



*Reports of Independent Auditors and
Financial Statements with
Supplementary Information*

Kidango, Inc.

*June 30, 2019 with
Comparative Totals for the Year Ended June 30, 2018*

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Report of Independent Auditors

The Board of Directors
Kidango, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Kidango, Inc., which comprise the statement of financial position, as of June 30, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kidango, Inc., as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, Kidango, Inc. adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The ASU has been applied retrospectively to all periods presented with the exception of the omission of certain information as permitted by the ASU. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards as required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; combining statement of financial position, combining statement of revenue and expenditures and changes in net assets, combining statement of activities – operating programs; the supplemental information for the California Department of Education (CDE) presented on pages 33 to 128 as required by the *CDE Audit Guide* issued by the California Department of Education; and the supplemental information for the County of Alameda grants are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly presented, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Kidango, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 14, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent in all material respects with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2019, on our consideration of Kidango, Inc.'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 solely 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 Kidango, Inc.'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 Kidango, Inc.'s internal control over financial reporting and compliance.

Moss Adams LLP

San Francisco, California
November 14, 2019

Financial Statements

Kidango, Inc.
Statement of Financial Position
June 30, 2019 (with comparative totals for 2018)

	Without Donor Restrictions	With Donor Restrictions	Total June 30, 2019	Total June 30, 2018
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,895,019	\$ 670,584	\$ 2,565,603	\$ 7,833,523
Short-term investments	4,084,078	-	4,084,078	639
Grants and contributions receivable, net	5,519,213	-	5,519,213	3,947,159
Accounts receivable, net of allowance of \$191,150 and \$210,244, respectively	124,218	-	124,218	358,000
Receivable from related entities	183,115	-	183,115	85,969
Prepaid expenses	285,980	-	285,980	221,404
Total current assets	12,091,623	670,584	12,762,207	12,446,694
NET PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS	8,254,772	-	8,254,772	8,329,624
DEPOSITS	145,885	-	145,885	124,503
TOTAL ASSETS	\$ 20,492,280	\$ 670,584	\$ 21,162,864	\$ 20,900,821
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Current portion – capital lease	\$ 11,786	\$ -	\$ 11,786	\$ 15,800
Current portion – mortgage payable	175,933	-	175,933	169,046
Accounts payable and accrued expenses	3,569,638	-	3,569,638	3,518,266
Due to funder	168,802	-	168,802	162,549
CDE reserve	3,730,093	-	3,730,093	3,370,847
Total current liabilities	7,656,252	-	7,656,252	7,236,508
OBLIGATION UNDER CAPITAL LEASE	8,678	-	8,678	16,058
MORTGAGE PAYABLE	974,883	-	974,883	1,150,782
TOTAL LIABILITIES	8,639,813	-	8,639,813	8,403,348
NET ASSETS				
Without donor restrictions				
Undesignated	6,620,262	-	6,620,262	7,112,534
Designated by the Board - Equipment Fund	5,232,205	-	5,232,205	5,007,494
With donor restrictions	-	670,584	670,584	377,445
TOTAL NET ASSETS	11,852,467	670,584	12,523,051	12,497,473
TOTAL LIABILITIES AND NET ASSETS	\$ 20,492,280	\$ 670,584	\$ 21,162,864	\$ 20,900,821

Kidango, Inc.
Statement of Activities
Year Ended June 30, 2019 (with comparative totals for 2018)

	Without Donor Restrictions	With Donor Restrictions	Total June 30, 2019	Total June 30, 2018
REVENUES, GAINS, AND OTHER SUPPORT				
Grants and contracts	\$ 40,309,476	\$ 470,324	\$ 40,779,800	\$ 35,439,458
Donations and contributions	506,171	337,229	843,400	670,175
Parent fees	2,312,220	-	2,312,220	2,369,847
Other earned income	1,276,476	-	1,276,476	879,324
Cash and investment income:				
Realized/unrealized gain in investments, net	54,912	-	54,912	-
Interest and dividends, net	104,271	-	104,271	44,449
Net assets released from donor restrictions	514,414	(514,414)	-	-
Total revenues, gains, and other support	45,077,940	293,139	45,371,079	39,403,253
EXPENSES				
General and administration	1,159,942	-	1,159,942	3,202,950
Operating programs:				
California Department of Education programs	30,788,963	-	30,788,963	26,575,400
School district grants	1,990,946	-	1,990,946	2,029,521
Subsidiary programs	1,021,073	-	1,021,073	977,551
Mental health and development services	4,041,402	-	4,041,402	3,899,770
Voucher programs	359,845	-	359,845	304,434
Head Start support services	4,263,009	-	4,263,009	3,348,904
Courthouse	268,148	-	268,148	433,260
Other programs	1,373,690	-	1,373,690	425,758
Total expenses	45,267,018	-	45,267,018	41,197,548
CHANGE IN NET ASSETS BEFORE DEPRECIATION AND OTHER NONOPERATING CHANGES	(189,078)	293,139	104,061	(1,794,295)
NON-OPERATING REVENUE (EXPENSES)				
(Loss) gain on disposal of assets	(17,481)	-	(17,481)	6,936,130
Depreciation expense and amortization	(285,713)	-	(285,713)	(291,543)
Additions/deletions to equipment fund:				
Additions to equipment fund	729,679	-	729,679	2,522,349
Deletions to equipment fund	(504,968)	-	(504,968)	(412,722)
Total non-operating (expenses) revenue	(78,483)	-	(78,483)	8,754,214
CHANGE IN NET ASSETS	(267,561)	293,139	25,578	6,959,919
NET ASSETS, beginning of year	12,120,028	377,445	12,497,473	5,537,554
NET ASSETS, end of year	\$ 11,852,467	\$ 670,584	\$ 12,523,051	\$ 12,497,473

See accompanying notes.

Kidango, Inc.
Statements of Cash Flows
Year Ended June 30, 2019 (with comparative totals for 2018)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 25,578	\$ 6,959,919
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense and amortization	285,713	291,543
Depreciation charged to equipment fund	504,968	412,722
Net realized/unrealized gain on investments	(54,912)	-
Net investment income	(28,527)	-
Change in allowance for accounts receivable	19,094	34,867
Loss (gain) on disposal of assets	17,481	(6,936,130)
Change in assets and liabilities:		
Accounts receivable	214,688	117,223
Grants and contributions receivable	(1,572,054)	(1,305,083)
Receivable from related parties	(97,146)	15,359
Prepaid expense and other	(64,576)	(72,537)
Deposits	(21,382)	11,341
Accounts payable and accrued expenses	51,372	806,771
Due to funder	6,253	199
CDE reserve	359,246	1,289,422
Net cash (used in) provided by operating activities	<u>(354,204)</u>	<u>1,625,616</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, equipment, and leasehold improvements	(753,521)	(2,457,608)
Proceeds on disposal of assets	20,211	7,776,444
Purchase of investments	<u>(4,000,000)</u>	<u>-</u>
Net cash (used in) provided by investing activities	<u>(4,733,310)</u>	<u>5,318,836</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on mortgage	(169,012)	(578,091)
Payments on capital lease	<u>(11,394)</u>	<u>(14,519)</u>
Net cash used in financing activities	<u>(180,406)</u>	<u>(592,610)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(5,267,920)	6,351,842
CASH AND CASH EQUIVALENTS, beginning of year	<u>7,833,523</u>	<u>1,481,681</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 2,565,603</u></u>	<u><u>\$ 7,833,523</u></u>
Supplemental cash flow information:		
Cash paid for interest	<u><u>\$ 52,897</u></u>	<u><u>\$ 63,302</u></u>

NOTE 1 – GENERAL AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General – Kidango, Inc. (the Agency), was founded as a nonprofit public benefit corporation on June 1, 1979, to provide quality, affordable early care and education services to children and families of all economic levels. The Agency is publicly funded, primarily by program contracts with the California Department of Education (CDE).

Description of major operating programs – The Agency operates child care centers that are designed to provide early care and education services for children and offers full-day and part-day child care services at its centers.

The Agency meets the nutritional needs of children by serving meals, including infant formula and baby food to children enrolled in its programs. The Agency also provides individualized meals to meet the special needs of children with disabilities or with allergies. All meals meet the nutritional requirements of the United States Department of Agriculture's (USDA) Child Care Food Program.

The Agency provides early intervention services to infants with developmental delays and disabilities and their families. Services include parent training in their homes, integrated center-based services, and specialized therapies to meet the individual needs of the infants and toddlers.

The Agency provides mental health services to children who are in need of services due to family issues, behavior or other related reasons. Through this program, the Agency provides supportive services to teachers and families of children needing mental health services.

Other programs of the Agency include providing parenting education seminars, information and referrals to parents and members of the community, and assisting families in accessing community services such as emergency housing, food, and medical services.

Basis of accounting – The financial statements are prepared on the accrual basis of accounting. The Agency's net assets are reported as net assets without donor restrictions or with donor restrictions.

Fund accounting – To ensure observance of limitations and restrictions placed on the use of resources available to the Agency, the accounts of the Agency are maintained in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, granters, officials, and governing boards. Separate accounts are maintained for each fund.

Basis of presentation – The Agency reports contributions of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the asset contributed. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Accordingly, all financial transactions have been recorded and reported by net asset class as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Kidango, Inc.

Notes to Financial Statements

Net assets with donor restrictions – Net assets with donor restrictions are part of the net assets of the Agency resulting from contributions and other inflows of assets the use of which the Agency is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. When the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. At June 30, 2019 and 2018, there were \$670,584 and \$377,445 of net assets with donor restrictions, respectively.

Fair value measurements – The Agency determines the fair value of assets and liabilities consistent with a fair value framework that establishes a hierarchy for measuring fair value, and requires disclosures about the use of fair value measurements.

Fair value measurement reporting provides a consistent definition of fair value that focuses on an exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement reporting also prioritizes the use of market-based information over entity-specific information and establishes a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date.

The three-level hierarchy for fair value measurements is defined as follows:

Level 1 –Quoted prices in active markets for identical assets or liabilities.

Level 2 –Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 –Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

In certain cases, inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Agency's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

Cash and cash equivalents – The carrying amount reported in the statement of financial position for cash and cash equivalents approximates its fair value.

Accounts receivable – The carrying amount of accounts receivable is shown net of the related allowance for doubtful accounts. The allowance account is estimated by management based on a percentage of the balances greater than 120 days in the receivable aging report.

Grants and contributions receivable – The carrying amounts of grants and contributions receivable in the statement of financial position approximates fair value.

Mortgage payable – The carrying value of the Agency's debt approximates fair value because of the variable nature of market interest rates.

Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, net assets, and revenue and expenses for the reporting period. Actual results could differ from those estimates.

The Agency currently maintains an allowance for uncollectible accounts. The allowance is estimated based on management's evaluation of accounts. The Agency believes that amounts designated as uncollectible are reasonable.

Concentration of credit risk – Financial instruments that potentially subject the Agency to concentrations of credit risk consist principally of uninsured cash balances. The Agency places its cash deposits with high credit quality financial institutions. At times, balances in the Agency's cash accounts may exceed the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. Uninsured balances at June 30, 2019 and 2018, were approximately \$2,566,000 and \$7,834,000, respectively.

At times, balances in the Agency's investment accounts may exceed the Securities Investor Protection Corporation (SIPC) insurance and cash deposits in excess of the Federal Deposit Insurance Corporation (FDIC). At June 30, 2019, investments that were uninsured totaled approximately \$3,584,000. The Agency's investments were fully insured at June 30, 2018.

Concentration of revenue sources – During the years ended June 30, 2019 and 2018, the Agency had one major revenue source, CDE, which accounted for approximately 68% and 67%, respectively, of the total revenue of the Agency.

Cash and cash equivalents – Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of their acquisition date. Not included as cash equivalents are funds restricted as to their use, regardless of liquidity or the maturity dates of investments.

Property, equipment, and leasehold improvements – As further discussed in Note 4, the Agency reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as with donor restriction support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. The Agency's current capitalization policy is \$5,000.

Property, equipment, and leasehold improvements are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the respective assets. Property and equipment purchased in connection with the CDE are expensed during the grant period. Title to CDE assets is retained by the state of California.

Assets purchased with grant funds that are expensed in the period acquired are recorded in the accompanying statement of financial position as an asset, with a corresponding entry to net assets. In order to reflect the decrease in value over time of these assets, depreciation is charged directly to net assets annually. These assets are restricted to use only in the programs from which they were purchased.

Kidango, Inc.

Notes to Financial Statements

Employee benefits – Accumulated unpaid employee vacation benefits are recognized as a liability of the Agency. The maximum carryover vacation benefits are 240 hours. The total accrued liability at June 30, 2019 and 2018, of \$937,086 and \$815,633, respectively, is included in accounts payable and accrued expenses on the statements of financial position. Sick leave benefits are accumulated for each employee. The employees do not gain vested rights to sick leave. Accumulated sick leave benefits are not recognized as liabilities of the Agency as payment of such benefits is not probable or estimable.

Revenue recognition – Contributions and unconditional grants are recognized as support and revenues when they are received or unconditionally pledged. These contributions are shown as restricted support and revenues if they are subject to time or donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions when a stipulated time restriction ends, purpose restriction is accomplished, or both. However, contributions and grants with donor restrictions are reported as support and revenues without donor restrictions if the restriction is met in the same year that the gift is received.

Conditional contributions are not recorded as support and revenues until the conditions are met. Payments classified as exchange transactions (reciprocal transfers between two entities in which goods and services of equal value is exchanged) are not recorded as other support and revenue until allowable expenditures are incurred.

