



**City of Moreno Valley**  
**Audited Financial Statements**  
**General Child Development Program Fund**  
***As of and for the Year Ended June 30, 2022***  
***With Report of Independent Auditors***

**City of Moreno Valley**  
**Audited Financial Statements**  
**General Child Development Program Fund**  
***As of and for the Year Ended June 30, 2022***  
***With Report of Independent Auditors***

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
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## *Independent Auditor's Report*

The Honorable Mayor and City Council  
City of Moreno Valley  
Moreno Valley, California

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the General Child Development Fund (the Fund) of the City of Moreno Valley, California, (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Fund of as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the requirements of the California Department of Education and California Department of Social Services *Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

The City's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements present only the Fund and do not purport to, and do not present fairly the financial position of the City of Moreno Valley, California, as of June 30, 2022, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Fund. The supplementary information identified in the table of contents are presented for purposes of additional analysis as required by the California Department of Social Services (CDSS) and are not a required part of the basic financial statements.

The supplementary information, as identified in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 stated, in all material respects, in relation to the basic financial statements as a whole.

The Center Based Programs - Summary of Meals Reported and the Schedule of CACFP Reported, Adjusted and Allowed Enrollment were presented as required by the CDSS Audit Guide. We have applied certain limited procedures to this information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the reports submitted to CDSS, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 11, 2022 on our consideration of the Fund'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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Fund's internal control over financial reporting and compliance.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
October 11, 2022

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
BALANCE SHEET  
JUNE 30, 2022**

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**ASSETS**

Cash and investments	\$	17,668
Due from other governments		<u>38,665</u>
Total assets	\$	<u><u>56,333</u></u>

**LIABILITIES AND FUND BALANCE**

**Liabilities:**

Accounts payable	\$	8,642
State Child Development reserves		<u>39,398</u>
Total liabilities		<u>48,040</u>

**Fund balance:**

Restricted		<u>8,293</u>
Total fund balance		<u>8,293</u>
Total liabilities and fund balance	\$	<u><u>56,333</u></u>

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

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2022**

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**REVENUES**

Contracts:

State Department of Social Services	\$	781,005
Child and Adult Care Food Program		<u>26,618</u>

Total revenues 807,623

**EXPENDITURES**

Classified personnel salaries	373,549
Employee benefits	207,754
Books and supplies	51,151
Services and other operating expenses	101,089
New equipment	24,027
Indirect costs	<u>50,053</u>

Total expenditures 807,623

Change in fund balance -

Fund balance, beginning of year 8,293

Fund balance, end of year \$ 8,293

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



**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**NOTE 1: GENERAL INFORMATION**

The accompanying financial statements present only the City of Moreno Valley General Child Development Program Fund (Fund). The Fund is a program operated by the City of Moreno Valley, California (the City) to provide educational programs and care for children participating in the program. The Fund receives program revenues from the California State Department of Social Services (CDSS), Office of Child Development. Families of participating children also pay a fee for these services. For additional information regarding the City of Moreno Valley, refer to the City's annual comprehensive financial report.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Fund Accounting*

To ensure observance of limitations and restrictions placed on the use of resources available to the Fund, the accounts are maintained in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established in accordance with their nature and purpose. The Fund is accounted for as a Special Revenue Fund. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

*Measurement Focus, Basis of Accounting and Financial Statement Presentation*

The Fund is accounted for as a Special Revenue Fund of the City of Moreno Valley.

The Fund financial statements are reported using the current financial resources measurement focus. This means that generally, only current assets and current liabilities are included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources." Statement of revenues, expenditures and changes in fund balance for the Fund generally present increases (revenues) and decreases (expenditures) in net current assets.

The financial statements of the Fund have been prepared on the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant revenues have an availability period of 120 days. Grant funds are considered to be earned to the extent of expenditures incurred under the provisions of the grant. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

*Cash and Investments*

The Fund's cash balance is pooled with various other City funds for deposit and investment purposes. The share of each fund in the pooled cash account was recorded in each of the fund's books of accounts, and interest income was apportioned to the participating funds based on the relationship of their average monthly balances to the total of the pooled cash and investments.

