

St. Mary's Center and Subsidiary

Consolidated Financial Statements
and Single Audit Reports and Schedules
and State Childcare Development Reports

June 30, 2021
(With Comparative Totals for 2020)



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
St. Mary's Center and Subsidiary
Oakland, California

We have audited the accompanying consolidated financial statements of St. Mary's Center and Subsidiary (a California nonprofit corporation) (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of St. Mary's Center and Subsidiary as of June 30, 2021, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The accompanying supplementary information shown on pages 27 - 34 required by the Audit Guide issued by the California Department of Education and the California Department of Social Services is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2021, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

The consolidated financial statements of St. Mary's Center and Subsidiary as of June 30, 2020, were audited by other auditors whose report dated November 12, 2020, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent in all material respects, with the audited financial statements from which it has been derived.



Armanino^{LLP}
San Francisco, California

December 14, 2021

St. Mary's Center and Subsidiary
Consolidated Statement of Financial Position
June 30, 2021
(With Comparative Totals for 2020)

	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,360,948	\$ 1,837,474
Cash in trust	171,106	171,106
Grants receivable	1,247,350	734,634
Other accounts receivable	10,600	-
Prepaid and other current assets	13,595	9,333
Certificates of deposit	216,816	464,866
Total current assets	4,020,415	3,217,413
Property and equipment, net	9,382,635	9,641,910
Total assets	\$ 13,403,050	\$ 12,859,323
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 168,176	\$ 83,054
Accrued expenses	153,331	234,720
Deferred revenue	-	100,000
Due to beneficiaries	171,106	171,106
Total current liabilities	492,613	588,880
Note payable - Paycheck Protection Program	-	436,000
Total liabilities	492,613	1,024,880
Net assets		
Without donor restrictions	11,981,258	10,905,264
With donor restrictions	929,179	929,179
Total net assets	12,910,437	11,834,443
Total liabilities and net assets	\$ 13,403,050	\$ 12,859,323

The accompanying notes are an integral part of these consolidated financial statements.

St. Mary's Center and Subsidiary
Consolidated Statement of Activities
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Revenues, gains, and other support				
Contributions	\$ 2,372,412	\$ -	\$ 2,372,412	\$ 2,506,254
In-kind contributions	31,119	-	31,119	21,449
Government grants	2,742,539	-	2,742,539	1,687,880
Program service fees	132,992	-	132,992	158,983
Forgiveness of note payable - Paycheck Protection Program	436,000	-	436,000	-
Interest and dividend income	7,085	-	7,085	7,141
Other revenue	<u>3,480</u>	<u>-</u>	<u>3,480</u>	<u>330</u>
Total revenues, gains, and other support	<u>5,725,627</u>	<u>-</u>	<u>5,725,627</u>	<u>4,382,037</u>
Functional expenses				
Program services	4,113,202	-	4,113,202	3,006,845
Management and general	229,583	-	229,583	196,671
Fundraising	<u>306,848</u>	<u>-</u>	<u>306,848</u>	<u>335,427</u>
Total functional expenses	<u>4,649,633</u>	<u>-</u>	<u>4,649,633</u>	<u>3,538,943</u>
Change in net assets	1,075,994	-	1,075,994	843,094
Net assets, beginning of year	<u>10,905,264</u>	<u>929,179</u>	<u>11,834,443</u>	<u>10,991,349</u>
Net assets, end of year	<u>\$ 11,981,258</u>	<u>\$ 929,179</u>	<u>\$ 12,910,437</u>	<u>\$ 11,834,443</u>

The accompanying notes are an integral part of these consolidated financial statements.

