred revenue was \$6,032 and \$6,015 in the years ended June 30, 2014 and 2013, respectively.

Due to (from) other funds of Associated Students: The amount represents the cash owed to Associated Students from the Fund or held by Associated Students on behalf of the Fund.

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 for the year ended June 30, 2014.

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.

Use of estimates: The preparation of financial statements 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 collectibility of receivables. Actual results could differ from those estimates.

Subsequent events: The Fund has evaluated subsequent events through November 12, 2014, 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

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Income taxes: The Fund applies 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 taxable income (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 statement 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, 2014, the Fund has addressed uncertainty in its income tax position, and there are no unrecognized/derecognized tax benefits requiring an accrual.

Forms 990 and 990-T filed by the Fund are subject to examination by the Internal Revenue Service up to three years from the extended due date of each return. Management believes Forms 990 and 990-T have been filed appropriately. Forms 990 and 990-T filed by the Fund are no longer subject to examination for the fiscal years ended June 30, 2010 and prior.

Note 2. Receivables

The Fund's receivables, net, consist of the following at June 30, 2014:

State Department of Education Food Program	\$ 4,536
Parent fees	7,035
San Diego State University	14,475
	<hr/> 26,046
Less allowance for doubtful accounts	748
	<hr/> <hr/> \$ 25,298

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 \$471,528. 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, 2014 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, 2014**

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
Federal							
U.S. Department of Agriculture:							
Passed through State of California Department of Education:							
Child Care food program	10.558	H37-1548-6A	\$ 59,517	\$ -	\$ 59,517	\$ 59,517	\$ -
U.S. Department of Health and Human Services:							
Passed through State of California Department of Education:							
Child Care and Development Fund (CCDF):							
CCDF General Center Child Care	93.596/ 93.575	CCTR-3208	55,221	-	55,221	55,221	-
CCDF General Center Child Care (preschool only)	93.596/ 93.575	CSPP-3416	26,148	-	26,148	26,148	-
Total expenditures of federal awards			140,886	-	140,886	140,886	-
State							
Child Development Center Program:							
CCDF General Center Child Care	N/A	CCTR-3208	-	53,178	53,178	-	-
CCDF General Center Child Care (preschool only)	N/A	CSPP-3416	-	70,897	70,897	-	-
CCDF General Center Child Care	N/A	CCTR-3208/ CSPP-3416	-	-	-	-	2,174,650
CCDF Renovation and Repair Project	N/A	CRPM-2060	-	1,538	1,538	-	1,538
Total expenditures of state awards			-	125,613	125,613	-	2,176,188
Total expenditures of federal and state awards			\$ 140,886	\$ 125,613	\$ 266,499	\$ 140,886	\$ 2,176,188

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, 2014

Food Programs									
CCTR-3208									
CSPP-3416									
CRPM-2060									
CD Contracts									
Non-CDE Programs									
Total									
Revenue and Support									
Government contracts:									
Child care programs:									
Child Care Food Program, #H37-1548-6A									
Subtotal government contracts									
Other support:									
Unrestricted contributions and other income									
Family fees - certified children									
Family fees - noncertified children									
Subtotal other support									
Total revenue and support									
Expenses:									
Provider payments									
Salaries									
Employee benefits									
Books and supplies									
Facility rent									
Other operating expenses									
Building repairs and maintenance									
Equipment expense									
Depreciation									
In-kind contributions expense									
General, administrative and indirect									
Total expenses									
Expenses over revenue and other support									
CCTR-3208	CSPP-3416	Combined	CRPM-2060	CD Contracts	Non-CDE Programs	Total			
\$ 108,399	\$ 97,045	\$ 205,444	\$ 1,538	\$ 206,982	\$ -	\$ 206,982			
59,517	-	59,517	-	59,517	-	59,517			
167,916	97,045	264,961	1,538	266,499	-	266,499			
95,809	-	95,809	-	95,809	-	95,809			
7,052	-	7,052	-	7,052	-	7,052			
1,647,159	-	1,647,159	-	1,647,159	-	1,647,159			
1,750,020	-	1,750,020	-	1,750,020	-	1,750,020			
1,917,936	97,045	2,014,981	1,538	2,016,519	-	2,016,519			
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**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, 2014**

Expenditures	CCTR-3208 CSPP-3416 Combined	CRPM-2060	Total CDE CD Contracts
Direct payments to providers	\$ -	\$ -	\$ -
1100 Certificated salaries	867,131	-	867,131
2000 Classified salaries	381,964	-	381,964
3000 Employee benefits	439,989	-	439,989
4000 Books and supplies	148,625	-	148,625
5000 Services and other operating expenses	450,717	-	450,717
6100/6200 Other approved capital outlay	6,761	1,538	8,299
6400 New equipment	5,905	-	5,905
6500 Replacement equipment	14,444	-	14,444
Depreciation on assets not purchased with public funds	-	-	-
Start-up expenses—service level exemption	-	-	-
Indirect costs	-	-	-
Total expenses claimed for reimbursement	2,315,536	1,538	2,317,074
Supplemental expenses			-
Total expenditures	\$ 2,315,536	\$ 1,538	\$ 2,317,074