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value based on the Fund's pro-rata share of the fair value calculated by the City on the entire City portfolio. The State Treasurer's Investment Pool operates in accordance with appropriate State laws and regulations. The Pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City of Moreno Valley. The balance available for withdrawal is based on the accounting records maintained by the City, which are recorded on an original cost basis.

Information regarding the credit risk and authorized types of deposits and investments in the City's pooled cash and investments is included in the City's annual comprehensive financial report.

*Reserve Account*

The Fund is eligible to retain a portion of deferred grant funds received from the State. The reserve account is subject to terms, conditions and limitations of the grant agreement and is retained by the Program. As of June 30, 2022, these deferred grant funds amounted to \$39,398. Upon termination of the Program, the Fund would be required to return all remaining reserves to CDSS. Accordingly, the reserve account is recorded as a liability (deferred revenue) in the amount of \$39,398.

*Indirect Cost Allocation*

Indirect costs are allocated to the program based on the Program's pro-rata share of usage or consumption of goods and services

*Rent Expenses*

The Program operated at four locations during the year, all of which are either owned by the City or a school. The Program was not charged rent for the use of facilities.

**NOTE 3: PARENT FEES**

Parent fees represent the portion of childcare expenses that are to be paid by parents who do not qualify for the full subsidy. The parents pay the childcare providers directly for their portion of the childcare expenses.

**NOTE 4: RELATED PARTY TRANSACTIONS**

The Fund and the City share certain expenses such as the communication network, supplies, and other internal service fund charges. The Fund is billed for these services based on actual or allocated costs.

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED JUNE 30, 2022**

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**NOTE 5: CONTINGENCIES**

The Fund receives state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in disallowed expenditures under terms of the grants, the disallowed amounts would be owed to the state or federal granting agencies. The City believes that any future repayments resulting from disallowances will not be material.

**NOTE 6: SUBSEQUENT EVENTS**

The City has evaluated events subsequent to June 30, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 11, 2022, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
GENERAL INFORMATION**

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Name of agency: City of Moreno Valley  
Type of agency: Municipality  
Address: City of Moreno Valley  
14177 Frederick Street  
Moreno Valley, CA 92553  
Program Director: Jeremy Bubnick, Parks and Community Services  
Director  
Finance Director: Brian Mohan, Chief Financial Officer/City Treasurer  
Period covered by audit: July 1, 2021 through June 30, 2022  
Number of days of operations: 250

Child Care Center locations:

Operating Hours  
School Days  
(except flex day)

Armada Elementary School 25201 John F Kennedy Drive Sunnymead, CA 92553	Opening time Closing time Number of hours open	2:00 p.m. 6:00 p.m. 4
Creekside Elementary School 13563 Heacock Street Moreno Valley, CA 92553	Opening time Closing time Number of hours open	2:00 p.m. 6:00 p.m. 4
Sunnymead Elementary School 24050 Dracaea Avenue Moreno Valley, CA 92553	Opening time Closing time Number of hours open	2:00 p.m. 6:00 p.m. 4
Rainbow Ridge Elementary School 15950 Indian Avenue Moreno Valley, CA 92553	Opening time Closing time Number of hours open	12:00 p.m. 6:00 p.m. 6

School Days (flex day only)