St. Mary's Center and Subsidiary
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2021 Total</u>	<u>2020 Total</u>
Salaries and wages	\$ 1,806,974	\$ 46,788	\$ 177,560	\$ 2,031,322	\$ 1,910,299
Payroll taxes	113,279	2,933	11,131	127,343	163,101
Employee benefits	299,493	23,066	32,016	354,575	338,136
Advocacy	79,900	-	-	79,900	25,000
Auto and travel	5,941	195	28	6,164	9,557
Consultants	238,526	38,170	17,509	294,205	154,688
Depreciation	312,608	19,922	8,301	340,831	339,245
Dues and subscriptions	41,391	5,806	11,810	59,007	33,654
Garden supplies and materials	5,234	5,234	-	10,468	9,914
Insurance	33,743	2,089	1,980	37,812	41,167
Interest expense	-	3,333	-	3,333	669
Legal and accounting fees	86,642	7,259	6,391	100,292	30,998
Miscellaneous	26,494	38,182	3,071	67,747	12,215
Office expense	46,471	26,258	1,823	74,552	51,551
Program costs	702,629	3,521	3,325	709,475	105,249
Postage	3,674	167	6,268	10,109	13,115
Property taxes	13,393	370	3,587	17,350	30,193
Printing and copying	3,679	298	14,449	18,426	22,053
Staff training	5,426	1,621	1,193	8,240	13,866
Repairs and maintenance	154,087	1,647	2,188	157,922	107,969
Telephone and utilities	133,618	2,724	4,218	140,560	126,304
	<u>\$ 4,113,202</u>	<u>\$ 229,583</u>	<u>\$ 306,848</u>	<u>\$ 4,649,633</u>	<u>\$ 3,538,943</u>

The accompanying notes are an integral part of these consolidated financial statements.

St. Mary's Center and Subsidiary
Consolidated Statement of Cash Flows
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ 1,075,994	\$ 843,094
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	340,831	339,245
Forgiveness of note payable - Paycheck Protection Program	(436,000)	-
Contributions restricted for long-term purposes	-	(1,000,000)
Changes in operating assets and liabilities		
Grants receivable	(512,716)	(281,035)
Other accounts receivable	(10,600)	953
Prepaid and other current assets	(4,262)	12,058
Accounts payable	85,122	28,903
Accrued expenses	(81,389)	46,851
Deferred revenue	(100,000)	100,000
Due to beneficiaries	-	44,111
Net cash provided by operating activities	356,980	134,180
Cash flows from investing activities		
Purchases of property and equipment	(81,556)	(1,350,548)
Proceeds from redemptions of certificates of deposit	248,050	150,560
Net cash provided by (used in) investing activities	166,494	(1,199,988)
Cash flows from financing activities		
Proceeds from note payable - Paycheck Protection Program	-	436,000
Payments received on contributions restricted for long-term purposes	-	1,800,000
Net cash provided by financing activities	-	2,236,000
Net increase in cash, cash equivalents and restricted cash	523,474	1,170,192
Cash, cash equivalents and restricted cash, beginning of year	2,008,580	838,388
Cash, cash equivalents and restricted cash, end of year	\$ 2,532,054	\$ 2,008,580
Cash, cash equivalents and restricted cash consisted of the following:		
Cash and cash equivalents	\$ 2,360,948	\$ 1,837,474
Cash in trust	171,106	171,106
	\$ 2,532,054	\$ 2,008,580

The accompanying notes are an integral part of these consolidated financial statements.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

1. NATURE OF OPERATIONS

St. Mary's Center (the "Organization") is a non-profit corporation governed by a Board of Trustees. St. Mary's Center primary purpose is to provide services for low-income, multi-racial, multi-cultural people residing in West Oakland, California. St. Mary's Center provides a broad range of services including outreach and advocacy services for seniors, alcoholic and other drug counseling services for seniors, food and shelter for homeless seniors, a preschool for children aged 2-5, and a food giveaway program for low-income families. St. Mary's Center is supported primarily through donor contributions and government grants.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The consolidated financial statements of St. Mary's Center have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require St. Mary's Center to report information regarding its financial position and activities according to the following classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that will be met by actions of the Organization and/or the passage of time, as well as net assets subject to donor-imposed stipulations that require they be maintained in perpetuity. The Organization has no net assets required to be held in perpetuity as of June 30, 2021.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets are limited by donor-imposed restrictions. Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) in the reporting period in which the revenue is recognized. All other donor- restricted contributions are reported as increases in net assets with donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations on restrictions on net assets are reported as net assets released from restrictions.

Basis of consolidation

The consolidated financial statements of the Organization include the accounts of 967 32nd Street Associates, LLC. St. Mary's Center created 967 32nd Street Associates, LLC for the purpose of developing its property into low-income housing. St. Mary's Center is the sole member of the LLC. 967 32nd Street Associates, LLC adopted a calendar year end. For consolidation purposes, the accounts of 967 32nd Street Associates, LLC are consolidated as of June 30, 2021. All intercompany accounts and transactions have been eliminated in the consolidation.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers, which provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in U.S. GAAP. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. Revenue from contributions and investment income are not impacted by this new standard. The Organization adopted ASU 2014-09 with a date of the initial application of July 1, 2020, using the full retrospective method. The adoption of ASU 2014-09 did not have a significant impact on the Organization's consolidated financial position, result of operations, or cash flows.