Presentation of functional expenses – The statement of activities contains information about the costs associated with the Agency's services and how it uses its resources. This results in the expenses being reported by the Agency's major programs after administrative costs have been allocated. The expenses of the Agency as shown by their functional and natural classification are as follows for the year ended June 30, 2019:

	Program Services	Management and General	Total
Salaries	\$ 22,428,809	\$ 2,876,074	\$ 25,304,883
Employee benefits	4,839,957	841,241	5,681,198
Books and supplies	2,577,639	18,475	2,596,114
Other operating	8,700,739	1,829,049	10,529,788
Capital expenditures	531,680	129,752	661,432
Depreciation and interest	1,037,483	246,802	1,284,285
	<u>\$ 40,116,307</u>	<u>\$ 5,941,393</u>	<u>\$ 46,057,700</u>

Kidango, Inc.
Notes to Financial Statements

The expenses of the Agency as shown by their functional and natural classification are as follows for the year ended June 30, 2018:

	Program Services	Management and General	Total
Salaries	\$ 18,567,417	\$ 2,953,022	\$ 21,520,439
Employee benefits	4,237,338	897,371	5,134,709
Books and supplies	2,258,084	205,616	2,463,700
Other operating	9,926,032	1,867,551	11,793,583
Capital expenditures	175,237	46,580	221,817
Depreciation and interest	519,438	248,127	767,565
	<u>\$ 35,683,546</u>	<u>\$ 6,218,267</u>	<u>\$ 41,901,813</u>

Allocation of expenses – The costs of operating the various programs and other activities have been summarized on a functional basis in the combining statement of activities – operating programs. As further discussed in Note 12, certain costs have been allocated among the programs benefited based upon the Agency's cost allocation plan.

Income taxes – The Agency is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code, and Section 23701d of the State of California Revenue and Taxation Code.

Generally accepted accounting principles provide accounting guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Agency in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Agency's returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

Summarized financial information for 2018 – The 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2018, from which the information was derived.

New accounting pronouncements – On July 1, 2018, the Agency adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Main provisions of this guidance include: presentation of two classes of net assets versus the previously required three; recognition of capital gifts for construction as a net asset without donor restrictions when the associated long-lived asset is placed in service; recognition of underwater endowment funds as a reduction in net assets with donor restrictions; and reporting investment income net of external and direct internal investment expenses. The guidance also enhances disclosures for board designated amounts, compositions of net assets with donor restrictions and how the restrictions affect the use of resources, qualitative and quantitative information about the liquidity and availability of financial assets to meet general expenditures within one year of the statement of financial position date, and expenses by both their natural functional classification, including methods used to allocate costs among program and support functions and underwater endowments. There were no significant net assets reclassifications as a result of adopting this standard.

Kidango, Inc.

Notes to Financial Statements

In June 2018, the FASB issued ASU No. 2018-08, Not-For-Profit Entities (Topic 958): *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which clarifies and improves the scope and accounting guidance around contributions of cash and other assets received and made by not-for-profit organizations and business enterprises. ASU No. 2018-08 is effective for the Agency for fiscal year ending June 30, 2020. Management is currently evaluating the impact of the provisions of ASU No. 2018-08 on the Agency's financial statements.

In January 2016, the FASB issued ASU No. 2016-01, Financial Instruments – Overall (Subtopic 825-10): *Recognition and Measurement of Financial Assets and Financial Liabilities*, to enhance the reporting model for financial instruments to provide users of financial statements with more decision-useful information. This update will address certain aspects of recognition, measurement, presentation, and disclosure of financial instruments. The adoption of ASU 2016-01 is effective for the Agency beginning January 1, 2019. Management is currently evaluating the impact of the provisions of ASU 2016-01 on the consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which increases transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statements of financial position and disclosing key information about leasing arrangements in the financial statement of lessees. ASU No. 2016-02 is effective for years beginning after December 15, 2019, with early adoption permitted. The adoption is effective for the Agency's year ending June 30, 2021. Management is currently evaluating the impact of the provisions of ASU No. 2016-02 on the Agency's financial statements.

NOTE 2 – INVESTMENTS AND INVESTMENT RETURNS

Investments consist of the following at June 30, 2019 and 2018:

	2019	2018
Cash and cash equivalents	\$ 445,534	\$ 639
Fixed income	2,040,331	-
Equities	1,108,182	-
Mutual funds	490,031	-
	<u>\$ 4,084,078</u>	<u>\$ 639</u>

Investment return for the years ended June 30, 2019 and 2018, consists of the following:

	2019	2018
Interest and dividend income	\$ 35,325	\$ -
Investment fees	(6,798)	-
Unrealized gain on investments	54,912	-
	<u>\$ 83,439</u>	<u>\$ -</u>

All investment return, net of investment expenses is classified as without donor restrictions and is included in cash and investment income in the statements of activities.

NOTE 3 – FAIR VALUE MEASUREMENTS

The following table represents the Agency's fair value hierarchy for its financial assets measured at fair value on a recurring basis as of June 30, 2019 and 2018:

	Level 1	Level 2	Level 3	Total
June 30, 2019				
Cash and cash equivalents	\$ 445,534	\$ -	\$ -	\$ 445,534
Fixed income	-	2,040,331	-	2,040,331
Equities	1,108,182	-	-	1,108,182
Mutual funds	490,031	-	-	490,031
	<u>\$ 2,043,747</u>	<u>\$ 2,040,331</u>	<u>\$ -</u>	<u>\$ 4,084,078</u>
June 30, 2018				
Cash and cash equivalents	<u>\$ 639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 639</u>

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are part of the net assets of the Agency resulting from contributions and other inflows of assets the use of which by the Agency is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. At June 30, 2019 and 2018, respectively, the net assets with donor restrictions of the Agency consisted of the following:

	2019	2018
Foundation support	\$ 280,811	\$ 139,830
First Five programs	383,398	228,240
Other	6,375	9,375
	<u>\$ 670,584</u>	<u>\$ 377,445</u>

NOTE 5 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. For the years ended June 30, 2019 and 2018, respectively, net assets released from donor restrictions were:

	2019	2018
Foundation support	\$ 196,247	\$ 669
County First Five programs	315,167	164,719
Other	3,000	600,000
	<u>\$ 514,414</u>	<u>\$ 765,388</u>

Kidango, Inc.

Notes to Financial Statements

Net assets with donor restrictions are part of the net assets of the Agency resulting from contributions and other inflows of assets the use of which the Agency is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Agency pursuant to those stipulations. When the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions.

NOTE 6 – PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS

As of June 30, 2019 and 2018, respectively, the property, equipment, and leasehold improvements account consisted of the following:

	Useful life	2019	2018
Building	40	\$ 2,249,394	\$ 2,249,395
Building improvements	10-15	3,065,859	3,065,859
Portable buildings	20	2,984,658	2,722,884
Leasehold improvements	10-15	3,759,439	3,432,021
Equipment	3-5	1,317,175	1,290,499
Vehicles	5	607,074	547,704
Land	N/A	797,000	797,000
		14,780,599	14,105,362
Accumulated depreciation and amortization		(6,525,827)	(5,775,738)
Total property and equipment		\$ 8,254,772	\$ 8,329,624

Total depreciation expense for the years ended June 30, 2019 and 2018, was \$790,681 and \$704,265, respectively.

NOTE 7 – LINE OF CREDIT

On April 3, 2018, the Agency secured a line of credit with Fremont Bank in the amount of \$3,000,000 with a maturity date of April 3, 2020, and an interest rate of 5.75%. The interest rate currently varies with the bank's index rate. As of June 30, 2019, there was no outstanding balance on this line of credit.

NOTE 8 – MORTGAGE PAYABLE

At June 30, 2019, the long-term debt of the Agency consisted of the following:

	2019	2018
Mortgage payable to bank, secured by deed of trust. Interest at 4.00% and principal are payable in monthly installments of approximately \$18,230. The note matures in May 2025.	\$ 1,150,816	\$ 1,319,828
Less current portion	175,933	169,046
Long-term mortgage payable	\$ 974,883	\$ 1,150,782

Future principal maturities on the mortgage payable is as follows:

<u>Year Ending June 30,</u>	
2020	\$ 175,933
2021	183,101
2022	190,560
2023	198,324
2024	206,404
Thereafter	<u>196,494</u>
	<u>\$ 1,150,816</u>

NOTE 9 – CDE RESERVE ACCOUNT

Child development contractors with the CDE are allowed, with prior CDE approval, to maintain a reserve account from earned but unexpended child development contract funds. Transfers from a reserve account are considered restricted income for child development programs, but may be applied to any of the contracts that are eligible to contribute to that particular program type.

The reserve account balance at June 30, 2019 and 2018, was \$3,730,093 and \$3,370,847, respectively, which is recorded as an asset in the cash account. Also, upon termination of all child development contracts with CDE, the Agency would have to return the reserve funds to CDE, so the reserve account is recorded as a liability in the amount of \$3,730,093 and \$3,370,847, at June 30, 2019 and 2018, respectively.

NOTE 10 – NUTRITION PROGRAM

The Agency had a nutrition agreement with the CDE for Child and Adult Care Food Programs, as reported in the schedule of expenditures of federal and state awards. However, no nutrition audit report schedules are included in the audit because (1) the audit disclosed no nutrition overpayments, underpayments, or program findings; (2) the contractor did not request reimbursement of audit costs; and (3) the audit is not a program-specific nutrition audit.

NOTE 11 – 401(k) RETIREMENT PLAN

The Agency maintains a contributory retirement plan available for its employees that allows participants to make tax deferred investment contributions. The plan qualifies under the provisions of Section 401(k) of the Internal Revenue Code of 1954, as amended. During the years ended June 30, 2019 and 2018, the Agency made no payments to the retirement plan.

NOTE 12 – COST ALLOCATION PLAN

The Agency updates its cost allocation plans annually or more frequently when there is a need due to changes in program enrollment or other cost drivers. The Agency obtains approval of the cost allocation plan from its Board of Directors. The written cost allocation plan, including descriptions and percentages, is on file in the Agency's main accounting office. The Agency applies several methods for allocating costs:

Direct costs – Costs charged directly to final cost objectives that do not require any further allocation or breakdown to the classroom or project level are assignable as direct costs.

Joint costs – Costs that are directly attributable to multiple programs, classrooms, projects and/or administrative expenses. These costs can be estimated and directly assigned or are directly charged to an intermediate cost pool and subsequently allocated to the applicable programs, classrooms, and projects. Examples of joint costs include:

- Building repair costs that can be reasonably estimated to the classroom level based on the number of classrooms utilizing the building.
- Labor costs (including travel costs) associated with the repair.

Indirect costs – Costs that are (1) incurred for common or joint purposes benefiting more than one cost objective; and (2) not readily assignable to the cost objectives benefited without efforts disproportionate to the results achieved.

Indirect costs are allocated as follows:

- Payroll costs are allocated using individual time sheets that report the actual time spent by employees in each program each day.
- Rent and associated utilities, maintenance, and insurance are allocated using the square footage of building space occupied by each program, classroom, or project, according to floor plans and/or room measurements.
- Office expenses and other operating costs are allocated based on full time employee equivalents.

NOTE 13 – AFFILIATED ORGANIZATIONS

Community Family Services, Inc. (CFS), is a nonprofit public benefit corporation that is affiliated with the Agency through a common Board of Directors. There is one interrelated transaction with this entity. CFS subcontracts its CDE child care program to the Agency. All of the financial information relating to the program mentioned above is reported on the books and in the audit report for CFS.

Kidango, Inc.
Notes to Financial Statements

A summary of CFS financial data follows for the year ended June 30, 2019 and 2018:

	2019	2018
Total assets	\$ 344,386	\$ 260,606
Total liabilities	196,949	113,222
Total ending net assets	<u>\$ 147,437</u>	<u>\$ 147,384</u>
Total revenue and support	\$ 1,036,303	\$ 991,759
Total expenses	1,036,250	991,755
Change in net assets	<u>\$ 53</u>	<u>\$ 4</u>

NOTE 14 – SUBCONTRACT AGREEMENT

The Agency entered into multiple subcontract agreements to operate general center child care programs and state preschool programs for the fiscal year ended June 30, 2019 and 2018. These subcontracts are included in the schedule of expenditures of federal and state awards and the supplemental reporting requirements of the CDE in this audit report. The Agency received the following CDE contract funds under subcontract agreements at June 30, 2019 and 2018:

	2019	2018
School Districts:		
New Haven Unified School District	\$ 2,546,125	\$ 2,164,558
San Lorenzo Unified School District	218,984	208,528
Subsidiary Program:		
Community Family Services	657,120	974,176
	<u>\$ 3,422,229</u>	<u>\$ 3,347,262</u>

To further assist these programs, the Agency provided \$90,621 and \$101,223 under its Child Care Food Program Agreement No. 01-1904-1A with the CDE for the years ended June 30, 2019 and 2018, respectively. Revenue of \$90,621 and \$101,223 were reported as restricted income for the years ended June 30, 2019 and 2018, respectively. Related expenses of \$90,621 and \$101,223 were reported as reimbursable expenses for the years ended June 30, 2019 and 2018, respectively.

Kidango, Inc.

Notes to Financial Statements

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Commitments – The Agency conducts some of its operations at leased facilities. Future minimum lease payments under non-cancelable operating leases are as follows:

<u>Year Ending June 30,</u>	
2020	\$ 515,573
2021	366,479
2022	308,786
2023	<u>19,502</u>
	<u>\$ 1,210,340</u>

Total rent expense for the years ended June 30, 2019 and 2018, was \$846,933 and \$660,174, respectively.

Contingencies – Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Agency deems this contingency remote because by accepting the grants and their terms it has accommodated the objectives of the Agency to the provisions of the grants. Management is of the opinion that the Agency has complied with the terms of all grants.