Opening time	12:00 p.m.
Closing time	6:00 p.m.
Number of hours open	6

Vacation Days

Opening time	7:30 a.m.
Closing time	5:30 p.m.
Number of hours open	10

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED JUNE 30, 2022**

Grantor / Program Title	Assistance Listing Number	Grantor's Number	Award Amount			Expenditures		
			Federal	State	Total	Federal	State*	Total
<b>U.S. Department of Agriculture:</b>								
<i>Passed through State of California, Department of Social Services:</i>								
Child Nutrition and Food Distribution Division								
Child and Adult Care Food Program	10.558	04321-CACFP-33-GM-CS	\$ 26,618	\$ -	\$ 26,618	\$ 26,618	\$ -	\$ 26,618
<b>U.S. Department of Health and Human Services:</b>								
<i>Passed through State of California, Department of Social Services</i>								
Child Development Programs	93.596 / 93.575	CCTR-1176	284,397	496,608	781,005	284,397	496,608	781,005
Total Federal and State Awards			<u>\$311,015</u>	<u>\$496,608</u>	<u>\$807,623</u>	<u>\$311,015</u>	<u>\$496,608</u>	<u>\$ 807,623</u>

\*This amount includes amounts funded by the State of California, parent fees and miscellaneous sources.

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2022**

	<u>CCTR-1176</u>	<u>04321-CACFP 33-GM-CS</u>	<u>Total CD Contracts</u>
<b>REVENUES</b>			
Contracts:			
State Department of Social Services	\$ 781,005	\$ -	\$ 781,005
Child and Adult Care Food Program	-	26,618	26,618
	<u>781,005</u>	<u>26,618</u>	<u>807,623</u>
Total revenues	<u>781,005</u>	<u>26,618</u>	<u>807,623</u>
<b>EXPENDITURES</b>			
Classified personnel salaries	372,163	1,386	373,549
Employee benefits	201,985	5,769	207,754
Books and supplies	31,838	19,313	51,151
Services and other operating expenses	100,939	150	101,089
Equipment	24,027	-	24,027
Indirect costs	50,053	-	50,053
	<u>781,005</u>	<u>26,618</u>	<u>807,623</u>
Total expenditures	<u>781,005</u>	<u>26,618</u>	<u>807,623</u>
Change in fund balance	-	-	-
Fund balance, beginning of year	<u>8,293</u>	<u>-</u>	<u>8,293</u>
Fund balance, end of year	<u>\$ 8,293</u>	<u>\$ -</u>	<u>\$ 8,293</u>

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES  
YEAR ENDED JUNE 30, 2022**

	<b>CCTR-1176</b>	<b>04321-CACFP 33-GM-CS</b>	<b>Total CD Contracts</b>
<b>EXPENDITURES</b>			
2000 Classified personnel salaries	\$ 372,163	\$ 1,386	\$ 373,549
3000 Employee benefits	201,985	5,769	207,754
4000 Books and supplies	31,838	19,313	51,151
5000 Services and other operating expenses	100,939	150	101,089
6400 New equipment	24,027	-	24,027
Indirect costs	50,053	-	50,053
	<u>781,005</u>	<u>26,618</u>	<u>807,623</u>
Total expenditures claimed for reimbursement			
	<u>-</u>	<u>-</u>	<u>-</u>
Total supplemental expenditures			
	<u>\$ 781,005</u>	<u>\$ 26,618</u>	<u>\$ 807,623</u>

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
RECONCILIATION OF CDSS AND GAAP EXPENDITURE REPORTING  
YEAR ENDED JUNE 30, 2022**

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	<u>CCTR-1176</u>	<u>04321-CACFP 33-GM-CS</u>	<u>Total CD Contracts</u>
Schedule of expenditure by State categories (CD)	\$ 781,005	\$ 26,618	\$ 807,623
Adjustment to reconcile differences in reporting	<u>-</u>	<u>-</u>	<u>-</u>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (GAAP)	<u>\$ 781,005</u>	<u>\$ 26,618</u>	<u>\$ 807,623</u>



CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR RENOVATIONS AND REPAIRS  
YEAR ENDED JUNE 30, 2022

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<u>Reimbursable Renovations and Repairs Expenditures</u>	<u>CCTR-1176</u>
None	\$ -
Total	<u>\$ -</u>