Cash and cash equivalents

For purposes of the statement of cash flows, the Organization considers highly-liquid investments with original maturities of three months or less to be cash equivalents. The Organization utilizes various banks to deposit cash funds.

Cash in trust

Cash in trust is held on behalf of clients in a fiduciary capacity for purposes of managing their financial affairs. A small monthly fee is charged for this service.

Certificates of deposit

The Organization maintains certificates of deposit with original maturity dates of three months or more. The certificates are recorded at cost plus accrued interest and are not subject to fair value reporting.

Grants receivable

Grants receivable consist of amounts due from governmental agencies. Reserves for potential bad debts are maintained based on past experience and management's review of outstanding receivables. Amounts that are deemed uncollectible are charged to expense in the period collection efforts have been exhausted. There was no allowance for uncollectible grants receivable as of June 30, 2021, as management determined all accounts to be collectible.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are recorded at cost, or if donated, at fair value on the date of donation. The Organization capitalizes assets with a cost or donated value of \$1,000 or more and an estimated useful life greater than one year. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets which range from 5 to 25 years (5 years for furniture and fixtures, and vehicles; 25 years for buildings; 5 to 25 years for building improvements).

Contributions

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional; that is when the barrier has been overcome and right or release/right of return no longer exists. Contributions of assets other than cash are recorded at their estimated fair value. Contributions that are not expected to be collected until after year-end are considered contributions receivable. Contributions receivable with due dates extending beyond one year are recorded at the present value of their estimated future cash flows. There were no contributions receivable as of June 30, 2021.

In-kind contributions

In-kind contributions are recorded at the estimated fair value at the date the contribution is made. Contributed services are reflected in the consolidated financial statements at the fair value of the services received. Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. For the year ended June 30, 2021, in-kind contributions relate to donated food.

Many individuals volunteer their time and perform a variety of tasks to support the Organization. The value of this contributed time is not reflected in the accompanying consolidated financial statements as these services do not meet the recognition criteria.

Government grants

Government grants are generally received under contracts from federal, state, county and city agencies. These contracts are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. The Organization has elected a simultaneous release option to accounts for these grants and contracts and thus are recorded as grants and contracts without donor restriction upon satisfaction of the barriers. Amounts received prior to incurring qualifying expenditures or performing the required services are reported as deferred revenue.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Program service fees

Program service fees are recognized in the period in which the services has been provided and the performance obligation is fulfilled.

Concentrations of credit risk

The Organization maintains its cash and cash equivalents in various bank accounts which, at times, may exceed federally insured limits. The Organization has not experienced, nor does it anticipate, any losses with respect to such accounts.

The Organization receives a substantial amount of its support from federal, state, and local governments. As of June 30, 2021, approximately 99% of grants receivable were comprised of amounts due from three governmental funders.

Functional allocation of expenses

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, and depreciation and occupancy which are allocated on a square footage basis.

Income tax

St. Mary's Center is a not-for-profit corporation that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for federal or state income taxes has been recorded.

967 32nd Street Associates, LLC, a limited liability company, is a disregarded entity for federal income tax purposes under the Internal Revenue Code. For California purposes, the LLC is subject to an annual minimum tax of \$800 for the California state franchise tax.

The Organization has evaluated its current tax positions and has concluded that as of June 30, 2021, it does not have any uncertain tax positions for which a reserve would be necessary.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Comparative financial information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements, as of, and for the year ended June 30, 2020, from which the summarized information was derived.

Subsequent events

The Organization has evaluated subsequent events through December 14, 2021, the date the consolidated financial statements were available to be issued. No subsequent events have occurred that would have a material impact on the presentation of the Organization's consolidated financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

Land	\$ 1,717,350
Buildings	5,191,719
Vehicles	44,892
Furniture and fixtures	116,043
Building improvements	2,879,730
Construction in progress	<u>2,887,998</u>
	12,837,732
Less accumulated depreciation	<u>(3,455,097)</u>
	<u><u>\$ 9,382,635</u></u>

Depreciation expense amounted to \$340,831 for the year ended June 30, 2021.