NOTE 16 – LIQUIDITY AND AVAILABILITY

The Agency regularly monitors liquidity and availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Agency considers all expenditures related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures. The following table reflects the Agency's financial assets as of June 30, 2019:

Financial assets	
Cash and cash equivalents	\$ 2,565,603
Short-term investments	4,084,078
Grants and contributions receivable	5,519,213
Accounts receivable, net of allowance	124,218
Receivable from related entities	<u>183,115</u>
Total financial assets at June 30, 2019	12,476,227
Less assets unavailable for general expenditures within one year	
CDE reserve	<u>3,730,093</u>
Total financial assets available to meet cash needs for general expenditure within one year	<u>\$ 8,746,134</u>

Financial assets are considered unavailable when illiquid or not convertible to cash and cash equivalents within one year. The Agency has established an operating reserve and reviews its funding level on an ongoing basis to ensure it is adequate. In addition to financial assets available to meet general expenditures over the next 12 months, the Agency operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Cash in excess of daily requirements is typically invested in short-term, liquid securities. None of these financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. The Agency has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Agency also has available for general expenditures the \$3,000,000 line of credit agreement with a bank (see Note 7).

NOTE 17 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date but before the financial statements are available to be issued. The Agency recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position including estimates inherent in the process of preparing financial statements. The Agency's financial statements do not recognize subsequent events that provide additional evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date before the financial statements were available to be issued.

The Agency has evaluated subsequent events through November 14, 2019, which is the date the financial statements were available to be issued.

Supplementary Information

Kidango, Inc.
Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2019

Grantor / Pass-Through Grantor / or Program Title	Federal CFDA Number	Entity Identifying Number	Grant Award Amount			Expenditures or Earnings		
			Federal	State	Total	Federal	State	Total
U.S. Department of Health & Human Services:								
Pass-Through Program From:								
California Department of Education-								
General Child Care Center Pilot-SCC	93.596	CCTR - 8308	\$ 730,927	\$ -	\$ 730,927	\$ 615,577	\$ -	\$ 615,577
General Child Care Center Pilot-SCC	93.575	CCTR - 8308	335,943	-	335,943	282,926	-	282,926
General Child Care Center Pilot-SCC	--	CCTR - 8308	-	2,507,898	2,507,898	-	2,112,117	2,112,117
General Child Care Center Pilot-Alameda	93.596	CCTR - 8008	946,555	-	946,555	946,555	-	946,555
General Child Care Center Pilot-Alameda	93.575	CCTR - 8008	435,097	-	435,097	435,097	-	435,097
General Child Care Center Pilot-Alameda	-	CCTR - 8008	-	2,998,813	2,998,813	-	2,998,813	2,998,813
General Child Care Center-Contra Costa	93.596	CCTR - 8007	28,089	-	28,089	27,411	-	27,411
General Child Care Center-Contra Costa	93.575	CCTR - 8007	12,911	-	12,911	12,599	-	12,599
General Child Care Center-Contra Costa	--	CCTR - 8007	-	83,397	83,397	-	81,383	81,383
Family Child Care Homes	93.596	CFCC - 8000	54,662	-	54,662	54,655	-	54,655
Family Child Care Homes	93.575	CFCC - 8000	25,128	-	25,128	25,125	-	25,125
Family Child Care Homes	--	CFCC - 8000	-	143,109	143,109	-	143,091	143,091
California State Preschool Pilot-SCC	93.596	CSPP - 8689	299,522	-	299,522	281,174	-	281,174
California State Preschool Pilot-SCC	93.575	CSPP - 8689	137,569	-	137,569	129,142	-	129,142
California State Preschool Pilot-SCC	--	CSPP - 8689	-	6,979,136	6,979,136	-	6,551,605	6,551,605
California State Preschool Pilot-Alameda	93.596	CSPP - 8015	774,921	-	774,921	737,158	-	737,158
California State Preschool Pilot-Alameda	93.575	CSPP - 8015	355,916	-	355,916	338,571	-	338,571
California State Preschool Pilot-Alameda	--	CSPP - 8015	-	10,030,362	10,030,362	-	9,541,559	9,541,559
California State Preschool-Contra Costa	93.596	CSPP - 8014	266,374	-	266,374	267,451	-	267,451
California State Preschool-Contra Costa	93.575	CSPP - 8014	122,351	-	122,351	122,846	-	122,846
California State Preschool-Contra Costa	--	CSPP - 8014	-	1,026,665	1,026,665	-	1,030,816	1,030,816
New Haven Unified School District-								
California State Preschool	--	CSPP - 8018	-	2,546,125	2,546,125	-	1,692,706	1,692,706
San Lorenzo Unified School District-								
California State Preschool	--	CSPP - 8021	-	218,984	218,984	-	217,497	217,497
Fremont Unified School District-								
Cal-Safe	--		-	100,000	100,000	-	4,701	4,701
Community Family Services, Inc.-								
Family Child Care Homes	93.596	CFCC - 8022	250,996	-	250,996	247,371	-	247,371
Family Child Care Homes	93.575	CFCC - 8022	115,381	-	115,381	113,714	-	113,714
Family Child Care Homes	--	CFCC - 8022	-	657,120	657,120	-	647,629	647,629
Subtotal CCDF Cluster Program:			4,892,342	27,291,609	32,183,951	4,637,372	25,021,917	29,659,289

Kidango, Inc.
Schedule of Expenditures of Federal and State Awards (Continued)
Year Ended June 30, 2019

Grantor / Pass Through Grantor / or Program Title	Federal CFDA Number	Entity Identifying Number	Grant Award Amount			Expenditures or Earnings		
			Federal	State	Total	Federal	State	Total
Child, Family & Community Services, Inc.-								
Early Head Start	93.600	3/1/19 - 2/29/20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Head Start	93.600	3/1/19 - 2/29/20	352,517	-	352,517	81,506	-	81,506
Early Head Start	93.600	3/1/18 - 2/28/19	119,167	-	119,167	-	-	-
Head Start	93.600	3/1/18 - 2/28/19	244,517	-	244,517	157,897	-	157,897
Community Assoc. for Preschool Education-								
Early Head Start	93.600	3/1/18 - 2/28/19	412,800	-	412,800	274,340	-	274,340
Early Head Start	93.600	3/1/19 - 2/29/20	412,800	-	412,800	137,600	-	137,600
Office of Head Start								
Early Head Start	93.600	09HP000106-01-00	2,074,926	-	2,074,926	373,652	-	373,652
Early Head Start	93.600	09HP000106-02-00	1,824,662	-	1,824,662	1,751,725	-	1,751,725
Santa Clara County Office of Education-								
Head Start	93.600	19-0232	740,467	-	740,467	715,100	-	715,100
Early Head Start	93.600	19-0232	267,000	-	267,000	241,400	-	241,400
YMCA of the Central of Bay Area/ECE								
Head Start	93.600	07/01/18 - 06/30/19	291,000	-	291,000	323,232	-	323,232
Early Head Start	93.600	07/01/18 - 06/30/19	232,200	-	232,200	224,944	-	224,944
Subtotal Head Start Programs:			6,972,056	-	6,972,056	4,281,396	-	4,281,396
County of Alameda-								
Mental Health Services	--	900186	-	759,693	759,693	-	529,897	529,897
CAPS	--	900186	-	75,166	75,166	-	64,722	64,722
Santa Clara County-								
Mental Health Services	--	4408	-	1,775,202	1,775,202	-	1,699,175	1,699,175
EHR		PB 138092	-	285,782	285,782	-	285,782	285,782
Total U.S. Department of Health and Human Services:			\$ 11,864,398	\$ 30,187,452	\$ 42,051,850	\$ 8,918,768	\$ 27,601,493	\$ 36,520,261
U.S. Department of Agriculture								
Pass-Through Program From:								
California Department of Education-								
Child and Adult Care Food Program	10.558	01-1904-1A	\$ 1,459,841	\$ -	\$ 1,459,841	\$ 1,459,841	\$ -	\$ 1,459,841
Total U.S. Department of Agriculture:			1,459,841	-	1,459,841	1,459,841	-	1,459,841
Total Federal and State Awards			\$ 13,324,239	\$ 30,187,452	\$ 43,511,691	\$ 10,378,609	\$ 27,601,493	\$ 37,980,102

See accompanying notes to the schedule of expenditures of federal and state awards.

Kidango, Inc.
Notes to Schedule of Expenditures of Federal and State Awards
Year Ended June 30, 2019

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of Kidango, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Expenditures are recognized following the cost principles in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement.

NOTE 2 – SUBRECIPIENTS

The Agency did not provide any federal awards to subrecipients during the year ended June 30, 2019.

NOTE 3 – DE MINIMIS COST RATE

The Agency used the 10% de minimis cost rate for their financial statements.

Kidango, Inc.
Combining Statement of Financial Position
June 30, 2019 (with comparative totals for 2018)

	Without Donor Restrictions and Building Fund	Operating Programs	With Donor Restrictions	Total	
				June 30, 2019	June 30, 2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 1,895,019	\$ -	\$ 670,584	\$ 2,565,603	\$ 7,833,523
Short-term investments	4,084,078	-	-	4,084,078	639
Grants and contributions receivable	-	5,519,213	-	5,519,213	3,947,159
Accounts receivable, net of allowance of \$191,150 and \$210,244, respectively	443	123,775	-	124,218	358,000
Receivable from related entities	-	183,115	-	183,115	85,969
Prepaid expenses	285,980	-	-	285,980	221,404
Total current assets	6,265,520	5,826,103	670,584	12,762,207	12,446,694
NET PROPERTY, EQUIPMENT, AND LEASEHOLD IMPROVEMENTS	8,254,772	-	-	8,254,772	8,329,624
DEPOSITS	145,885	-	-	145,885	124,503
TOTAL ASSETS	\$ 14,666,177	\$ 5,826,103	\$ 670,584	\$ 21,162,864	\$ 20,900,821
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Current portion – capital lease	\$ 11,786	\$ -	\$ -	\$ 11,786	\$ 15,800
Current portion – mortgage payable	175,933	-	-	175,933	169,046
Accounts payable and accrued expenses	3,569,638	-	-	3,569,638	3,518,266
Due to Funder	-	168,802	-	168,802	162,549
Due to/(from) other funds	(1,927,208)	1,927,208	-	-	-
CDE Reserve	-	3,730,093	-	3,730,093	3,370,847
Total current liabilities	1,830,149	5,826,103	-	7,656,252	7,236,508
OBLIGATION UNDER CAPITAL LEASE	8,678	-	-	8,678	16,058
MORTGAGE PAYABLE	974,883	-	-	974,883	1,150,782
NET ASSETS	11,852,467	-	670,584	12,523,051	12,497,473
TOTAL LIABILITIES AND NET ASSETS	\$ 14,666,177	\$ 5,826,103	\$ 670,584	\$ 21,162,864	\$ 20,900,821

See accompanying notes to the schedule of expenditures of federal and state awards.

Kidango, Inc.**Combining Statement of Revenue and Expenditures and Changes in Net Assets
Year Ended June 30, 2019 (with comparative totals for 2018)**

	Without Donor Restrictions and Building Fund	Operating Programs	Total	
			June 30, 2019	June 30, 2018
REVENUE				
Grants:				
State Department of Education	\$ -	\$ 30,185,190	\$ 30,185,190	\$ 22,979,750
School District revenue	-	-	-	1,956,297
Child and Adult Care Food Programs	-	1,459,841	1,459,841	1,396,069
Head Start/Early Head Start	-	4,281,386	4,281,386	3,609,798
Subsidiary programs	-	-	-	960,261
Community Dev. Block Grant	-	-	-	-
Regional Center revenue	-	1,186,282	1,186,282	1,087,146
Voucher payments	-	366,779	366,779	263,151
County contracts	-	2,971,343	2,971,343	2,741,494
Other City income	-	56,987	56,987	55,327
First Five revenue	651	315,431	316,082	184,085
Parent fees	-	2,312,218	2,312,218	2,369,847
Other earned Income	1,276,476	-	1,276,476	879,322
Investment income	50,038	109,146	159,184	44,449
Donations and fundraising	35,385	420,763	456,148	479,458
Rental income	-	-	-	-
Other income	5,023	45,000	50,023	57,417
Total revenue	1,367,573	43,710,366	45,077,939	39,063,871
EXPENDITURES				
Salaries	298,507	25,006,376	25,304,883	21,520,439
Payroll taxes	22,128	1,855,828	1,877,956	1,729,585
Employee benefits	57,819	3,745,423	3,803,242	3,405,124
Books and supplies	463,756	2,132,358	2,596,114	2,462,700
Professional services	99,107	5,727,811	5,826,918	5,044,173
Occupancy expense	26,830	2,954,884	2,981,714	2,405,573
Other expenses	136,729	2,024,489	2,161,218	4,344,838
Equipment and capital improvements	26,701	634,731	661,432	221,817
Interest expense	28,328	24,569	52,897	63,299
Fundraising expense	37	607	644	-
Total expenses	1,159,942	44,107,076	45,267,018	41,197,548
CHANGE IN NET ASSETS BEFORE DEPRECIATION AND OTHER NONOPERATING CHANGES	207,631	(396,710)	(189,079)	(2,133,677)
NON-OPERATING REVENUE (EXPENSES)				
(Loss) gain on disposal of assets	(17,481)	-	(17,481)	6,936,130
Depreciation expense	(36,733)	(248,979)	(285,712)	(291,543)
Additions/deletions to equipment fund:				
Transfers	-	-	-	-
Additions to equipment fund	729,679	-	729,679	2,522,349
Deletions to equipment fund	(504,968)	-	(504,968)	(412,722)
Total non-operating revenue (expenses)	170,497	(248,979)	(78,482)	8,754,214
CHANGE IN NET ASSETS	378,128	(645,689)	(267,561)	6,620,537
NET ASSETS, beginning of year	12,120,028	-	12,120,028	5,499,491
NET ASSETS, end of year	\$ 12,498,156	\$ (645,689)	\$ 11,852,467	\$ 12,120,028