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF REIMBURSABLE EQUIPMENT EXPENDITURES  
YEAR ENDED JUNE 30, 2022

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<u>Capitalized Equipment Expensed on the AUD with Prior Written Approval</u>	<u>CCTR-1176</u>
Furnishings	\$ 18,494
Storage shed	<u>5,533</u>
Total	<u>\$ 24,027</u>

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR ADMINISTRATIVE COSTS  
YEAR ENDED JUNE 30, 2022

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<u>Reimbursable Administrative Costs</u>	<u>CCTR-1176</u>
Classified salaries and benefits	\$ 59,814
Audit services	6,000
Indirect costs:	
Liability insurance	19,866
Facility charges	21,800
Technology services	7,757
Administrative charge - other post-employment benefits	630
Total indirect costs	<u>50,053</u>
 Total	 <u>\$ 115,867</u>

**AUDITED ATTENDANCE AND FISCAL REPORT  
FOR CHILD DEVELOPMENT PROGRAMS**

Fiscal Year Ending **June 30, 2022**

Contract Number **CCTR-1176**

Vendor Code **2186**

Full Name of Contractor **City of Moreno Valley**

**Section 1 - Days of Enrollment Certified Children**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) Three-quarters-time (July to December 2021)				1.8300	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)				1.3500	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus	1,433		1,433	1.1800	1,690.94
Three Years and Older Full-time	4,016		4,016	1.0000	4,016
Three Years and Older Three-quarters-time (July to December 2021)	2,903		2,903	0.7500	2,177.25
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)	13,322		13,322	0.5500	7,327.1
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*				Direct Service Counties	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs Three-quarters-time (July to December 2021)				1.1550	
Exceptional Needs One-half-time				0.8470	

**Contract Number** CCTR-1176

**Full Name of Contractor** City of Moreno Valley

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

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	
Limited and Non-English Proficient Full-time				1.1000	
Limited and Non-English Proficient Three-quarters-time (July to December 2021)				0.8250	
Limited and Non-English Proficient One-half-time				0.6050	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)				0.8250	
At Risk of Abuse or Neglect One-half-time				0.6050	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled Three-quarters-time (July to December 2021)				1.4475	
Severely Disabled One-half-time				1.0615	
<b>TOTAL CERTIFIED DAYS OF ENROLLMENT</b>	<b>21,674</b>		<b>21,674</b>	<b>N/A</b>	<b>15,211.29</b>
<b>DAYS OF OPERATION</b>	<b>250</b>		<b>250</b>	<b>N/A</b>	<b>N/A</b>
<b>DAYS OF ATTENDANCE</b>	<b>19,228</b>		<b>19,228</b>	<b>N/A</b>	<b>N/A</b>

\*If applicable, must attach AUD9500S days of enrollment supplemental pages for direct service counties

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

**Contract Number** CCTR-1176

**Full Name of Contractor** City of Moreno Valley

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

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) Three-quarters-time (July to December 2021)				1.8300	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)				1.3500	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus				1.1800	
Three Years and Older Full-time				1.0000	
Three Years and Older Three-quarters-time (July to December 2021)				0.7500	
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)				0.5500	
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*				Direct Service Counties	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs Three-quarters-time (July to December 2021)				1.1550	
Exceptional Needs One-half-time				0.8470	

\*If applicable, must attach AUD9500S days of enrollment supplemental pages for direct service counties

**Contract Number** CCTR-1176

**Full Name of Contractor** City of Moreno Valley

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

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus				1.2980	
Limited and Non-English Proficient Full-time				1.1000	
Limited and Non-English Proficient Three-quarters-time (July to December 2021)				0.8250	
Limited and Non-English Proficient One-half-time				0.6050	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)				0.8250	
At Risk of Abuse or Neglect One-half-time				0.6050	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled Three-quarters-time (July to December 2021)				1.4475	
Severely Disabled One-half-time				1.0615	
<b>TOTAL NON-CERTIFIED DAYS OF ENROLLMENT</b>				<b>N/A</b>	