In December 2016, Organization entered into a purchase power agreement with Sky Power Solar for solar energy for a one-time payment of \$53,982. The term of the purchase power agreement is 5 years with the option to purchase the equipment for \$1.00 after 6 years. Since it's the Organization's intent to purchase the solar equipment, the equipment has been capitalized as building improvements and is being depreciated over the equipment's useful life of 25 years.

Construction in progress is for the building renovation of 967 32nd Street in Oakland, California. The estimated time to complete the renovations will be longer than 12 months.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

4. NOTE PAYABLE - PAYCHECK PROTECTION PROGRAM

On May 6, 2020, the Organization received loan proceeds of \$436,000 from a promissory note issued by United Business Bank, under the Paycheck Protection Program ("PPP") which was established under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act and is administered by the U.S. Small Business Administration. The term of the loan was two years and the annual interest rate was 1.00%. Payments of principal and interest were deferred up to the first ten months of the loan. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loans granted under PPP. Such forgiveness will be determined based on the use of the loan proceeds for payroll costs, rent and utility expenses and the maintenance of workforce and compensation levels with certain limitations. The loan was originally accounted for as a financial liability in accordance with applicable accounting guidance, with the extinguishment of the debt to take place when the Organization is legally released as the primary obligor.

During the year ended June 30, 2021 the Organization applied for forgiveness of the PPP loan and received notification on April 8, 2021 that the Organization's forgiveness application had been reviewed by the SBA and that the principal balance and related accrued interest for the loan had been forgiven in full. The forgiveness of the loan totaling \$436,000 has been recorded as a gain on the consolidated statement of activities.

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Restricted for a specified purpose	
A Friendly Manor	\$ 433,496
967 32nd Street	<u>495,683</u>
	<u>\$ 929,179</u>

The donor imposed restrictions on all contributions that were received during the year ended June 30, 2021 were also fulfilled by the Organization during the year. In accordance with the Organization's accounting policy, these donor restricted contributions are reported as increases in net assets without donor restrictions.

6. DEFINED CONTRIBUTION PLAN

The Organization has a defined contribution plan (the "Plan") under Section 401(k) of the Internal Revenue Code, in which substantially all employees that have been employed for at least 3 months and have attained age 21 are eligible to participate. The Organization matches employee contributions up to 3% of eligible compensation. Employer contributions totaled \$50,000 for the year ended June 30, 2021.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

7. CONTINGENCIES

Contracts

The Organization's grants and contracts are subject to inspection and audit by the appropriate governmental funding agency. The purpose of such audits is to determine whether program funds were used in accordance with their respective guidelines and regulations. While management believes program funds were utilized in accordance with program guidelines, it is possible that funded program costs could ultimately be disallowed. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and, accordingly, the Organization has recorded no additional provisions for the possible disallowance of program costs on its consolidated financial statements.

8. RISKS AND UNCERTAINTIES

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders, including California, where the Organization is headquartered. The mandates enforced by public health and governmental authorities to contain and combat the outbreak and spread of COVID-19, adversely affected workforces, economies, and financial markets globally. In response, the U.S. Government enacted the CARES Act, which includes significant provisions to provide relief and assistance to affected organizations. As a qualifying 501(c)(3) organization, the Organization received a PPP loan through the CARES Act (see Note 4). While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders and the ultimate impact of the CARES Act and other governmental initiatives. It is at least reasonably possible that this matter will negatively impact the Organization. However, the financial impact and duration cannot be reasonably estimated at this time.

The COVID-19 pandemic remains a rapidly evolving situation and while the disruption to the Organization did not have a material adverse financial impact during the year ended June 30, 2021, uncertainty remains.

9. LIQUIDITY AND FUNDS AVAILABLE

As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To meet liquidity needs, the Organization has cash and cash equivalents, receivables, and certificates of deposit available. The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. For purposes of analyzing resources available, the Organization regularly monitors its budget and anticipates collecting sufficient contributions, government grants, and program fees to meet general expenditures over a 12-month period.