Kidango, Inc.
Combining Statement of Activities – Operating Programs
Year Ended June 30, 2019

	Operating Programs								
	California Dept. of Education Programs	School District Grants	Subsidiary Program	Mental Health and Developmental Services	Voucher Programs	Head Start Support Services	Courthouse	Other Programs	Total June 30, 2019
REVENUE									
Grants:									
State Department of Education	\$ 27,261,572	\$ 1,914,904	\$ 1,008,714	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,185,190
School District revenue	-	-	-	-	-	-	-	-	-
Child and Adult Care Food Programs	1,369,220	90,621	-	-	-	-	-	-	1,459,841
Head Start/Early Head Start	-	-	-	-	-	4,281,376	-	10	4,281,386
Community Family Services	-	-	-	-	-	-	-	-	-
Community Dev. Block Grant	-	-	-	-	-	-	-	-	-
Regional Center revenue	-	-	-	1,186,282	-	-	-	-	1,186,282
Voucher payments	-	-	-	-	366,779	-	-	-	366,779
County contracts	-	-	-	2,579,577	-	1,112	273,545	117,109	2,971,343
Other City income	-	-	-	-	-	-	-	56,987	56,987
First Five revenue	-	-	-	-	-	-	-	315,431	315,431
Parent fees	2,298,928	-	12,776	-	514	-	-	-	2,312,218
Other earned Income	-	-	-	-	-	-	-	-	-
Investment income	-	-	-	-	-	-	-	109,146	109,146
Donations and fundraising	-	-	-	-	-	5,000	-	415,763	420,763
Rental income	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	45,000	45,000
Total revenue	30,929,720	2,005,525	1,021,490	3,765,859	367,293	4,287,488	273,545	1,059,446	43,710,366
EXPENDITURES									
Salaries	16,832,481	1,319,956	135,664	2,823,530	260,590	2,778,848	203,904	651,403	25,006,376
Payroll taxes	1,254,741	100,781	3,617	210,514	18,338	206,395	15,518	45,924	1,855,828
Employee benefits	2,531,124	204,818	7,396	411,998	66,217	435,564	23,683	64,623	3,745,423
Books and supplies	1,763,435	124,007	17,392	45,220	6,159	149,733	8,514	17,898	2,132,358
Professional services	4,679,870	36,015	749,148	121,611	2,061	86,983	5,387	46,736	5,727,811
Occupancy expense	2,166,048	135,102	8,641	261,487	3,729	264,216	5,278	110,383	2,954,884
Other expenses	1,346,937	60,525	98,249	131,406	2,893	250,243	4,115	130,121	2,024,489
Equipment and capital improvements	212,177	9,572	960	34,980	(160)	90,402	1,702	285,098	634,731
Interest expense	2,150	170	6	368	8	337	26	21,504	24,569
Fundraising expense	-	-	-	288	10	288	21	-	607
Total expenses	30,788,963	1,990,946	1,021,073	4,041,402	359,845	4,263,009	268,148	1,373,690	44,107,076
CHANGE IN NET ASSETS BEFORE DEPRECIATION AND OTHER NONOPERATING CHANGES	140,757	14,579	417	(275,543)	7,448	24,479	5,397	(314,244)	(396,710)
NONOPERATING EXPENSES									
Depreciation expense	(183,024)	(14,579)	(417)	(23,970)	(985)	(24,017)	(1,659)	(328)	(248,979)
Transfers	-	-	-	-	-	-	-	645,689	645,689
CHANGE IN NET ASSETS	\$ (42,267)	\$ -	\$ -	\$ (299,513)	\$ 6,463	\$ 462	\$ 3,738	\$ 331,117	\$ -

See accompanying notes to the schedule of expenditures of federal and state awards.

Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Kidango, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Kidango, Inc., which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 14, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Kidango, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Kidango, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Kidango, Inc.'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 Kidango, Inc.'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 cursive script that reads "Moss Adams LLP".

San Francisco, California
November 14, 2019

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance

The Board of Directors
Kidango, Inc.

Report on Compliance for the Major Federal Program

We have audited Kidango, Inc.'s compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the major federal program for the year ended June 30, 2019. Kidango, Inc.'s major federal program is 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 Kidango, Inc.'s major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Kidango, Inc.'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 the major federal program. However, our audit does not provide a legal determination of Kidango, Inc.'s compliance.

Opinion on the Major Federal Program

In our opinion, Kidango, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2019.

Report on Internal Control over Compliance

Management of Kidango, Inc., 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 Kidango, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 Kidango, Inc.'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 a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



San Francisco, California
November 14, 2019

**Supplemental Information for the
California Department of Education**

Kidango, Inc.
General Information (Unaudited)
Year Ended June 30, 2019

Agency Name: Kidango, Inc.

Address of Agency: 44000 Old Warm Springs Boulevard
Fremont, California 94538

Type of Agency: California Nonprofit Public Benefit Corporation

California Department of Education, Project Numbers:

CCTR-8308	General Child Care Center	CSPP-8014	California State Preschool
CCTR-8008	General Child Care Center	CSPP-8015	California State Preschool
CCTR-8007	General Child Care Center	CSPP-8689	California State Preschool
CFCC-8000	Family Child Care Homes	01-1904-1A	Child Care Food Program

Executive Officers:

Chairman	Shams Tabrez
Vice Chairman	Vacant
Secretary	John M. True
Treasurer	Gerry McFaull

Executor Director: Scott Moore

Report Period: Fiscal Year Ended June 30, 2019

Schedule of Daily Hours: 8:00 a.m. to 5:00 p.m.

Number of Days Operation: Varied

Kidango, Inc.

Combining Statement of Activities – California Department of Education Programs
Year Ended June 30, 2019

	California Department of Education – Direct Funding							
	State Preschool CSPP-8014	State Preschool CSPP-8015	State Preschool CSPP-8689	Family Child Care Homes CFCC-8000	General Child Care CCTR-8308	General Child Care CCTR-8008	General Child Care CCTR-8007	Total CDE Programs
REVENUE								
Grants:								
State Department of Education	\$ 1,421,113	\$ 10,617,288	\$ 6,961,920	\$ 222,871	\$ 3,010,620	\$ 4,906,367	\$ 121,393	\$ 27,261,572
School District revenue	-	-	-	-	-	-	-	-
Child and Adult Care Food Programs	83,034	556,915	373,063	-	148,788	205,866	1,554	1,369,220
Community Family Services	-	-	-	-	-	-	-	-
County contracts	-	-	-	-	-	-	-	-
Parent fees	84,334	426,595	175,506	4,804	377,821	1,206,113	23,755	2,298,928
Other income	-	-	-	-	-	-	-	-
Total revenue	1,588,481	11,600,798	7,510,489	227,675	3,537,229	6,318,346	146,702	30,929,720
EXPENDITURES								
Salaries	1,050,830	7,214,565	4,519,195	11,330	1,587,281	2,407,446	41,834	16,832,481
Payroll taxes	78,617	540,655	335,106	792	117,730	178,732	3,109	1,254,741
Employee benefits	174,048	1,029,537	705,265	1,670	244,037	369,657	6,910	2,531,124
Books and supplies	63,606	683,108	502,618	2,189	230,212	278,454	3,248	1,763,435
Professional services	37,775	680,319	317,725	160,715	993,206	2,397,437	92,693	4,679,870
Occupancy expense	40,385	805,169	636,887	39,370	305,475	337,525	1,237	2,166,048
Other expenses	124,797	490,968	383,380	6,172	150,940	184,414	6,266	1,346,937
Minor equipment and improvements	6,570	78,117	59,365	5,340	27,570	34,755	460	212,177
Interest expense	138	919	587	2	198	302	4	2,150
Depreciation expense	11,715	77,441	50,361	95	17,424	25,581	407	183,024
Total expenses	1,588,481	11,600,798	7,510,489	227,675	3,674,073	6,214,303	156,168	30,971,987
CHANGE IN NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (136,844)</u>	<u>\$ 104,043</u>	<u>\$ (9,466)</u>	<u>\$ (42,267)</u>

Kidango, Inc.

Combining Statement of Activities – California Department of Education Programs (Continued)
Year Ended June 30, 2019

	School District Funding			Total School Districts Programs	Subsidiary
	New Haven USD State Preschool CSPP-8018	San Lorenzo USD State Preschool CSPP-8021	Fremont USD Non-CDE Funding		CFS Family Child Care Homes CFCC-8022
REVENUE					
Grants:					
State Department of Education	\$ 1,692,706	\$ 217,497	\$ 4,701	\$ 1,914,904	\$ 1,008,714
School District revenue	-	-	-	-	-
Child and Adult Care Food Programs	80,316	10,305	-	90,621	-
Community Family Services	-	-	-	-	-
County contracts	-	-	-	-	-
Parent fees	-	-	-	-	12,776
Other income	-	-	-	-	-
Total revenue	1,773,022	227,802	4,701	2,005,525	1,021,490
EXPENDITURES					
Salaries	1,171,290	143,965	4,701	1,319,956	135,664
Payroll taxes	90,202	10,579	-	100,781	3,617
Employee benefits	184,031	20,787	-	204,818	7,396
Books and supplies	103,830	20,177	-	124,007	17,392
Professional services	31,650	4,365	-	36,015	749,148
Occupancy expense	117,694	17,408	-	135,102	8,641
Other expenses	53,238	7,287	-	60,525	98,249
Minor equipment and improvements	7,988	1,584	-	9,572	960
Interest expense	150	20	-	170	6
Depreciation expense	12,949	1,630	-	14,579	417
Total expenses	1,773,022	227,802	4,701	2,005,525	1,021,490
CHANGE IN NET ASSETS	\$ -	\$ -	\$ -	\$ -	\$ -

Kidango, Inc.

Schedule of Expenditures by State Categories – California Department of Education Programs
Year Ended June 30, 2019

	State Preschool CSPP-8014	State Preschool CSPP-8015	State Preschool CSPP-8689	Family Child Care Homes CFCC-8000	General Child Care CCTR-8308	General Child Care CCTR-8008	General Child Care CCTR-8007	Total Kidango, Inc. Programs
Direct Payments to Providers	\$ -	\$ -	\$ -	\$ 159,381	\$ 745,447	\$ -	\$ -	\$ 904,828
1000 Certified salaries	597,061	4,308,331	2,755,113	23	967,648	1,388,507	25,984	10,042,667
2000 Classified salaries	453,769	2,906,235	1,764,081	11,307	619,632	1,018,939	15,850	6,789,813
3000 Employee benefits	252,664	1,570,191	1,040,371	2,463	361,767	548,388	10,019	3,785,863
4000 Books and supplies	63,606	683,108	502,618	2,189	230,212	278,454	3,248	1,763,435
5000 Services/other operating expenses	131,560	1,936,393	1,270,950	52,217	681,501	2,945,302	97,725	7,115,648
6000 Capital outlay	78,106	119,099	126,995	-	50,442	9,132	2,935	386,709
6100/6200 Other approved capital outlay	-	-	-	-	-	-	-	-
6400 New equipment	-	36,366	16,615	-	19,768	9,132	2,935	84,816
6500 Replacement equipment	78,106	82,733	110,380	-	30,674	-	-	301,893
Depreciation	11,715	77,441	50,361	95	17,424	25,581	407	183,024
Start-up costs	-	-	-	-	-	-	-	-
Indirect costs	-	-	-	-	-	-	-	-
Total expenses claimed for reimbursement	1,588,481	11,600,798	7,510,489	227,675	3,674,073	6,214,303	156,168	30,971,987
Supplemental expenses	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,588,481</u>	<u>\$ 11,600,798</u>	<u>\$ 7,510,489</u>	<u>\$ 227,675</u>	<u>\$ 3,674,073</u>	<u>\$ 6,214,303</u>	<u>\$ 156,168</u>	<u>\$ 30,971,987</u>

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

NOTE: The following contracts are commingled with subcontractors and further reconciled on pages 37-46 CSPP-8015, CSPP-8689, CCTR-8308, CCTR-8008, and CCTR-8007.

NOTE: All of the interest reported on page 34 is for capital lease interest only.

NOTE: Minor equipment below the Agency's capitalization threshold reported as "Minor Equipment and Improvements" as shown on page 34 above under the 4000 – Books and Supplies Category. Minor repairs below the Agency's capitalization threshold reported as "Minor Equipment and Improvements" as shown on page 34 above under the 5000 – Services/Other Operating Expenses Category.

Kidango, Inc.

Schedule of Expenditures by State Categories – California Department of Education Programs (Continued)
Year Ended June 30, 2019

	New Haven USD State Preschool CSPP-8018	San Lorenzo USD State Preschool CSPP-8021	Fremont USD Non-CDE Funding	Total School Districts Programs	CFS Family Child Care Homes CFCC-8022
Direct Payments to Providers	\$ -	\$ -	\$ -	\$ -	\$ 725,411
1000 Certified salaries	720,023	83,946	4,701	808,670	66
2000 Classified salaries	451,266	60,019	-	511,285	135,598
3000 Employee benefits	274,232	31,366	-	305,598	11,013
4000 Books and supplies	103,830	20,177	-	124,007	17,392
5000 Services/other operating expenses	206,390	30,063	-	236,453	131,593
6000 Capital outlay	4,332	601	-	4,933	-
6100/6200 Other approved capital outlay	-	-	-	-	-
6400 New equipment	4,332	601	-	4,933	-
6500 Replacement equipment	-	-	-	-	-
Depreciation	12,949	1,630	-	14,579	417
Start-up costs	-	-	-	-	-
Indirect costs	-	-	-	-	-
Total expenses claimed for reimbursement	1,773,022	227,802	4,701	2,005,525	1,021,490
Supplemental expenses	-	-	-	-	-
TOTAL EXPENDITURES	\$ 1,773,022	\$ 227,802	\$ 4,701	\$ 2,005,525	\$ 1,021,490

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

NOTE: All of the interest reported on page 34 is for capital lease interest only.