Contract Number **CCTR-1176**

Full Name of Contractor **City of Moreno Valley**

**Section 3 - Revenue**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs		26,618	26,618
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - American Rescue Plan Act (ARPA)	66,127		66,127
Restricted Income - Other:			
<b>Restricted Income - Subtotal</b>	<b>66,127</b>	<b>26,618</b>	<b>92,745</b>
Transfer From Reserve			
Waived Family Fees for Certified Children	39,331		39,331
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
<b>Total Revenue</b>	<b>66,127</b>	<b>26,618</b>	<b>92,745</b>

Comments: Restricted Income-Child Nutrition Programs of \$26,618 was not reported in CPARIS quarterly reporting for FY21-22. This was an oversight.



**Contract Number** CCTR-1176

**Full Name of Contractor** City of Moreno Valley

**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			
2000 Classified Salaries	373,549		373,549
3000 Employee Benefits	207,754		207,754
4000 Books and Supplies	140,804	-24,027	116,777
5000 Services and Other Operating Expenses	101,590		101,590
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)		24,027	24,027
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	50,053		50,053
Non-Reimbursable (State use only)			
<b>Total Reimbursable Expenses</b>	<b>873,750</b>		<b>873,750</b>
Total Administrative Cost (included in Section 4 above)	115,867		115,867
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate: 6.4%

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

Contract Number

CCTR-1176

Full Name of Contractor City of Moreno Valley

Section 5 - Supplemental Revenue

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other:			
Other:			
<b>Total Supplemental Revenue</b>			

Section 6 - Supplemental Expenses

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
<b>Total Supplemental Expenses</b>			

**Contract Number** CCTR-1176

**Full Name of Contractor** City of Moreno Valley

**Section 7 - Summary**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	21,674		21,674
Days of Operation	250		250
Days of Attendance	19,228		19,228
Restricted Program Income	66,127	26,618	92,745
Transfer from Reserve			
Waived Family Fees for Certified Children	39,331		39,331
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	873,750		873,750
Total Administrative Cost	115,867		115,867
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment 15,211.29

Total Non-Certified Adjusted Days of Enrollment

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

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

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

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

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM  
 CENTER BASED PROGRAMS – SUMMARY OF MEALS REPORTED  
 YEAR ENDED JUNE 30, 2022

		Meals Reported			Meal Breakdown			Federal			Cash in Lieu	Grand Totals
		Reported	Adjustment	Allowed	Free	Reduced	Base	Free	Reduced	Base	Reimbursement	
JUL	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	488	-	488	274	77	137	\$ 274.00	\$ 38.50	\$ 12.33	\$ -	
	<b>July Totals</b>	488	-	488	274	77	137	\$ 274.00	\$ 38.50	\$ 12.33	\$ -	<b>\$ 324.83</b>
AUG	Breakfast	74	-	74	38	15	21	\$ 74.86	\$ 25.05	\$ 6.93	\$ -	
	Lunch	132	-	132	68	27	37	\$ 248.88	\$ 88.02	\$ 12.95	\$ 61.74	
	PM Snack	948	-	948	486	194	268	\$ 486.00	\$ 97.00	\$ 24.12	\$ -	
	<b>August Totals</b>	1,154	-	1,154	592	236	326	\$ 809.74	\$ 210.07	\$ 44.00	\$ 61.74	<b>\$ 1,125.55</b>
SEP	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	1,154	-	1,154	634	208	312	\$ 634.00	\$ 104.00	\$ 28.08	\$ -	
	<b>September Totals</b>	1,154	-	1,154	634	208	312	\$ 634.00	\$ 104.00	\$ 28.08	\$ -	<b>\$ 766.08</b>
OCT	Breakfast	42	-	42	27	9	6	\$ 53.19	\$ 15.03	\$ 1.98	\$ -	
	Lunch	54	-	54	34	11	9	\$ 124.44	\$ 35.86	\$ 3.15	\$ 29.05	
	PM Snack	1,313	-	1,313	833	268	212	\$ 833.00	\$ 134.00	\$ 19.08	\$ -	
	<b>October Totals</b>	1,409	-	1,409	894	288	227	\$ 1,010.63	\$ 184.89	\$ 24.21	\$ 29.05	<b>\$ 1,248.78</b>
NOV	Breakfast	175	-	175	116	31	28	\$ 228.52	\$ 51.77	\$ 9.24	\$ -	
	Lunch	292	-	292	193	51	48	\$ 706.38	\$ 166.26	\$ 16.80	\$ 148.37	
	PM Snack	1,404	-	1,404	927	245	232	\$ 927.00	\$ 122.50	\$ 20.88	\$ -	
	<b>November Totals</b>	1,871	-	1,871	1,236	327	308	\$ 1,861.90	\$ 340.53	\$ 46.92	\$ 148.37	<b>\$ 2,397.72</b>
DEC	Breakfast	288	-	288	191	50	47	\$ 376.27	\$ 83.50	\$ 15.51	\$ -	
	Lunch	447	-	447	297	77	73	\$ 1,087.02	\$ 251.02	\$ 25.55	\$ 230.18	
	PM Snack	1,387	-	1,387	920	240	227	\$ 920.00	\$ 120.00	\$ 20.43	\$ -	
	<b>December Totals</b>	2,122	-	2,122	1,408	367	347	\$ 2,383.29	\$ 454.52	\$ 61.49	\$ 230.18	<b>\$ 3,129.48</b>