St. Mary's Center and Subsidiary
Notes to Consolidated Financial Statements
June 30, 2021

9. LIQUIDITY AND FUNDS AVAILABLE (continued)

The following is a quantitative disclosure which describes financial assets that are available within one year as of June 30, 2021 to fund general expenditures and other obligations when they become due:

Financial assets:

Cash and cash equivalents	\$ 2,360,948
Grants receivable	1,247,350
Other accounts receivable	10,600
Certificates of deposit	<u>216,816</u>
	<u>3,835,714</u>

Less amounts not available to be used within one year:

Donor-imposed restrictions	<u>(929,179)</u>
	<u>(929,179)</u>
	<u>\$ 2,906,535</u>

SINGLE AUDIT REPORTS AND SCHEDULES

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
St. Mary's Center and Subsidiary
Oakland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of St. Mary's Center and Subsidiary (a California nonprofit corporation) (the "Organization"), which comprise the consolidated statement of financial position as of June 30, 2021, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 14, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization'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 Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated 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 Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Armanino^{LLP}
San Francisco, California

December 14, 2021

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

To the Board of Directors
St. Mary's Center and Subsidiary
Oakland, California

Report on Compliance for Each Major Federal Program

We have audited St. Mary's Center and Subsidiary (a California nonprofit corporation) (the "Organization")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2021. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies.

We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Armanino^{LLP}
San Francisco, California

December 14, 2021

St. Mary's Center and Subsidiary
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
<u>Expenditures of Federal Awards</u>			
U.S. Department of Treasury			
Pass-through program from County of Alameda:			
Coronavirus Relief Fund	21.019		\$ <u>772,030</u>
Total U.S. Department of Treasury			<u>772,030</u>
U.S. Department of Homeland Security			
Direct awards			
Emergency Food and Shelter National Board Program	97.024		<u>23,500</u>
Total U.S. Department of Homeland Security			<u>23,500</u>
U.S. Department of Agriculture			
Pass-through program from County of Alameda:			
Emergency Food Assistance Program (Food Commodities)	10.569		<u>31,119</u>
Total Food Distribution Cluster			<u>31,119</u>
Child and Adult Care Food Program (CACFP)	10.558		<u>4,875</u>
Total Child and Adult Care Food Program (CACFP)			<u>4,875</u>
Total U.S. Department of Agriculture			<u>35,994</u>
U.S. Department of Health and Human Services			
Pass-through program from County of Alameda:			
Special Programs for the Aging, Title III, Part B, Grants for Supportive			
Services and Senior Centers	93.044		69,662
Block Grants for Community Mental Health Services	93.958		243,998
Block Grants for Prevention and Treatment of Substance Abuse	93.959		240,000
Medical Assistance Program	93.778		<u>178,361</u>
Total			<u>732,021</u>
Pass-through program from City of Oakland:			
Emergency Solutions Grant Program	93.569		<u>79,000</u>
Total			<u>79,000</u>
Total U.S. Department of Health and Human Services			<u>811,021</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

St. Mary's Center and Subsidiary
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development			
Pass-through program from City of Oakland:			
Emergency Solutions Grant Program	14.231		\$ 55,000
Community Development Block Grants/Entitlement Grants	14.218		58,657
Moving to Work Demonstration Program	14.881		<u>147,877</u>
			<u>261,534</u>
Total U.S. Department of Housing and Urban Development			<u>261,534</u>
Total Expenditures of Federal Awards			<u>1,904,079</u>
<u>Expenditures of State Awards</u>			
State of California			
Child Development Division			
California State Preschool Program (CSPP-9027)			<u>260,394</u>
Total Expenditures of State Awards			<u>260,394</u>
Total Expenditures of Federal and State Awards			<u>\$ 2,164,473</u>

The accompanying notes to the Schedule of Expenditures of Federal Awards
are an integral part of this schedule.

St. Mary's Center and Subsidiary
Notes to Schedule of Expenditures of Federal Awards
June 30, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of St. Mary's Center and Subsidiary (the "Organization") under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COSTS

The Organization has elected to not use the 10% de minimis indirect cost rate for federal awards. The Organization applies indirect costs in accordance with the specific terms of its federal award agreements.

St. Mary's Center and Subsidiary
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing</u>
Coronavirus Relief Fund	21.019
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	No

St. Mary's Center and Subsidiary
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.