NOTE: Minor equipment below the Agency's capitalization threshold reported as "Minor Equipment and Improvements" as shown on page 34 above under the 4000 – Books and Supplies Category. Minor repairs below the Agency's capitalization threshold reported as "Minor Equipment and Improvements" as shown page 34 above under the 5000 – Services/Other Operating Expenses Category.

Kidango, Inc.**Reconciliation of CDE and GAAP Expense Reporting – CSPP-8015****Year Ended June 30, 2019**

	CSPP-8015		
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor CAPE, Inc.	Total
Expenses			
Schedule of Expenditures by State Categories (page 35)	\$ 11,600,798	\$ -	\$ 11,600,798
Adjustments to reconcile difference in reporting:			
Payments to subcontractor	(440,778)	440,778	-
Excess funded by subcontractor	-	-	-
Depreciation on assets funded by CDE	-	-	-
Audited Fiscal Reports	<u>\$ 11,160,020</u>	<u>\$ 440,778</u>	<u>\$ 11,600,798</u>

Kidango, Inc.

Schedule of Expenditures by State Categories with Subcontract Detail – CSPP-8015
Year Ended June 30, 2019

		CSPP-8015		
		Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor CAPE, Inc.	Total
Direct Payments to Providers		\$ -	\$ -	\$ -
1000	Certified salaries	4,008,602	299,729	4,308,331
2000	Classified salaries	2,906,235	-	2,906,235
3000	Employee benefits	1,429,142	141,049	1,570,191
4000	Books and supplies	683,108	-	683,108
5000	Services/other operating expenses	1,936,393	-	1,936,393
6000	Capital outlay	119,099	-	119,099
6100/6200	Other approved capital outlay	-	-	-
6400	New equipment	36,366	-	36,366
6500	Replacement equipment	82,733	-	82,733
	Depreciation	77,441	-	77,441
	Start-up costs	-	-	-
	Indirect costs	-	-	-
Total expenses claimed for reimbursement		11,160,020	440,778	11,600,798
Supplemental expenses		-	-	-
TOTAL EXPENDITURES		<u>\$ 11,160,020</u>	<u>\$ 440,778</u>	<u>\$ 11,600,798</u>

Kidango, Inc.**Reconciliation of CDE and GAAP Expense Reporting – CSPP-8689****Year Ended June 30, 2019**

	CSPP-8689		
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor San Jose Day Nursery	Total
Expenses			
Schedule of Expenditures by State Categories (page 35)	<u>\$ 7,510,489</u>	<u>\$ -</u>	<u>\$ 7,510,489</u>
Adjustments to reconcile difference in reporting:			
Payments to subcontractor	(146,055)	146,055	-
Excess funded by subcontractor	-	-	-
Depreciation on assets funded by CDE	<u>-</u>	<u>-</u>	<u>-</u>
Audited Fiscal Reports	<u><u>\$ 7,364,434</u></u>	<u><u>\$ 146,055</u></u>	<u><u>\$ 7,510,489</u></u>

Kidango, Inc.

Schedule of Expenditures by State Categories with Subcontract Detail – CSPP-8689
Year Ended June 30, 2019

		CSPP-8689		
		Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor San Jose Day Nursery	Total
Direct Payments to Providers		\$ -	\$ -	\$ -
1000	Certified salaries	2,655,796	99,317	2,755,113
2000	Classified salaries	1,764,081	-	1,764,081
3000	Employee benefits	993,633	46,738	1,040,371
4000	Books and supplies	502,618	-	502,618
5000	Services/other operating expenses	1,270,950	-	1,270,950
6000	Capital outlay	126,995	-	126,995
6100/6200	Other approved capital outlay	-	-	-
6400	New equipment	16,615	-	16,615
6500	Replacement equipment	110,380	-	110,380
	Depreciation	50,361	-	50,361
	Start-up costs	-	-	-
	Indirect costs	-	-	-
Total expenses claimed for reimbursement		7,364,434	146,055	7,510,489
Supplemental expenses		-	-	-
TOTAL EXPENDITURES		\$ 7,364,434	\$ 146,055	\$ 7,510,489

Kidango, Inc.**Reconciliation of CDE and GAAP Expense Reporting – CSPP-8308****Year Ended June 30, 2019**

	CCTR-8308		
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor San Jose Day Nursery	Total
Expenses			
Schedule of Expenditures by State Categories (page 35)	\$ 3,674,073	\$ -	\$ 3,674,073
Adjustments to reconcile difference in reporting:			
Payments to subcontractor	(199,234)	199,234	-
Excess funded by subcontractor	-	-	-
Depreciation on assets funded by CDE	-	-	-
Subtotal			
Audited Fiscal Reports	\$ 3,474,839	\$ 199,234	\$ 3,674,073

Kidango, Inc.

Schedule of Expenditures by State Categories with Subcontract Detail – CSPP-8308
Year Ended June 30, 2019

		CCTR-8308	
		Contractor	Subcontractor
		Kidango, Inc.	San Jose
		(Total expenses	Day
		of the Agency)	Nursery
			Total
Direct Payments to Providers		\$ 745,447	\$ -
			\$ 745,447
1000	Certified salaries	832,169	135,479
2000	Classified salaries	619,632	-
3000	Employee benefits	298,012	63,755
4000	Books and supplies	230,212	-
5000	Services/other operating expenses	681,501	-
6000	Capital outlay	50,442	-
6100/6200	Other approved capital outlay	-	-
6400	New equipment	19,768	-
6500	Replacement equipment	30,674	-
	Depreciation	17,424	-
	Start-up costs	-	-
	Indirect costs	-	-
Total expenses claimed for reimbursement		3,474,839	199,234
			3,674,073
Supplemental expenses		-	-
			-
TOTAL EXPENDITURES		\$ 3,474,839	\$ 199,234
			\$ 3,674,073

Kidango, Inc.
Reconciliation of CDE and GAAP Expense Reporting – CSPP-8008
Year Ended June 30, 2019

	CCTR-8008				Total
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor CAPE Inc.	Subcontractor Livermore Area Recreation and Park District	Subcontractor Unity Council	
Expenses					
Schedule of Expenditures by State Categories (page 35)	\$ 6,214,303	\$ -	\$ -	\$ -	\$ 6,214,303
Adjustments to reconcile difference in reporting:					
Payments to subcontractor	(2,308,460)	800,676	712,986	794,798	-
Excess funded by subcontractor	-	-	-	-	-
Depreciation on assets funded by CDE	-	-	-	-	-
Audited Fiscal Reports	\$ 3,905,843	\$ 800,676	\$ 712,986	\$ 794,798	\$ 6,214,303

Kidango, Inc.

Schedule of Expenditures of State Categories with Subcontract Detail – CSPP-8008
Year Ended June 30, 2019

			CCTR-8008				
			Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor CAPE Inc.	Subcontractor Livermore Area Recreation and Park District	Subcontractor Unity Council	Total
Direct Payments to Providers			\$ -	\$ -	\$ -	\$ -	\$ -
1000	Certified salaries		(181,346)	544,560	484,830	540,463	1,388,507
2000	Classified salaries		1,018,939	-	-	-	1,018,939
3000	Employee benefits		(190,319)	256,216	228,156	254,335	548,388
4000	Books and supplies		278,454	-	-	-	278,454
5000	Services/other operating expenses		2,945,302	-	-	-	2,945,302
6000	Capital outlay		9,132	-	-	-	9,132
6100/6200	Other approved capital outlay		-	-	-	-	-
6400	New equipment		9,132	-	-	-	9,132
6500	Replacement equipment		-	-	-	-	-
	Depreciation		25,581	-	-	-	25,581
	Start-up costs		-	-	-	-	-
	Indirect costs		-	-	-	-	-
Total expenses claimed for reimbursement			3,905,743	800,776	712,986	794,798	6,214,303
Supplemental expenses			-	-	-	-	-
TOTAL EXPENDITURES			\$ 3,905,743	\$ 800,776	\$ 712,986	\$ 794,798	\$ 6,214,303

Kidango, Inc.**Reconciliation of CDE and GAAP Expense Reporting – CSPP-8007****Year Ended June 30, 2019**

	CCTR-8007		
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor Unity Council	Total
Expenses			
Schedule of Expenditures by State Categories (page 35)	\$ 156,168	\$ -	\$ 156,168
Adjustments to reconcile difference in reporting:			
Payments to subcontractor	(91,750)	91,750	-
Excess funded by subcontractor	-	-	-
Depreciation on assets funded by CDE	-	-	-
Audited Fiscal Reports	\$ 64,418	\$ 91,750	\$ 156,168

Kidango, Inc.

Schedule of Expenditures of State Categories with Subcontract Detail – CSPP-8007
Year Ended June 30, 2019

	CCTR-8007		
	Contractor Kidango, Inc. (Total expenses of the Agency)	Subcontractor San Jose Day Nursery	Total
Direct Payments to Providers	\$ -	\$ -	\$ -
1000 Certified salaries	(36,406)	62,390	25,984
2000 Classified salaries	15,850	-	15,850
3000 Employee benefits	(19,341)	29,360	10,019
4000 Books and supplies	3,248	-	3,248
5000 Services/other operating expenses	97,725	-	97,725
6000 Capital outlay	2,935	-	2,935
6100/6200 Other approved capital outlay	-	-	-
6400 New equipment	2,935	-	2,935
6500 Replacement equipment	-	-	-
Depreciation	407	-	407
Start-up costs	-	-	-
Indirect costs	-	-	-
Total expenses claimed for reimbursement	64,418	91,750	156,168
Supplemental expenses	-	-	-
TOTAL EXPENDITURES	\$ 64,418	\$ 91,750	\$ 156,168

Kidango, Inc.
Schedule of Administrative Costs Relating to California Department of Education
Programs
Year Ended June 30, 2019

	Kidango, Inc.						
	General Child Care CCTR-8308	General Child Care CCTR-8008	General Child Care CCTR-8007	Family Child Care Homes CFCC-8000	State Preschool CSPP-8689	State Preschool CSPP-8015	State Preschool CSPP-8014
Salaries:							
Certified salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Classified salaries	166,422	253,498	4,970	1,199	484,458	763,151	113,896
Employee benefits	50,723	77,638	1,340	351	148,252	232,225	34,687
Books and supplies	1,899	1,982	18	18	2,528	7,116	1,174
Services and other							
Operating expenses	125,468	170,047	3,023	7,834	331,613	519,265	77,607
Capital expenditures	10,748	12,635	187	33	23,314	36,047	3,580
Depreciation expense	15,424	23,330	375	95	46,086	71,425	10,963
Total administrative costs	\$ 370,684	\$ 539,130	\$ 9,913	\$ 9,530	\$ 1,036,251	\$ 1,629,229	\$ 241,907
	School Districts						Subsidiary
	NHUSD State Preschool CSPP-8018	SLUSD State Preschool CSPP-8021					CFS Family CC Homes CFCC-8022
Salaries:							
Certified salaries	\$ -	\$ -					\$ -
Classified salaries	127,272	15,604					5,111
Employee benefits	38,903	4,651					1,577
Books and supplies	969	457					793
Services and other							
Operating expenses	86,653	10,897					116,827
Capital expenditures	5,971	763					164
Depreciation and mortgage	11,944	1,503					417
Total administrative costs	\$ 271,712	\$ 33,875					\$ 124,889

**Schedule of Equipment Expenditures and Schedule of Expenditures for Buildings and Improvements
Year Ended June 30, 2019**

	CDE Direct Funding								
	State Preschool CSPP-8014	State Preschool CSPP-8015	State Preschool CSPP-8689	General Child Care CCTR-8308	General Child Care CCTR-8008	General Child Care CCTR-8007	New Haven USD CSPP-8018	San Lorenzo USD CSPP-8021	Total
Equipment Expenditures									
Unit cost under \$7,500 per item									
None	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unit cost over \$7,500 per item									
with prior written approval									
Walk-in freezer/cooler	-	12,821	8,336	4,690	4,562	295	2,315	322	33,341
Vehicle	-	23,545	8,279	15,078	4,570	2,640	2,017	279	56,408
Unit cost over \$7,500 per item									
without prior written approval									
None	-	-	-	-	-	-	-	-	-
Total equipment expenditures	-	36,366	16,615	19,768	9,132	2,935	4,332	601	89,749
Building and Improvements									
Unit cost under \$7,500 per item									
None	-	-	-	-	-	-	-	-	-
Unit cost over \$7,500 per item									
with prior written approval									
Painting for Center	9,300	-	23,993	-	-	-	-	-	33,293
Play structure	68,806	31,373	86,387	30,674	-	-	-	-	217,240
Playground surfacing	-	42,021	-	-	-	-	-	-	42,021
Fencing	-	9,339	-	-	-	-	-	-	9,339
Unit cost over \$7,500 per item									
without prior written approval									
None	-	-	-	-	-	-	-	-	-
Total improvement expenditures	78,106	82,733	110,380	30,674	-	-	-	-	301,893
TOTAL CAPITAL OUTLAY BY CONTRACT	\$ 78,106	\$ 119,099	\$ 126,995	\$ 50,442	\$ 9,132	\$ 2,935	\$ 4,332	\$ 601	\$ 391,642