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM  
 CENTER BASED PROGRAMS – SUMMARY OF MEALS REPORTED, CONTINUED  
 YEAR ENDED JUNE 30, 2022

		Meals Reported			Meal Breakdown			Federal			Cash in Lieu	Grand Totals
		Reported	Adjustment	Allowed	Free	Reduced	Base	Free	Reduced	Base	Reimbursement	
JAN	Breakfast	173	-	173	118	27	28	\$ 232.46	\$ 45.09	\$ 9.24	\$ -	
	Lunch	277	-	277	189	43	45	\$ 691.74	\$ 140.18	\$ 15.75	\$ 141.88	
	PM Snack	1,203	-	1,203	821	185	197	\$ 821.00	\$ 92.50	\$ 17.73	\$ -	
	<b>January Totals</b>	<b>1,653</b>	<b>-</b>	<b>1,653</b>	<b>1,128</b>	<b>255</b>	<b>270</b>	<b>\$ 1,745.20</b>	<b>\$ 277.77</b>	<b>\$ 42.72</b>	<b>\$ 141.88</b>	<b>\$ 2,207.57</b>
FEB	Breakfast	26	-	26	18	4	4	\$ 35.46	\$ 6.68	\$ 1.32	\$ -	
	Lunch	66	-	66	45	10	11	\$ 164.70	\$ 32.60	\$ 3.85	\$ 31.43	
	PM Snack	1,441	-	1,441	988	220	233	\$ 988.00	\$ 110.00	\$ 20.97	\$ -	
	<b>February Totals</b>	<b>1,533</b>	<b>-</b>	<b>1,533</b>	<b>1,051</b>	<b>234</b>	<b>248</b>	<b>\$ 1,188.16</b>	<b>\$ 149.28</b>	<b>\$ 26.14</b>	<b>\$ 31.43</b>	<b>\$ 1,395.01</b>
MAR	Breakfast	254	-	254	173	38	43	\$ 340.81	\$ 63.46	\$ 14.19	\$ -	
	Lunch	487	-	487	332	73	82	\$ 1,215.12	\$ 237.98	\$ 28.70	\$ 240.77	
	PM Snack	1,709	-	1,709	1,166	255	288	\$ 1,166.00	\$ 127.50	\$ 25.92	\$ -	
	<b>March Totals</b>	<b>2,450</b>	<b>-</b>	<b>2,450</b>	<b>1,671</b>	<b>366</b>	<b>413</b>	<b>\$ 2,721.93</b>	<b>\$ 428.94</b>	<b>\$ 68.81</b>	<b>\$ 240.77</b>	<b>\$ 3,460.45</b>
APR	Breakfast	82	-	82	58	11	13	\$ 114.26	\$ 18.37	\$ 4.29	\$ -	
	Lunch	130	-	130	91	18	21	\$ 333.06	\$ 58.68	\$ 7.35	\$ 66.79	
	PM Snack	1,627	-	1,627	1,145	226	256	\$ 1,145.00	\$ 113.00	\$ 23.04	\$ -	
	<b>April Totals</b>	<b>1,839</b>	<b>-</b>	<b>1,839</b>	<b>1,294</b>	<b>255</b>	<b>290</b>	<b>\$ 1,592.32</b>	<b>\$ 190.05</b>	<b>\$ 34.68</b>	<b>\$ 66.79</b>	<b>\$ 1,883.84</b>
MAY	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	1,657	-	1,657	1,100	301	256	\$ 1,100.00	\$ 150.50	\$ 23.04	\$ -	
	<b>May Totals</b>	<b>1,657</b>	<b>-</b>	<b>1,657</b>	<b>1,100</b>	<b>301</b>	<b>256</b>	<b>\$ 1,100.00</b>	<b>\$ 150.50</b>	<b>\$ 23.04</b>	<b>\$ -</b>	<b>\$ 1,273.54</b>
JUN	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	AM Snack	1,048	-	1,048	673	192	183	\$ 673.00	\$ 96.00	\$ 16.47	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	1,533	-	1,533	984	281	268	\$ 984.00	\$ 140.50	\$ 24.12	\$ -	
<b>June Totals</b>	<b>2,581</b>	<b>-</b>	<b>2,581</b>	<b>1,657</b>	<b>473</b>	<b>451</b>	<b>\$ 1,657.00</b>	<b>\$ 236.50</b>	<b>\$ 40.59</b>	<b>\$ -</b>	<b>\$ 1,934.09</b>	
<b>Grand Totals</b>	<b>19,911</b>	<b>-</b>	<b>19,911</b>	<b>12,939</b>	<b>3,387</b>	<b>3,585</b>	<b>\$ 16,978.17</b>	<b>\$ 2,765.55</b>	<b>\$ 453.01</b>	<b>\$ 950.21</b>	<b>\$ 21,146.94</b>	