St. Mary's Center and Subsidiary
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2021

Finding number: 2020-001
CFDA number: 14.231
Federal program: Emergency Solutions Grant Program
Federal agency: Department of Housing and Urban Development
Award year: 2020
Recommendation: St. Mary's Center should ensure compliance with Uniform Guidance.
Management's corrective action plan: St. Mary's Center recognizes the need for more specific procurement policies that adhere to the Federal Grant Funds procurement policy requirements and we will modify and update our current and existing written procurement policy to reflect the Federal Grant Funds requirements.
Status of findings: Corrective action was taken.

Finding number: 2020-002
CFDA number: 93.044
Federal program: Area Agency on Aging
Federal agency: Department of Health and Human Services
Award year: 2020
Recommendation: St. Mary's Center should consistently follow established procedures.
Management's Corrective Action Plan: St. Mary's Center recognizes the need for improved recordkeeping in community center programs, and has hired additional staff in new positions to manage the conversion from paper to electronic records.
Status of findings: Corrective action was taken.

SUPPORTING SCHEDULES REQUIRED BY THE CALIFORNIA DEPARTMENT OF EDUCATION

APPENDIX A
CHILD CARE SUPPLEMENTAL INFORMATION

St. Mary's Center and Subsidiary
Combining Statement of Activities
For the Years Ended June 30, 2021 and 2020

	California State Preschool Program <u>CSPP-9027</u>	Non-CDE Programs	2021 Total
Revenues, gains, and other support			
Contributions	\$ 52,201	\$ 2,320,211	\$ 2,372,412
In-kind contributions	-	31,119	31,119
Government grants	260,394	2,477,270	2,737,664
Child nutrition program	4,875	-	4,875
Program service fees	98	132,894	132,992
Forgiveness of note payable - Paycheck Protection Program	-	436,000	436,000
Interest and dividend income	-	7,085	7,085
Other revenue	-	3,480	3,480
Total revenues, gains, and other support	<u>317,568</u>	<u>5,408,059</u>	<u>5,725,627</u>
Expenses			
Salaries and wages	214,461	1,816,861	2,031,322
Payroll taxes	4,785	122,558	127,343
Employee benefits	45,375	309,200	354,575
Advocacy	-	79,900	79,900
Auto and travel	200	5,964	6,164
Consultants	14,112	280,093	294,205
Depreciation	19,167	321,664	340,831
Dues and subscriptions	2,964	56,043	59,007
Garden supplies and materials	-	10,468	10,468
Insurance	2,449	35,363	37,812
Interest expense	-	3,333	3,333
Legal and accounting fees	31,823	68,469	100,292
Miscellaneous	7,438	60,309	67,747
Office expense	1,261	73,291	74,552
Program costs	25,864	683,611	709,475
Postage	101	10,008	10,109
Property taxes	1,935	15,415	17,350
Printing and copying	-	18,426	18,426
Staff training	231	8,009	8,240
Repairs and maintenance	24,733	133,189	157,922
Telephone and utilities	10,215	130,345	140,560
Total expenses	<u>407,114</u>	<u>4,242,519</u>	<u>4,649,633</u>
Changes in net assets	<u>\$ (89,546)</u>	<u>\$ 1,165,540</u>	1,075,994
Net assets, beginning of year			<u>11,834,443</u>
Net assets, end of year			<u>\$ 12,910,437</u>

St. Mary's Center and Subsidiary
Combining Schedule of Renovation and Repair Expenditures
For the Years Ended June 30, 2021 and 2020

	California State Preschool Program CSPP- 9027	<u>Total</u>
Unit cost under \$10,000		
Building repairs and maintenance	\$ 22,300	\$ 22,300
	<u>22,300</u>	<u>22,300</u>
Unit cost over \$10,000 (with CDE Approval)		
None	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
Unit cost over \$10,000 (without CDE Approval)		
None	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

St. Mary's Center and Subsidiary
 Combining Schedule of Equipment Expenditures
 For the Years Ended June 30, 2021 and 2020

	California State Preschool Program CSPP- 9027	Total
Unit cost under \$10,000		
Computer supplies	\$ 300	\$ 300
	300	300
Unit cost over \$10,000 (with CDE Approval)		
None	-	-
	-	-
Unit cost over \$10,000 (without CDE Approval)		
None	-	-
	\$ -	\$ -

St. Mary's Center and Subsidiary
Combining Schedule of Administrative Costs
For the Years Ended June 30, 2021 and 2020