NOTE: The Agency's capitalization threshold is \$5,000

Kidango, Inc.
CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED RESERVE ACCOUNT ACTIVITY REPORT
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Fiscal Year End

June 30, 2019

Reserve Account Type

Center-Based

Vendor Code

01-B202

Full Name of Contractor **Kidango, Inc.**

Prior Year - Reserve Account Activity		Per 2017-18 AUD 9530-A	
1. Beginning Balance (2017-18 Ending Balance)		2,391,108	
2. Plus Transfers to Reserve Account:		Per CDNFS 9530	
Contract No.7703		457,929	
Contract No.7008		164,760	
Contract No.7316		81,631	
Contract No.7014		267,828	
Contract No.			
Contract No.			
Total Transferred from PY Contracts to Reserve		972,148	
3. Less Excess Reserve to be Billed			
4. Ending Balance on PY Post-Audit CDNFS 9530		3,363,256	
Current Year - Reserve Account Activity		Column A CDNFS 9530-A	Column B Audit Adjustments
5. Plus Interest Earned This Year on Reserve		203	203
6. Less Transfers to Contracts from Reserve:			
CSPP General-Contract No.8014			5,723
CSPP General-Contract No.			
CSPP Professional Development-Contract No.			
CSPP Professional Development-Contract No.			
Subtotal CSPP Transfers			5,723
Other Contract No.CCTR 8008			525,902
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Subtotal Other Contract Transfers			525,902
Total Transferred to Contracts from Reserve Account			531,625
7. Ending Balance on June 30, 2019		3,363,459	-531,625
			2,831,834

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

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Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
A U D 9500 Page 1 of 10 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus				2.4426	0
Infants (up to 18 months) Full-time				2.0700	0
Infants (up to 18 months) Three-quarters-time				1.5525	0
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time	1,446		1,446	1.6000	2,313.6
Toddlers (18 up to 36 months) Three-quarters-time	9		9	1.2000	10.8
Toddlers (18 up to 36 months) One-half-time				0.8800	0
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time	246		246	1.0000	246
Three Years and Older Three-quarters-time	32		32	0.7500	24
Three Years and Older One-half-time				0.5500	0

CALIFORNIA DEPARTMENT OF EDUCATION
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 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.7535	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				0.6050	0
At Risk of Abuse or Neglect Full-time-plus	68		68	1.2980	88.264
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
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CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL DAYS OF ENROLLMENT	1,801		1,801	N/A	2,682.664
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	1,767		1,767	N/A	N/A

☐ NO NON-CERTIFIED CHILDREN Check this box (omit pages 4-6) and continue to Revenue Section on page 7.

CALIFORNIA DEPARTMENT OF EDUCATION
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 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus				2.4426	0
Infants (up to 18 months) Full-time				2.0700	0
Infants (up to 18 months) Three-quarters-time				1.5525	0
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.8800	0
Three Years and Older Full-time-plus	424		424	1.1800	500.32
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				0.5500	0

Kidango, Inc.

CDE Schedules

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AUDITED ATTENDANCE AND FISCAL REPORT FOR
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.7535	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				0.6050	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

CALIFORNIA DEPARTMENT OF EDUCATION
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 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	424		424	N/A	500.32

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
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Fiscal Year Ending June 30, 2019

Contract Number CCTR 8007

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 3 - Revenue	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	1,554		1,554
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	1,554		1,554
Transfer From Reserve			
Family Fees for Certified Children	3,082		3,082
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children	20,673		20,673
Unrestricted Income: Head Start			
Unrestricted Income - Other			
Total Revenue	25,309		25,309

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending June 30, 2019

Contract Number CCTR 8007

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	33,948	-7,964	25,984
2000 Classified Salaries	28,000	-12,150	15,850
3000 Employee Benefits	17,599	-7,580	10,019
4000 Books and Supplies	8,257	-5,009	3,248
5000 Services and Other Operating Expenses	46,958	50,767	97,725
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		2,935	2,935
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	1,087	-680	407
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	15,093	-15,093	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	150,942	5,226	156,168
Total Administrative Cost (included in Section 4 above)	22,408	-12,495	9,913

Approved Indirect Cost Rate:

Comments:

☒ NO SUPPLEMENTAL REVENUE Check this box and omit Page 9.

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	1,801		1,801
Days of Operation	246		246
Days of Attendance	1,767		1,767
Total Non-Certified Days of Enrollment	424		424
Restricted Program Income	1,554		1,554
Transfer from Reserve			
Family Fees for Certified Children	3,082		3,082
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	150,942	5,226	156,168
Total Administrative Cost	22,408	-12,495	9,913

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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

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

☒ Yes
☐ No

Reimbursable expenses claimed on page 8 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the 'Comments' box on page 8. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
 A U D 9500 Page 1 of 10 (06/19)

Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus	1,023		1,023	2.4426	2,498.7798
Infants (up to 18 months) Full-time	6,685		6,685	2.0700	13,837.95
Infants (up to 18 months) Three-quarters-time	61		61	1.5525	94.7025
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus	2,423		2,423	1.8880	4,574.624
Toddlers (18 up to 36 months) Full-time	38,478		38,478	1.6000	61,564.8
Toddlers (18 up to 36 months) Three-quarters-time	449		449	1.2000	538.8
Toddlers (18 up to 36 months) One-half-time	2		2	0.8800	1.76
Three Years and Older Full-time-plus	646		646	1.1800	762.28
Three Years and Older Full-time	7,484		7,484	1.0000	7,484
Three Years and Older Three-quarters-time	4,086		4,086	0.7500	3,064.5
Three Years and Older One-half-time	14,127		14,127	0.5500	7,769.85

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time	52		52	1.3700	71.24
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.7535	0
Limited and Non-English Proficient Full-time-plus	131		131	1.2980	170.038
Limited and Non-English Proficient Full-time	924		924	1.1000	1,016.4
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6050	0
At Risk of Abuse or Neglect Full-time-plus	1		1	1.2980	1.298
At Risk of Abuse or Neglect Full-time	1		1	1.1000	1.1
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL DAYS OF ENROLLMENT	76,573		76,573	N/A	103,452.1223
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	75,899		75,899	N/A	N/A

☐ NO NON-CERTIFIED CHILDREN Check this box (omit pages 4-6) and continue to Revenue Section on page 7.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
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Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus	2,102		2,102	2.4426	5,134.3452
Infants (up to 18 months) Full-time				2.0700	0
Infants (up to 18 months) Three-quarters-time				1.5525	0
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus	2,133		2,133	1.8880	4,027.104
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time	65		65	0.8800	57.2
Three Years and Older Full-time-plus	7,402		7,402	1.1800	8,734.36
Three Years and Older Full-time	825		825	1.0000	825
Three Years and Older Three-quarters-time	41		41	0.7500	30.75
Three Years and Older One-half-time	8,485		8,485	0.5500	4,666.75

CALIFORNIA DEPARTMENT OF EDUCATION
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 CHILD DEVELOPMENT PROGRAMS
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Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus	208		208	1.6166	336.2528
Exceptional Needs Full-time	455		455	1.3700	623.35
Exceptional Needs Three-quarters-time	29		29	1.0275	29.7975
Exceptional Needs One-half-time	62		62	0.7535	46.717
Limited and Non-English Proficient Full-time-plus	1,371		1,371	1.2980	1,779.558
Limited and Non-English Proficient Full-time	34		34	1.1000	37.4
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time	745		745	0.6050	450.725
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	23,957		23,957	N/A	26,779.3095

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending June 30, 2019

Contract Number CCTR 8008

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 3 - Revenue	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	205,885	-19	205,866
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	205,885	-19	205,866
Transfer From Reserve			
Family Fees for Certified Children	94,482		94,482
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children	1,111,631		1,111,631
Unrestricted Income: Head Start	1,899,011	-369,515	1,529,496
Unrestricted Income - Other			
Total Revenue	3,311,009	-369,534	2,941,475

Kidango, Inc.

CDE Schedules

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AUDITED ATTENDANCE AND FISCAL REPORT FOR
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Fiscal Year Ending June 30, 2019

Contract Number CCTR 8008

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	1,325,913	62,594	1,388,507
2000 Classified Salaries	1,267,028	-248,089	1,018,939
3000 Employee Benefits	610,688	-62,300	548,388
4000 Books and Supplies	293,765	-15,311	278,454
5000 Services and Other Operating Expenses	2,420,255	525,047	2,945,302
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		9,132	9,132
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	37,051	-11,470	25,581
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	661,633	-661,633	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	6,616,333	-402,030	6,214,303
Total Administrative Cost (included in Section 4 above)	961,568	-422,438	539,130

Approved Indirect Cost Rate:

Comments:

☐ NO SUPPLEMENTAL REVENUE Check this box and omit Page 9.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending June 30, 2019

Contract Number CCTR 8008

Vendor Code

Full Name of Contractor Kidango, Inc.

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:	9,691		9,691
Other:			
Total Supplemental Revenue	9,691		9,691

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries	1,238		1,238
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses	8,453		8,453
6000 Equipment/Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses	9,691		9,691

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	76,573		76,573
Days of Operation	246		246
Days of Attendance	75,899		75,899
Total Non-Certified Days of Enrollment	23,957		23,957
Restricted Program Income	205,885	-19	205,866
Transfer from Reserve			
Family Fees for Certified Children	94,482		94,482
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	6,616,333	-402,030	6,214,303
Total Administrative Cost	961,568	-422,438	539,130

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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

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

☒ Yes
☐ No

Reimbursable expenses claimed on page 8 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the 'Comments' box on page 8. If necessary, attach additional sheets to explain adjustments.

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 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus	68		68	2.4426	166.0968
Infants (up to 18 months) Full-time	4,130		4,130	2.0700	8,549.1
Infants (up to 18 months) Three-quarters-time				1.5525	0
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus	1,850		1,850	1.8880	3,492.8
Toddlers (18 up to 36 months) Full-time	28,593		28,593	1.6000	45,748.8
Toddlers (18 up to 36 months) Three-quarters-time	306		306	1.2000	367.2
Toddlers (18 up to 36 months) One-half-time	6		6	0.8800	5.28
Three Years and Older Full-time-plus	850		850	1.1800	1,003
Three Years and Older Full-time	6,054		6,054	1.0000	6,054
Three Years and Older Three-quarters-time	5,113		5,113	0.7500	3,834.75
Three Years and Older One-half-time	2,890		2,890	0.5500	1,589.5

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus	66		66	1.6166	106.6956
Exceptional Needs Full-time	33		33	1.3700	45.21
Exceptional Needs Three-quarters-time	180		180	1.0275	184.95
Exceptional Needs One-half-time				0.7535	0
Limited and Non-English Proficient Full-time-plus	442		442	1.2980	573.716
Limited and Non-English Proficient Full-time	1,805		1,805	1.1000	1,985.5
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time				0.6050	0
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
 A U D 9500 Page 3 of 10 (06/19)

Fiscal Year Ending June 30, 2019
 Contract Number CCTR 8308
 Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL DAYS OF ENROLLMENT	52,386		52,386	N/A	73,706.5984
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	51,670		51,670	N/A	N/A

☐ NO NON-CERTIFIED CHILDREN Check this box (omit pages 4-6) and continue to Revenue Section on page 7.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
A U D 9500 Page 4 of 10 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Infants (up to 18 months) Full-time-plus				2.4426	0
Infants (up to 18 months) Full-time				2.0700	0
Infants (up to 18 months) Three-quarters-time				1.5525	0
Infants (up to 18 months) One-half-time				1.1385	0
FCCH Infants (up to 18 months) Full-time-plus				2.2656	0
FCCH Infants (up to 18 months) Full-time				1.9200	0
FCCH Infants (up to 18 months) Three-quarters-time				1.4400	0
FCCH Infants (up to 18 months) One-half-time				1.0560	0
Toddlers (18 up to 36 months) Full-time-plus	592		592	1.8880	1,117.696
Toddlers (18 up to 36 months) Full-time	1,067		1,067	1.6000	1,707.2
Toddlers (18 up to 36 months) Three-quarters-time	117		117	1.2000	140.4
Toddlers (18 up to 36 months) One-half-time	17		17	0.8800	14.96
Three Years and Older Full-time-plus	1,908		1,908	1.1800	2,251.44
Three Years and Older Full-time	1,441		1,441	1.0000	1,441
Three Years and Older Three-quarters-time	796		796	0.7500	597
Three Years and Older One-half-time	2,094		2,094	0.5500	1,151.7

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
A U D 9500 Page 5 of 10 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Exceptional Needs Full-time-plus	21		21	1.6166	33.9486
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.7535	0
Limited and Non-English Proficient Full-time-plus	250		250	1.2980	324.5
Limited and Non-English Proficient Full-time	243		243	1.1000	267.3
Limited and Non-English Proficient Three-quarters-time				0.8250	0
Limited and Non-English Proficient One-half-time	12		12	0.6050	7.26
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time				1.1000	0
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6050	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
A U D 9500 Page 6 of 10 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CTTR	8308
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.9433	0

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT	8,558		8,558	N/A	9,054.4046

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
 A U D 9500 Page 7 of 10 (06/19)

Fiscal Year Ending June 30, 2019

Contract Number CCTR 8308

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 3 - Revenue	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	148,789	-1	148,788
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	148,789	-1	148,788
Transfer From Reserve			
Family Fees for Certified Children	128,983		128,983
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children	248,838		248,838
Unrestricted Income: Head Start	1,140,038	4,312	1,144,350
Unrestricted Income - Other			
Total Revenue	1,666,648	4,311	1,670,959

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
A U D 9500 Page 8 of 10 (06/19)

Fiscal Year Ending June 30, 2019

Contract Number CCTR 8308

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)	944,681	-199,234	745,447
1000 Certificated Salaries	782,394	185,254	967,648
2000 Classified Salaries	724,491	-104,859	619,632
3000 Employee Benefits	377,946	-16,179	361,767
4000 Books and Supplies	169,346	60,866	230,212
5000 Services and Other Operating Expenses	713,275	-31,774	681,501
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		19,768	19,768
6500 Equipment Replacement (program-related)		30,674	30,674
Depreciation or Use Allowance	26,168	-8,744	17,424
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	415,372	-415,372	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	4,153,673	-479,600	3,674,073
Total Administrative Cost (included in Section 4 above)	66,733	303,951	370,684

Approved Indirect Cost Rate:

Comments:

☐ NO SUPPLEMENTAL REVENUE Check this box and omit Page 9.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CHILD DEVELOPMENT PROGRAMS
 A U D 9500 Page 9 of 10 (06/19)

Fiscal Year Ending June 30, 2019

Contract Number CCTR 8308

Vendor Code

Full Name of Contractor Kidango, Inc.