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

**Reconciliation of CDE and GAAP Expense Reporting
Year Ended June 30, 2014**

Expenses	CCTR-3208 CSPP-3416 Combined	CRPM-2060	Total CDE CD Contracts
Schedule of Expenditures by State Categories (CDE)	\$ 2,315,536	\$ 1,538	\$ 2,317,074
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)	\$ 2,315,536	\$ 1,538	\$ 2,317,074

**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, 2014**

	CCTR-3208 CSPP-3416 Combined	CRPM-2060	Total CDE CD Contracts
Unit Cost Under \$7,500 Per Item			
Computers/classroom supplies	\$ 20,349	\$ -	\$ 20,349
Subtotal	20,349	-	20,349
Unit Cost Over \$7,500 Per Item	-	-	-
With Prior Written Approval	-	-	-
None	-	-	-
Subtotal	-	-	-
Unit Cost Over \$7,500 Per Item	-	-	-
Without Prior Approval	-	-	-
None	-	-	-
Subtotal	-	-	-
Total	\$ 20,349	\$ -	\$ 20,349

**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, 2014

	CCTR-3208 CSPP-3416 Combined	CRPM-2060	Total CDE CD Contracts
Unit Cost Under \$10,000 Per Item			
Leasehold improvements	\$ 6,761	\$ 1,538	\$ 8,299
Subtotal	6,761	1,538	8,299
Unit Cost \$10,000 or More Per Item	-	-	-
With Prior Written Approval	-	-	-
None	-	-	-
Subtotal	-	-	-
Unit Cost \$10,000 or More Per Item	-	-	-
Without Prior Approval	-	-	-
None	-	-	-
Subtotal	-	-	-
Total	\$ 6,761	\$ 1,538	\$ 8,299

**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, 2014

Reimbursable Administrative Costs	CCTR-3208 CSPP-3416 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 Child Development Programs					
Agency Name: <u>Associated Students of San Diego State University</u>		Vendor No. <u>H378</u>			
Fiscal Year Ended: <u>June 30, 2014</u>		Contract No. <u>CCTR-3208</u>			
Independent Auditor's Name: <u>McGladrey LLP</u>					
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	294	-	294	1.700	499.800
Three-quarters-time	-	-	-	1.275	-
One-half-time	3	-	3	0.935	2.805
<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	1,568	-	1,568	1.400	2,195.200
Three-quarters-time	22	-	22	1.050	23.100
One half-time	1	-	1	0.770	0.770
<i>Three Years and Older</i>					
Full-time-plus	-	-	-	1.180	-
Full-time	414	-	414	1.000	414.000
Three-quarters-time	8	-	8	0.750	6.000
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	2,310	-	2,310		3,141.675
DAYS OF OPERATION	241	-	241		
DAYS OF ATTENDANCE	2,326	-	2,326		
<input type="checkbox"/> NO NONCERTIFIED CHILDREN - Check this box, omit page 2, and 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 Child Development Programs**

Agency Name: Associated Students of San Diego State University Vendor No. H378
Fiscal Year Ended: June 30, 2014 Contract No. CCTR-3208

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as certified children.	COLUMN A CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	COLUMN B AUDIT ADJUSTMENTS	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	COLUMN D ADJUSTMENT FACTOR	COLUMN E ADJUSTED DAYS OF ENROLLMENT PER AUDIT
DAYS OF ENROLLMENT					
<i>Infants (up to 18 months)</i>					
Full-time-plus	-	-	-	2.006	-
Full-time	2,999	-	2,999	1.700	5,098.300
Three-quarters-time	47	-	47	1.275	59.925
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	8,180	-	8,180	1.400	11,452.000
Three-quarters-time	198	-	198	1.050	207.900
One half-time	-	-	-	0.770	-
<i>Three Years and Older</i>					
Full-time-plus	-	-	-	1.180	-
Full-time	1,288	-	1,288	1.000	1,288.000
Three-quarters-time	99	-	99	0.750	74.250
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	12,811	-	12,811		18,180.375

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, 2014 Contract No. CSPP-3416