	California State Preschool Program CSPP- 9027	Total
Services and other operating costs	\$ 34,018	\$ 34,018
Depreciation on non CDE funded assets used in program	19,167	19,167
Indirect costs	17,473	17,473
	\$ 70,658	\$ 70,658

St. Mary's Center and Subsidiary
Combining Schedule of Expenditures by State Categories
For the Years Ended June 30, 2021 and 2020

		California State Preschool Program CSPP- 9027	Total
		<u> </u>	<u> </u>
1000	Certificated salaries	\$ 219,571	\$ 219,571
2000	Classified salaries	4,200	4,200
3000	Employee benefits	54,594	54,594
4000	Books and supplies	92,109	92,109
	Depreciation	19,167	19,167
	Indirect - Administrative	<u>17,473</u>	<u>17,473</u>
		<u>407,114</u>	<u>407,114</u>
	Total expenditures by state categories	407,114	407,114
	Total of reimbursable and non-reimbursable expenditures	<u><u>\$ 407,114</u></u>	<u><u>\$ 407,114</u></u>

APPENDIX B
AUDITED FINAL ATTENDANCE AND FISCAL REPORT FORMS

California Department of Education Audited Attendance and Fiscal Report for California State Preschool Programs Early Childhood Mental Health Consultation Services

A U D 8501MHCS Page 1 of 12

Fiscal Year Ending June 30, 2021

Contract Number CSPP-0027

Vendor Code Q991

Full Name of Contractor St. Mary's Center

Section 1 - Days of Enrollment Certified Children in Classrooms with Mental Health Consultation Services Recipient(s)

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Three Years and Older Full-time-plus	1,580		1,580	1.2300	1,943.4
Three Years and Older Full-time				1.0500	0
Three Years and Older Three-quarters-time				0.8000	0
Three Years and Older One-half-time	2,468		2,468	0.6693	1,651.8324
Exceptional Needs Full-time-plus				1.8672	0
Exceptional Needs Full-time				1.5900	0
Exceptional Needs Three-quarters-time				1.2050	0
Exceptional Needs One-half-time				1.0037	0
Limited and Non-English Proficient Full-time-plus				1.3480	0
Limited and Non-English Proficient Full-time				1.1500	0
Limited and Non-English Proficient Three-quarters-time				0.8750	0
Limited and Non-English Proficient One-half-time				0.6693	0

Full Name of Contractor St. Mary's Center

Section 1 - Days of Enrollment Certified Children in Classrooms with Mental Health Consultation Services Recipient(s) (continued)

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus				1.3480	0
At Risk of Abuse or Neglect Full-time				1.1500	0
At Risk of Abuse or Neglect Three-quarters-time				0.8750	0
At Risk of Abuse or Neglect One-half-time				0.6693	0
Severely Disabled Full-time-plus				2.3274	0
Severely Disabled Full-time				1.9800	0
Severely Disabled Three-quarters-time				1.4975	0
Severely Disabled One-half-time				1.2452	0
TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES RECIPIENT(S)	4,048		4,048	N/A	3,595.2324
DAYS OF OPERATION	181		181	N/A	N/A
DAYS OF ATTENDANCE	1,485		1,485	N/A	N/A

NO MENTAL HEALTH CONSULTATION SERVICES RECIPIENT NON-CERTIFIED CHILDREN Check this box (omit pages 3 and 4) and continue to Certified Children Section on page 5.

Full Name of Contractor St. Mary's Center

Section 2 - Days of Enrollment Non-Certified Children in Classrooms with Mental Health Consultation Services Recipient(s)

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Toddlers (18 up to 36 months) Full-time-plus				2.1740	0
Toddlers (18 up to 36 months) Full-time				1.8500	0
Toddlers (18 up to 36 months) Three-quarters-time				1.4000	0
Toddlers (18 up to 36 months) One-half-time				1.0400	0
Three Years and Older Full-time-plus				1.2300	0
Three Years and Older Full-time				1.0500	0
Three Years and Older Three-quarters-time				0.8000	0
Three Years and Older One-half-time				0.6693	0
Exceptional Needs Full-time-plus				1.8672	0
Exceptional Needs Full-time				1.5900	0
Exceptional Needs Three-quarters-time				1.2050	0
Exceptional Needs One-half-time				1.0037	0

Full Name of Contractor St. Mary's Center

Section 2 - Days of Enrollment Non-Certified Children in Classrooms with Mental Health Consultation Services Recipient(s)
(continued)