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:	3,758		3,758
Other:			
Total Supplemental Revenue	3,758		3,758

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries	1,615		1,615
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies	982		982
5000 Services and Other Operating Expenses	1,161		1,161
6000 Equipment/Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses	3,758		3,758

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CHILD DEVELOPMENT PROGRAMS
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Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	52,386		52,386
Days of Operation	246		246
Days of Attendance	51,670		51,670
Total Non-Certified Days of Enrollment	8,558		8,558
Restricted Program Income	148,789	-1	148,788
Transfer from Reserve			
Family Fees for Certified Children	128,983		128,983
Interest Earned on Apportionment Payments			
Direct Payments to Providers	944,681	-199,234	745,447
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	4,153,673	-479,600	3,674,073
Total Administrative Cost	66,733	303,951	370,684

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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

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

☒ Yes
☐ No

Reimbursable expenses claimed on page 8 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the 'Comments' box on page 8. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED FISCAL REPORT FOR
CALWORKS, ALTERNATIVE PAYMENT OR
FAMILY CHILD CARE HOME PROGRAMS
A U D 9500-AP Page 1 of 4 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Revenue	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income Subtotal				
Transfer from Reserve (Alternative Payment Only)				
Family Fees for Certified Children		4,804		4,804
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue		4,804		4,804

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED FISCAL REPORT FOR
CALWORKS, ALTERNATIVE PAYMENT OR
FAMILY CHILD CARE HOME PROGRAMS
A U D 9500-AP Page 2 of 4 (06/19)

Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 2 - Reimbursable Expenses	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers		159,381		159,381
1000 Certificated Salaries			23	23
2000 Classified Salaries			11,307	11,307
3000 Employee Benefits			2,463	2,463
4000 Books and Supplies			2,189	2,189
5000 Services and Other Operating Expenses		68,295	-16,078	52,217
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance			95	95
Indirect Costs (Include in Administrative Cost)				
Non-Reimbursable (State Use Only)				
Total Reimbursable Expenses		227,676	-1	227,675
Total Administrative Cost (included in section 2 above)		34,151	-24,621	9,530
Days of Operation		246		246

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE Check this box and omit Page 3.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED FISCAL REPORT FOR
CALWORKS, ALTERNATIVE PAYMENT OR
FAMILY CHILD CARE HOME PROGRAMS
A U D 9500-AP Page 4 of 4 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CFCC	8000
Vendor Code	B202	

Full Name of Contractor Kidango, Inc.

Section 5 - Summary	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Program Income				
Interest Earned on Apportionment Payments				
Direct Payments to Providers		159,381		159,381
Total Administrative Costs		34,151	-24,621	9,530
Days of Operation		246		246
Total Reimbursable Expenses		227,676	-1	227,675

Comments

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED FISCAL REPORT FOR
CALWORKS, ALTERNATIVE PAYMENT OR
FAMILY CHILD CARE HOME PROGRAMS
A U D 9500-AP Page 1 of 4 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Revenue	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income Subtotal				
Transfer from Reserve (Alternative Payment Only)				
Family Fees for Certified Children		12,776		12,776
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Other:				
Total Revenue		12,776		12,776

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED FISCAL REPORT FOR
 CALWORKS, ALTERNATIVE PAYMENT OR
 FAMILY CHILD CARE HOME PROGRAMS
 A U D 9500-AP Page 2 of 4 (06/19)

Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 2 - Reimbursable Expenses	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers		725,411		725,411
1000 Certificated Salaries			66	66
2000 Classified Salaries			135,598	135,598
3000 Employee Benefits			11,013	11,013
4000 Books and Supplies			17,392	17,392
5000 Services and Other Operating Expenses		310,839	-179,246	131,593
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance			417	417
Indirect Costs (Include in Administrative Cost)				
Non-Reimbursable (State Use Only)				
Total Reimbursable Expenses		1,036,250	-14,760	1,021,490
Total Administrative Cost (included in section 2 above)		155,438	-30,549	124,889
Days of Operation		246		246

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE Check this box and omit Page 3.

Kidango, Inc.
CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED FISCAL REPORT FOR
CALWORKS, ALTERNATIVE PAYMENT OR
FAMILY CHILD CARE HOME PROGRAMS
A U D 9500-AP Page 4 of 4 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CFCC	8022
Vendor Code	P800	

Full Name of Contractor	Community Family Services, Inc.
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Section 5 - Summary	Column A1 Cumulative Prior Year AUD 9500-AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500-AP	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Program Income				
Interest Earned on Apportionment Payments				
Direct Payments to Providers		725,411		725,411
Total Administrative Costs		155,438	-30,549	124,889
Days of Operation		246		246
Total Reimbursable Expenses		1,036,250	-14,760	1,021,490

Comments

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 1 of 9 (06/19)

Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus	2,300		2,300	1.1800	2,714
Three Years and Older Full-time	13,812		13,812	1.0000	13,812
Three Years and Older Three-quarters-time	808		808	0.7500	606
Three Years and Older One-half-time	15,371		15,371	0.6193	9,519.2603
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time	323		323	1.3700	442.51
Exceptional Needs Three-quarters-time	121		121	1.0275	124.3275
Exceptional Needs One-half-time	45		45	0.6193	27.8685
Limited and Non-English Proficient Full-time-plus	570		570	1.2980	739.86
Limited and Non-English Proficient Full-time	2,635		2,635	1.1000	2,898.5
Limited and Non-English Proficient Three-quarters-time	319		319	0.8250	263.175
Limited and Non-English Proficient One-half-time				0.6193	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE & FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
At Risk of Abuse or Neglect Full-time-plus				1.2980	0
At Risk of Abuse or Neglect Full-time	31		31	1.1000	34.1
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				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL DAYS OF ENROLLMENT	36,335		36,335	N/A	31,181.6013
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	35,923		35,923	N/A	N/A

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE & FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6193	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				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending

June 30, 2019

Contract Number

CSPP

8014

Vendor Code

B202

Full Name of Contractor **Kidango, Inc.**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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

CALIFORNIA DEPARTMENT OF EDUCATION
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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8014
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8014
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 3 - Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	83,034		83,034
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	83,034		83,034
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	84,334		84,334
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start		0	0
Unrestricted Income - Other:			
Total Revenue	167,368	0	167,368

CALIFORNIA DEPARTMENT OF EDUCATION
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CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending June 30, 2019

Contract Number CSPP 8014

Vendor Code B202

Full Name of Contractor **Kidango, Inc.**

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	446,138	150,923	597,061
2000 Classified Salaries	322,070	131,699	453,769
3000 Employee Benefits	201,474	51,190	252,664
4000 Books and Supplies	105,532	-41,926	63,606
5000 Services and Other Operating Expenses	340,676	-209,116	131,560
6100/6200 Other Approved Capital Outlay		78,106	78,106
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	13,744	-2,029	11,715
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	158,847	-158,847	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	1,588,481	0	1,588,481
Total Administrative Cost (included in section 4 above)	225,817	16,090	241,907

Approved Indirect Cost Rate:

Comments:

☐ NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE & FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8014
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:	19,046		19,046
Other:			
Total Supplemental Revenue	19,046		19,046

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries	7,500		7,500
2000 Classified Salaries	1,500		1,500
3000 Employee Benefits	1,612		1,612
4000 Books and Supplies	1,250		1,250
5000 Services and Other Operating Expenses	2,826		2,826
6000 Equipment/Capital Outlay	4,358		4,358
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses	19,046		19,046

CALIFORNIA DEPARTMENT OF EDUCATION AUDITED ATTENDANCE AND
FISCAL REPORT FOR CALIFORNIA STATE PRESCHOOL PROGRAMS
A U D 8501 Page 9 of 9 (06/19)

Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	36,335		36,335
Days of Operation	246		246
Days of Attendance	35,923		35,923
Total Non-Certified Days of Enrollment			
Restricted Program Income	83,034		83,034
Transfer from Reserve			
Family Fees for Certified Children	84,334		84,334
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	1,588,481	0	1,588,481
Total Administrative Cost	225,817	16,090	241,907

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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 (check YES or NO):

☒ Yes
☐ No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 1 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8015
Vendor Code	B202	

Full Name of Contractor	Kidango, Inc.
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Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus	15,136		15,136	1.1800	17,860.48
Three Years and Older Full-time	68,073		68,073	1.0000	68,073
Three Years and Older Three-quarters-time	943		943	0.7500	707.25
Three Years and Older One-half-time	154,149		154,149	0.6193	95,464.4757
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time	1,371		1,371	1.3700	1,878.27
Exceptional Needs Three-quarters-time	389		389	1.0275	399.6975
Exceptional Needs One-half-time	3,140		3,140	0.6193	1,944.602
Limited and Non-English Proficient Full-time-plus	4,146		4,146	1.2980	5,381.508
Limited and Non-English Proficient Full-time	17,659		17,659	1.1000	19,424.9
Limited and Non-English Proficient Three-quarters-time	47		47	0.8250	38.775
Limited and Non-English Proficient One-half-time	1		1	0.6193	0.6193

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE & FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
 A U D 8501 Page 2 of 9 (06/19)

Fiscal Year Ending June 30, 2019
 Contract Number CSPP 8015
 Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
At Risk of Abuse or Neglect Full-time-plus	721		721	1.2980	935.858
At Risk of Abuse or Neglect Full-time	682		682	1.1000	750.2
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time	348		348	0.6193	215.5164
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL DAYS OF ENROLLMENT	266,805		266,805	N/A	213,075.1519
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	261,833		261,833	N/A	N/A

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE & FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6193	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				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 4 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8015
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 5 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8015
Vendor Code	B202	

Full Name of Contractor	Kidango, Inc.
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Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

CALIFORNIA DEPARTMENT OF EDUCATION
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 CALIFORNIA STATE PRESCHOOL PROGRAMS
 A U D 8501 Page 6 of 9 (06/19)

Fiscal Year Ending June 30, 2019
 Contract Number CSPP 8015
 Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 3 - Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	556,915		556,915
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	556,915		556,915
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	426,595		426,595
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start	562,634		562,634
Unrestricted Income - Other:			
Total Revenue	1,546,144		1,546,144

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending June 30, 2019

Contract Number CSPP 8015

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	3,747,375	560,956	4,308,331
2000 Classified Salaries	2,512,386	393,849	2,906,235
3000 Employee Benefits	1,521,217	48,974	1,570,191
4000 Books and Supplies	637,267	45,841	683,108
5000 Services and Other Operating Expenses	1,939,319	-2,926	1,936,393
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		36,366	36,366
6500 Equipment Replacement (program-related)		82,733	82,733
Depreciation or Use Allowance	84,894	-7,453	77,441
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	1,202,630	-1,202,630	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	11,645,088	-44,290	11,600,798
Total Administrative Cost (included in section 4 above)	1,656,872	-27,643	1,629,229

Approved Indirect Cost Rate:

Comments:

☐ NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE & FISCAL REPORT FOR
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Fiscal Year Ending June 30, 2019

Contract Number CSPP 8015

Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:	197,731		197,731
Other:			
Total Supplemental Revenue	197,731		197,731

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries	44,540		44,540
2000 Classified Salaries	67,616		67,616
3000 Employee Benefits	15,142		15,142
4000 Books and Supplies	4,657		4,657
5000 Services and Other Operating Expenses	62,870		62,870
6000 Equipment/Capital Outlay	2,906		2,906
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses	197,731		197,731

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION AUDITED ATTENDANCE AND
FISCAL REPORT FOR CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	266,805		266,805
Days of Operation	246		246
Days of Attendance	261,833		261,833
Total Non-Certified Days of Enrollment			
Restricted Program Income	556,915		556,915
Transfer from Reserve			
Family Fees for Certified Children	426,595		426,595
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	11,645,088	-44,290	11,600,798
Total Administrative Cost	1,656,872	-27,643	1,629,229

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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 (check YES or NO):

☒ Yes
☐ No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time	39,069		39,069	0.6193	24,195.4317
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time	95		95	0.6193	58.8335
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	15,077		15,077	0.6193	9,337.1861

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
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CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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	255		255	0.6193	157.9215
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL DAYS OF ENROLLMENT	54,496		54,496	N/A	33,749.3728
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	53,067		53,067	N/A	N/A

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE & FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6193	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				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
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CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8018
Vendor Code	6124	

Full Name of Contractor	New Haven Unified School District
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Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8018
Vendor Code	6124	

Full Name of Contractor **New Haven Unified School District**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
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CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending June 30, 2019
Contract Number CSPP 8018
Vendor Code 6124