Independent Auditor's Name: McGladrey 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	-	-	-	1.180	-
Full-time	2,911	-	2,911	1.000	2,911.000
Three-quarters-time	126	-	126	0.750	94.500
One-half-time	-	-	-	0.617	-
<i>Exceptional Needs</i>					
Full-time-plus	-	-	-	1.416	-
Full-time	-	-	-	1.200	-
Three-quarters-time	-	-	-	0.900	-
One-half-time	-	-	-	0.617	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-	-	-	1.298	-
Full-time	-	-	-	1.100	-
Three-quarters-time	-	-	-	0.825	-
One-half-time	-	-	-	0.617	-
<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	-	-	-	0.617	-
<i>Severely Disabled</i>					
Full-time-plus	-	-	-	1.770	-
Full-time	-	-	-	1.500	-
Three-quarters-time	-	-	-	1.125	-
One-half-time	-	-	-	0.617	-
TOTAL DAYS OF ENROLLMENT	3,037	-	3,037		3,005.500
DAYS OF OPERATION	241	-	241		
DAYS OF ATTENDANCE	3,065	-	3,065		

☐ **NO NONCERTIFIED CHILDREN** - Check this box, omit page 2, and 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, 2014 Contract No. CSPP-3416

SECTION II - NONCERTIFIED CHILDREN Report all children who were not certified, but who were served at the same sites as 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	-	-	-	1.180	-
Full-time	18,169	-	18,169	1.000	18,169.000
Three-quarters-time	490	-	490	0.750	367.500
One-half-time	6	-	6	0.617	3.703
<i>Exceptional Needs</i>					
Full-time-plus	-	-	-	1.416	-
Full-time	-	-	-	1.200	-
Three-quarters-time	-	-	-	0.900	-
One-half-time	-	-	-	0.617	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-	-	-	1.298	-
Full-time	-	-	-	1.100	-
Three-quarters-time	-	-	-	0.825	-
One-half-time	-	-	-	0.617	-
<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	-	-	-	0.617	-
<i>Severely Disabled</i>					
Full-time-plus	-	-	-	1.770	-
Full-time	-	-	-	1.500	-
Three-quarters-time	-	-	-	1.125	-
One-half-time	-	-	-	0.617	-
TOTAL DAYS OF ENROLLMENT	18,665	-	18,665		18,540.203

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

AUDITED ATTENDANCE AND FISCAL REPORT for Child Development Programs				
Agency Name: <u>Associated Students of San Diego State University</u>		Vendor No. <u>H378</u>		
Fiscal Year End: <u>June 30, 2014</u>		Contract No. <u>CCTR-3208 & CSPP-3416</u>		
Insert Any Commingled Contract No. _____				
	COLUMN A CUMULATIVE FISCAL YEAR PER FORM CDFIS 9500	COLUMN B AUDIT ADJUSTMENT INCREASE OR (DECREASE)	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	
SECTION III - REVENUE				
RESTRICTED INCOME				
Child Nutrition Programs	\$ 59,516	\$ 1	\$ 59,517	
County Maintenance of Effort (EC § 8279)	-	-	-	
Uncashed Checks to Providers	-	-	-	
Other (Specify):	-	-	-	
Subtotal	\$ 59,516	\$ 1	\$ 59,517	
Transfer From Reserve Contract #	-	-	-	
Contract #	-	-	-	
Family Fees for Certified Children				
CCTR Program Contract # 3208	2,012	-	2,012	
CSPP Full-Day Program Contract # 3416	5,040	-	5,040	
CSPP Part-Day Program Contract #	-	-	-	
Interest Earned on Apportionments Contract #	-	-	-	
Contract #	-	-	-	
UNRESTRICTED INCOME				
Family Fees for Noncertified Children	1,647,159	-	1,647,159	
Head Start Program (EC § 8235(b))	-	-	-	
Other (Specify): See comments below	119,878	(24,069)	95,809	
TOTAL REVENUE	\$ 1,833,605	\$ (24,068)	\$ 1,809,537	
SECTION IV - REIMBURSABLE EXPENSES				
<i>Direct Payments to Providers (FCCH Only)</i>				
1000 Certificated Salaries	\$ 885,984	\$ (18,853)	\$ 867,131	
2000 Classified Salaries	380,648	1,316	381,964	
3000 Employee Benefits	438,880	1,109	439,989	
4000 Books and Supplies	147,926	699	148,625	
5000 Services and Other Operating Expenses	222,156	228,561	450,717	
6100/6200 Other Approved Capital Outlay	-	6,761	6,761	
6400 New Equipment (program-related)	-	5,905	5,905	
6500 Replacement Equipment (program-related)	33,487	(19,043)	14,444	
Depreciation or Use Allowance	-	-	-	
Start-Up Expenses (service level exemption)	-	-	-	
Budget Impasse Credit Contract #	-	-	-	
Contract #	-	-	-	
Indirect Costs Rate: 0.00% (Rate is Self-Calculating)			-	
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$ 2,109,081	\$ 206,455	\$ 2,315,536	
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$ -	\$ -	\$ -	
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, Child Development Division:				
Eligibility, enrollment, and attendance records are being maintained as required (check YES or NO):				
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO - Explain any discrepancies.				
Reimbursable expenses claimed above are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):				
<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO - Explain any discrepancies.				
COMMENTS - If necessary, attach additional sheets to explain adjustments:				
Other unrestricted income is comprised of the following:				
CSU contribution \$57,900				
Donations \$15,711				
Other \$22,198				