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.3480	0
Limited and Non-English Proficient Full-time				1.1500	0
Limited and Non-English Proficient Three-quarters-time				0.8750	0
Limited and Non-English Proficient One-half-time				0.6693	0
At Risk of Abuse or Neglect Full-time-plus				1.3480	0
At Risk of Abuse or Neglect Full-time				1.1500	0
At Risk of Abuse or Neglect Three-quarters-time				0.8750	0
At Risk of Abuse or Neglect One-half-time				0.6693	0
Severely Disabled Full-time-plus				2.3274	0
Severely Disabled Full-time				1.9800	0
Severely Disabled Three-quarters-time				1.4975	0
Severely Disabled One-half-time				1.2452	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES RECIPIENT(S)				N/A	0

Full Name of Contractor **St. Mary's Center**

Section 3 - Days of Enrollment Certified Children

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

Full Name of Contractor St. Mary's Center

Section 3 - Days of Enrollment Certified Children (continued)

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6193	0
Severely Disabled Full-time-plus				2.2774	0
Severely Disabled Full-time				1.9300	0
Severely Disabled Three-quarters-time				1.4475	0
Severely Disabled One-half-time				1.1952	0
TOTAL DAYS OF ENROLLMENT				N/A	0
DAYS OF OPERATION	181		181	N/A	N/A
DAYS OF ATTENDANCE				N/A	N/A

NO NON-CERTIFIED CHILDREN Check this box (omit pages 7 and 8) and continue to Revenue Section on page 9.

Full Name of Contractor **St. Mary's Center**

Section 4 - Days of Enrollment Non-Certified Children

Enrollment Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Toddlers (18 up to 36 months) Full-time-plus				2.1240	0
Toddlers (18 up to 36 months) Full-time				1.8000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.3500	0
Toddlers (18 up to 36 months) One-half-time				0.9900	0
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time				0.6193	0
Exceptional Needs Full-time-plus				1.8172	0
Exceptional Needs Full-time				1.5400	0
Exceptional Needs Three-quarters-time				1.1550	0
Exceptional Needs One-half-time				0.9537	0

Full Name of Contractor **St. Mary's Center**

Section 4 - Days of Enrollment Non-Certified Children (continued)

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

Full Name of Contractor St. Mary's Center

Section 5 - Revenue

Revenue Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs		4,875	4,875
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal		4,875	4,875
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Waived Family Fees for Certified Children (July - August)			
Family Fees Collected for Certified Children (September - June)	98		98
Waived Family Fees for Certified Children (September - June)			
Family Fees (September - June) - Subtotal	98		98
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
TOTAL REVENUE	98	4,875	4,973

Comments:

Full Name of Contractor **St. Mary's Center**

Section 6 - Reimbursable Expenses

Reimbursable Expenses Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	219,571		219,571
2000 Classified Salaries	4,200		4,200
3000 Employee Benefits	54,594		54,594
4000 Books and Supplies	92,109		92,109
5000 Services and Other Operating Expenses			
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance		19,167	19,167
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	36,640	-19,167	17,473
Non-Reimbursable (State use only)			
Total Reimbursable Expenses	407,114	0	407,114
Total Administrative Cost (included in Section 6 above)	70,658		70,658
Total Staff Training Cost (included in Section 6 above)			

Approved Indirect Cost Rate: **9.0%**

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 11.

Full Name of Contractor St. Mary's Center

Section 7 - Supplemental Revenue

Supplemental Revenue Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 8 - Supplemental Expenses

Supplemental Expense Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
Total Supplemental Expenses			

Full Name of Contractor **St. Mary's Center**

Section 9 - Summary

Summary Category	Column A Cumulative CDNFS 8501MHCS	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	4,048		4,048
Days of Operation	181		181
Days of Attendance (including MHCS)	1,485		1,485
Restricted Program Income		4,875	4,875
Transfer from Reserve			
Family Fees for Certified Children (September - June)	98		98
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	407,114	0	407,114
Total Administrative Cost	70,658		70,658
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment **3,595.2324**

Total Non-Certified Adjusted Days of Enrollment **0**

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

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

Reimbursable expenses claimed on page 10 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box): **Yes**

Include any comments in the comments box on page 9. If necessary, attach additional sheets to explain adjustments.