Full Name of Contractor New Haven Unified School District

Section 3 - Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	80,316		80,316
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	80,316		80,316
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children			
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start			
Unrestricted Income - Other:			
Total Revenue	80,316		80,316

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 7 of 9 (06/19)

Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	669,324	50,699	720,023
2000 Classified Salaries	401,888	49,378	451,266
3000 Employee Benefits	255,832	18,400	274,232
4000 Books and Supplies	115,846	-12,016	103,830
5000 Services and Other Operating Expenses	192,342	14,048	206,390
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		4,332	4,332
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	11,662	1,287	12,949
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	182,988	-182,988	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	1,829,882	-56,860	1,773,022
Total Administrative Cost (included in section 4 above)	262,435	9,277	271,712

Approved Indirect Cost Rate:

Comments:

☒ NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION AUDITED ATTENDANCE AND
FISCAL REPORT FOR CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	54,496		54,496
Days of Operation	246		246
Days of Attendance	53,067		53,067
Total Non-Certified Days of Enrollment			
Restricted Program Income	80,316		80,316
Transfer from Reserve			
Family Fees for Certified Children			
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	1,829,882	-56,860	1,773,022
Total Administrative Cost	262,435	9,277	271,712

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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 (check YES or NO):

☒ Yes
☐ No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 1 of 9 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Three Years and Older Full-time-plus				1.1800	0
Three Years and Older Full-time				1.0000	0
Three Years and Older Three-quarters-time				0.7500	0
Three Years and Older One-half-time	4,420		4,420	0.6193	2,737.306
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time	199		199	0.6193	123.2407
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	2,203		2,203	0.6193	1,364.3179

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE & FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending June 30, 2019
Contract Number CSPP 8021
Vendor Code 6130

Full Name of Contractor San Lorenzo Unified School District

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL DAYS OF ENROLLMENT	6,822		6,822	N/A	4,224.8646
DAYS OF OPERATION	241		241	N/A	N/A
DAYS OF ATTENDANCE	6,669		6,669	N/A	N/A

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE & FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Toddlers (18 up to 36 months) Full-time-plus				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6193	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				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6193	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
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CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 4 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8021
Vendor Code	6130	

Full Name of Contractor **San Lorenzo Unified School District**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
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

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS

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Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8021
Vendor Code	6130	

Full Name of Contractor **San Lorenzo Unified School District**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6193	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
A U D 8501 Page 6 of 9 (06/19)

Fiscal Year Ending June 30, 2019
Contract Number CSPP 8021
Vendor Code 6130

Full Name of Contractor San Lorenzo Unified School District

Section 3 - Revenue	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	10,305		10,305
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	10,305		10,305
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children			
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start			
Unrestricted Income - Other:			
Total Revenue	10,305		10,305

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS

A U D 8501 Page 7 of 9 (06/19)

Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	80,263	3,683	83,946
2000 Classified Salaries	53,615	6,404	60,019
3000 Employee Benefits	31,418	-52	31,366
4000 Books and Supplies	12,613	7,564	20,177
5000 Services and Other Operating Expenses	26,440	3,623	30,063
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		601	601
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	2,041	-411	1,630
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	22,932	-22,932	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	229,322	-1,520	227,802
Total Administrative Cost (included in section 4 above)	32,853	1,022	33,875

Approved Indirect Cost Rate:

Comments:

☒ NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION AUDITED ATTENDANCE AND
FISCAL REPORT FOR CALIFORNIA STATE PRESCHOOL PROGRAMS
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Fiscal Year Ending

Contract Number

Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	6,822		6,822
Days of Operation	241		241
Days of Attendance	6,669		6,669
Total Non-Certified Days of Enrollment			
Restricted Program Income	10,305		10,305
Transfer from Reserve			
Family Fees for Certified Children			
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	229,322	-1,520	227,802
Total Administrative Cost	32,853	1,022	33,875

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted
Days of Enrollment

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 (check YES or NO):

☒ Yes
☐ No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

☒ Yes
☐ No

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
 SANTA CLARA PILOT
 A U D 8501 - SC Page 1 of 9 (06/19)

Fiscal Year Ending June 30, 2019
 Contract Number CSPP 8689
 Vendor Code B202

Full Name of Contractor **Kidango, Inc.**

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501-SC	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	2,748		2,748	1.1800	3,242.64
Three Years and Older Full-time	31,021		31,021	1.0000	31,021
Three Years and Older Three-quarters-time	320		320	0.7500	240
Three Years and Older One-half-time	75,510		75,510	0.6752	50,984.352
Exceptional Needs Full-time-plus	34		34	1.6166	54.9644
Exceptional Needs Full-time	1,497		1,497	1.3700	2,050.89
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time	6,060		6,060	0.6752	4,091.712
Limited and Non-English Proficient Full-time-plus	879		879	1.2980	1,140.942
Limited and Non-English Proficient Full-time	19,853		19,853	1.1000	21,838.3
Limited and Non-English Proficient Three-quarters-time	101		101	0.8250	83.325
Limited and Non-English Proficient One-half-time	40,307		40,307	0.6752	27,215.2864

Kidango, Inc.

CDE Schedules

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AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
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Fiscal Year Ending June 30, 2019
Contract Number CSPP 8689
Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 1 - Days of Enrollment Certified Children	Column A Cumulative CDNFS 8501-SC	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	226		226	1.1000	248.6
At Risk of Abuse or Neglect Three-quarters-time				0.8250	0
At Risk of Abuse or Neglect One-half-time				0.6752	0
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6752	0
TOTAL DAYS OF ENROLLMENT	178,556		178,556	N/A	142,212.0118
DAYS OF OPERATION	246		246	N/A	N/A
DAYS OF ATTENDANCE	175,265		175,265	N/A	N/A

☒ NO NON-CERTIFIED CHILDREN Check this box (omit pages 3-5) and continue to Revenue Section on page 6.

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
 SANTA CLARA PILOT
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Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	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				1.8880	0
Toddlers (18 up to 36 months) Full-time				1.6000	0
Toddlers (18 up to 36 months) Three-quarters-time				1.2000	0
Toddlers (18 up to 36 months) One-half-time				0.6752	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				0.6752	0
Exceptional Needs Full-time-plus				1.6166	0
Exceptional Needs Full-time				1.3700	0
Exceptional Needs Three-quarters-time				1.0275	0
Exceptional Needs One-half-time				0.6752	0

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
A U D 8501 - SC Page 4 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8689
Vendor Code	B202	

Full Name of Contractor **Kidango, Inc.**

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	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				0.6752	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				0.6752	0

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
A U D 8501 - SC Page 5 of 9 (06/19)

Fiscal Year Ending	June 30, 2019	
Contract Number	CSPP	8689
Vendor Code	B202	

Full Name of Contractor Kidango, Inc.

Section 2 - Days of Enrollment Non-Certified Children	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit	Column D Adjustment Factor	Column E Adjusted Days Per Audit
Severely Disabled Full-time-plus				2.0237	0
Severely Disabled Full-time				1.7150	0
Severely Disabled Three-quarters-time				1.2863	0
Severely Disabled One-half-time				0.6752	0
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT				N/A	0

Kidango, Inc. CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
A U D 8501 - SC Page 6 of 9 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 3 - Revenue	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Restricted Income - Child Nutrition Programs	373,063		373,063
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal	373,063		373,063
Transfer from Reserve - General			
Transfer from Reserve - Professional Development			
Transfer from Reserve Total			
Family Fees for Certified Children	175,507	-1	175,506
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income: Fees for Non-Certified Children			
Unrestricted Income: Head Start	715,100		715,100
Unrestricted Income - Other:			
Total Revenue	1,263,670	-1	1,263,669

CALIFORNIA DEPARTMENT OF EDUCATION
 AUDITED ATTENDANCE AND FISCAL REPORT FOR
 CALIFORNIA STATE PRESCHOOL PROGRAMS
 SANTA CLARA PILOT
 A U D 8501 - SC Page 7 of 9 (06/19)

Fiscal Year Ending
 Contract Number
 Vendor Code

Full Name of Contractor

Section 4 - Reimbursable Expenses	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	2,579,349	175,764	2,755,113
2000 Classified Salaries	1,548,757	215,324	1,764,081
3000 Employee Benefits	1,041,149	-778	1,040,371
4000 Books and Supplies	498,252	4,366	502,618
5000 Services and Other Operating Expenses	1,284,163	-13,213	1,270,950
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		16,615	16,615
6500 Equipment Replacement (program-related)		110,380	110,380
Depreciation or Use Allowance	61,367	-11,006	50,361
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (Include in Administrative Cost)	779,226	-779,226	0
Non-Reimbursable (State Use Only)			
Total Reimbursable Expenses	7,792,263	-281,774	7,510,489
Total Administrative Cost (included in section 4 above)	1,112,880	-76,629	1,036,251

Approved Indirect Cost Rate:

Comments:

☐ NO SUPPLEMENTAL REVENUE Check this box and omit Page 8.

Kidango, Inc.

CDE Schedules

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
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Fiscal Year Ending June 30, 2019
Contract Number CSPP 8689
Vendor Code B202

Full Name of Contractor Kidango, Inc.

Section 5 - Supplemental Revenue	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Enhancement Funding			
Other:	77,978		77,978
Other:			
Total Supplemental Revenue	77,978		77,978

Section 6 - Supplemental Expenses	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
1000 Certificated Salaries	38,600		38,600
2000 Classified Salaries	13,400		13,400
3000 Employee Benefits	7,552		7,552
4000 Books and Supplies	2,394		2,394
5000 Services and Other Operating Expenses	15,997		15,997
6000 Equipment/Capital Outlay	35		35
Depreciation or Use Allowance			
Indirect Costs			
Non-reimbursable Expenses 6100-6500 Non-reimbursable Capital Outlay			
Total Supplemental Expenses	77,978		77,978

CALIFORNIA DEPARTMENT OF EDUCATION
AUDITED ATTENDANCE AND FISCAL REPORT FOR
CALIFORNIA STATE PRESCHOOL PROGRAMS
SANTA CLARA PILOT
A U D 8501 - SC Page 9 of 9 (06/19)

Fiscal Year Ending
Contract Number
Vendor Code

Full Name of Contractor

Section 7 - Summary	Column A Cumulative CDNFS 8501-SC	Column B Audit Adjustments	Column C Cumulative Per Audit
Total Certified Days of Enrollment	178,556		178,556
Days of Operation	246		246
Days of Attendance	175,265		175,265
Total Non-Certified Days of Enrollment			
Restricted Program Income	373,063		373,063
Transfer from Reserve			
Family Fees for Certified Children	175,507	-1	175,506
Interest Earned on Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	7,792,263	-281,774	7,510,489
Total Administrative Cost	1,112,880	-76,629	1,036,251

Total Certified Adjusted
Days of Enrollment

Total Non-Certified
Adjusted Days of
Enrollment

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 (check YES or NO):

☒ Yes
☐ No
☐ Yes
☒ No

Reimbursable expenses claimed on page 7 are eligible for reimbursement, reasonable, necessary, and adequately supported (check YES or NO):

Include any comments in the Comments box on page 7. If necessary, attach additional sheets to explain adjustments.

**Supplemental Information for the
County of Alameda Grants**

Kidango, Inc.
Schedule of Alameda County Programs
Year Ended June 30, 2019

<u>Program Name</u>	<u>Contract Number</u>	<u>Procurement Contract Number</u>	<u>Contract Period</u>	<u>Contract Amount</u>	<u>Contract Earnings</u>
Alameda County					
Child Abuse Prevention Services	900186	#17159	7/1/18 – 6/30/19	\$ 75,166	\$ 64,722
Behavioral Health Care Services – EPDST	900186	#16492	7/1/18 – 6/30/19	\$ 759,693	\$ 529,897
Primary Care – EIS	900186	#15458	7/1/18 – 6/30/19	\$ 47,295	\$ 47,295
Department of Social Services	900186	#17385	7/1/18 – 6/30/19	\$ 50,653	\$ 50,653

Kidango, Inc.
Statement of Expenditures for County of Alameda Grants
Year Ended June 30, 2019

	Child Abuse Prevention Services #17159 <u>7/1/18 – 6/30/19</u>	Behavioral Health Care Services – EPSDT #16492 <u>7/1/18 – 6/30/19</u>	Primary Care EIS #15458 <u>7/1/18 – 6/30/19</u>	Department of Social Services #17385 <u>7/1/18 – 6/30/19</u>
Program Name:				
Procurement Contract Number:				
Contract Period:				
Contract Amount	<u>\$ 75,166</u>	<u>\$ 759,693</u>	<u>\$ 47,295</u>	<u>\$ 50,653</u>
Expenses				
Salaries	\$ 52,507	\$ 421,275	\$ 36,807	\$ 40,362
Payroll taxes	2,484	34,610	2,553	2,473
Employee benefits	3,805	60,351	6,578	4,370
Books and supplies	159	1,888	92	73
Contract services and other expense:				
Professional and outside services	987	20,137	-	995
Rent and occupancy	1,706	49,237	-	1,400
Travel and training	2,512	18,004	1,265	15
Other expenses	562	26,703	-	965
Minor equipment and capital improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	64,722	632,205	47,295	50,653
Amount reimbursed by County	<u>64,722</u>	<u>529,897</u>	<u>47,295</u>	<u>50,653</u>
Revenue excess (deficit)	<u>\$ -</u>	<u>\$ (102,308)</u>	<u>\$ -</u>	<u>\$ -</u>

Kidango, Inc.
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

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

Identification of Major Federal Programs and Type of Auditor's Report Issued on Compliance for Major Federal Programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
93.596/93.575	Child Care and Development Fund Cluster	<i>Unmodified</i>

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

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported.

Kidango, Inc.
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2019

There were no findings in the prior year audit.