AUD 9500, Page 3 of 4 (FY 2013-14)

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, 2014 Contract No. CRPM-2060
 Contract Term: From: 7/1/2012 To: 6/30/2015
 Independent Auditor's Name: McGladrey LLP

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	PRIOR YEAR'S AUD 9529 ENDING BALANCE FOR THIS CONTRACT (Multi-Year Contract Only)	CURRENT FISCAL YEAR PER FORM CDFS 9529	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE THROUGH CURRENT FISCAL YEAR PER AUDIT
SECTION I - REVENUE				
RESTRICTED INCOME				
Prorated Portion for Nonsubsidized Enrollment	\$ -	\$ -	\$ -	\$ -
Other (Specify):	-	-	-	-
				-
				-
Subtotal	-	-	-	-
INTEREST EARNED ON APPORTIONMENTS	-	-	-	-
UNRESTRICTED INCOME				
Other (Specify):	-	-	-	-
				-
TOTAL REVENUE	\$ -	\$ -	\$ -	\$ -
SECTION II - REIMBURSABLE EXPENSES				
1000 Certificated Salaries	\$ -	\$ -	\$ -	\$ -
2000 Classified Salaries	-	-	-	-
3000 Employee Benefits	-	-	-	-
4000 Books and Supplies	-	-	-	-
5000 Services and Other Operating Expenses	-	-	-	-
6100/6200 Other Approved Capital Outlay	3,758	-	-	3,758
6400 New Equipment (<i>program-related</i>)	-	-	-	-
6500 Replacement Equipment (<i>program-related</i>)	-	-	-	-
Depreciation or Use Allowance	-	-	-	-
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable Capital Outlay	-	-	-	-
Other (Specify):	-	-	-	-
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT (Subsidized and Nonsubsidized)	\$ 3,758	\$ -	\$ -	\$ 3,758
FOR CDE-A&I USE ONLY:				

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

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

AUDITED RESERVE ACCOUNT ACTIVITY REPORT			
Agency Name: <u>Associated Students of San Diego State University</u>			
Fiscal Year End: <u>June 30, 2014</u>		Vendor No. <u>H378</u>	
Independent Auditor's Name: <u>McGladrey LLP</u>			
RESERVE ACCOUNT TYPE (Check One): <input checked="" type="checkbox"/> Center Based <input type="checkbox"/> Resource and Referral <input type="checkbox"/> Alternative Payment	COLUMN A	COLUMN B	COLUMN C
	PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	PER AUDIT
LAST YEAR:			
1. Beginning Balance (must equal ending balance from Last Year's AUD 9530-A)	\$ -	\$ -	\$ -
2. Plus Transfers from Contracts to Reserve Account (based on last year's post-audit CDFS 9530, Section IV):	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Total Transferred from Contracts to Reserve Account	-	-	-
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)	-	-	-
4. Ending Balance on Last Year's Post-Audit CDFS 9530	\$ -	\$ -	\$ -
THIS YEAR:			
5. Plus Interest Earned This Year on Reserve Funds (column A must agree with this year's CDFS 9530-A, Section II)	\$ -	\$ -	\$ -
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.	\$ -	\$ -	\$ -
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Contract No.	-	-	-
Total Transferred to Contracts from Reserve Account	-	-	-
7. Ending Balance on June 30, 2014	-	-	-
(column A must agree with this year's CDFS 9530-A, Section IV)	\$ -	\$ -	\$ -
COMMENTS - If necessary, attach additional sheets to explain adjustments:			



**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in
Accordance With Government Auditing Standards**

To the Board of Directors
Child Care Fund of the Associated Students
of San Diego State University
San Diego, CA

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, and the *Audit Guide for the Audits of Child Development and Nutrition Programs* issued by the California Department of Education, the financial statements of the Child Care Fund of the Associated Students of San Diego State University (the Fund) as of and for the year ended June 30, 2014, 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 12, 2014.

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.

A handwritten signature in black ink that reads "McGladrey LLP". The signature is written in a cursive, flowing style.

San Diego, CA
November 12, 2014

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

**Schedule of Child Care Findings and Questioned Costs
Year Ended June 30, 2014**

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, 2014.

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

**Schedule of Prior Audit Findings
Year Ended June 30, 2014**

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, 2013.