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
SCHEDULE OF CACFP REPORTED, ADJUSTED AND ALLOWED ENROLLMENT  
YEAR ENDED JUNE 30, 2022**

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Month	Reported Total	Free	Reduced	Base
July	488	274	77	137
August	948	486	194	268
September	1154	634	208	312
October	1313	833	268	212
November	1404	927	245	232
December	1387	920	240	227
January	1203	821	185	197
February	1441	988	220	233
March	1709	1166	255	288
April	1627	1145	226	256
May	1657	1100	301	256
June	1533	984	281	268

**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
NOTES TO THE CHILD CARE AND DEVELOPMENT PROGRAM  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2022**

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In accordance with the applicable requirements from the Funding Terms & Conditions:

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor.

No interest expense was claimed to a child development contract for the year ended June 30, 2022.

2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers.

Related party rent expense claimed as a reimbursable expense for Contract CCTR-1176 for the year ended June 30, 2022, was \$21,800.

3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists.

No bad debt expense was claimed to a child development contract for the year ended June 30, 2022.

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

*Independent Auditor's Report*

The Honorable Mayor and City Council  
City of Moreno Valley

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Child Development Program Fund (the Fund) of the City of Moreno Valley, California (the City) as of and for the year ended June 30, 2022, and the related notes to the financial statements as listed in the table of contents, and have issued our report thereon dated October 11, 2022.

***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Fund's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control.

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

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



### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Fund's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

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

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
October 11, 2022



**CITY OF MORENO VALLEY**

**GENERAL CHILD DEVELOPMENT PROGRAM  
STATUS OF PRIOR YEAR STATE FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2022**

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No prior year findings reported.