



City of Moreno Valley
Audited Financial Statements
General Child Development Program Fund
As of and for the Year Ended June 30, 2023
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, 2023
With Report of Independent Auditors

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
TABLE OF CONTENTS**

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Balance Sheet	5
Statement of Revenues, Expenditures and Changes in Fund Balance	6
Notes to Financial Statements	7
SUPPLEMENTARY INFORMATION	
General Information	11
Schedule of Expenditures of Federal and State Awards	12
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	13
Schedule of Expenditures by State Categories	14
Reconciliation of CDSS and GAAP Expenditure Reporting	15
Schedule of Reimbursable Expenditures for Renovations and Repairs	16
Schedule of Reimbursable Expenditures for Equipment	17
Schedule of Reimbursable Expenditures for Administrative Costs	18
Audited Attendance and Fiscal Report for Child Development Programs	19
Audited Reserve Account Activity Report	25
Center Based Programs – Summary of Meals Reported	26
Schedule of CACFP Reported, Adjusted and Allowed Enrollment	28
Notes to the Child Care and Development Program Supplement Information	29
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	30
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS	32
STATUS OF PRIOR YEAR STATE FINDINGS AND QUESTIONED COSTS	33



Independent Auditor's Report

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants



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, 2023, 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 referred to above present fairly, in all material respects, the respective financial position of the Fund of as of June 30, 2023, 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.

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, 2023, 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.

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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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.

Required Supplementary Information

Management has omitted management's discussion and analysis and budgetary comparison information that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

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 December 14, 2023 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
December 14, 2023

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM
BALANCE SHEET
JUNE 30, 2023

ASSETS

Cash and investments	\$	40,276
Due from other governments		43,055
Prepaid		<u>1,471</u>
Total assets	\$	<u><u>84,802</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$	6,711
State Child Development reserves		40,276
Due to other funds		<u>29,522</u>
Total liabilities		<u>76,509</u>

Fund balance:

Nonspendable		1,471
Restricted		<u>6,822</u>
Total fund balance		<u>8,293</u>
Total liabilities and fund balance	\$	<u><u>84,802</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, 2023**

REVENUES

Contracts:

State Department of Social Services	\$	805,962
Child and Adult Care Food Program		<u>35,560</u>

Total revenues		<u>841,522</u>
----------------	--	----------------

EXPENDITURES

Classified personnel salaries		411,045
Employee benefits		212,799
Books and supplies		56,155
Services and other operating expenses		111,470
Indirect costs		<u>50,053</u>

Total expenditures		<u>841,522</u>
--------------------	--	----------------

Fund balance, beginning of year		<u>8,293</u>
---------------------------------	--	--------------

Fund balance, end of year	\$	<u><u>8,293</u></u>
---------------------------	----	---------------------

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, 2023**

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, 2023**

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 unearned 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, 2023, these unearned grant funds amounted to \$40,276. 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 (unearned revenue) in the amount of \$40,276.

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, 2023

NOTE 5: FUND BALANCE

The financial statements report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the Authority is bound to honor constraints on how specific amounts can be spent.

Nonspendable fund balance - amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted fund balance - amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.

Committed fund balance - amounts that can only be used for specific purposes determined by formal action of the Fund's highest level of decision-making authority (the city council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned fund balance - amounts that are constrained by the Fund's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, or by a designated body or an official.

When both restricted and unrestricted resources are available for use, it is the Fund's policy to use restricted resources first, followed by committed, assigned and unassigned resources as they are needed.

NOTE 6: 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 7: SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2023 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 14, 2023, 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
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2023

NOTE 8: ADDITIONAL REVENUES/EXPENDITURES

The City has additional revenues and expenditures related to Child Development-Corona Virus Response & Relief Supplemental (CRRSA) Act & American Rescue Plan Act (ARPA) Stabilization Funds-One Time Stipends which are tracked within the City's miscellaneous grant fund. The miscellaneous grant fund is part of the City's Annual Comprehensive Financial Report, but not part of the Child Care fund financial statements. See below for full reconciliation of program revenues/expenditures.

ARPA related revenues	
Stipends	\$ 76,123
	<u>76,123</u>
Total revenues	<u>76,123</u>
ARPA related expenditures	
Books and supplies	13,588
Services and other operating expenses	62,535
	<u>62,535</u>
Total expenditures	<u>76,123</u>
Total effect to Child Care fund	<u>-</u>
Child Care fund revenues	841,522
ARPA related revenues	76,123
	<u>76,123</u>
Total program revenues	<u>917,645</u>
Child Care fund expenditures	841,522
ARPA related expenditures	76,123
	<u>76,123</u>
Total program expenditures	<u>\$ 917,645</u>

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
GENERAL INFORMATION**

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, 2022 through June 30, 2023

Number of days of operations: 249

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 Closing time Number of hours open	12:00 p.m. 6:00 p.m. 6
	Vacation Days	
	Opening time Closing time Number of hours open	7:30 a.m. 5:30 p.m. 10

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
YEAR ENDED JUNE 30, 2023**

City of Moreno Valley
Child Care Development Program
Schedule of Federal and State Awards
For the Year Ended June 30, 2023

Grantor / Program Title	Assistance Listing Number	Grantor's Number	Award Amount			Expenditures		
			Federal	State	Total	Federal	State*	Total
U.S. Department of Agriculture:								
<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	\$ 34,824	\$ 736	\$ 35,560	\$ 34,824	\$ 736	\$ 35,560
U.S. Department of Health and Human Services:								
<i>Passed through State of California, Department of Social Services</i>								
Child Development Programs	93.596 / 93.575	CCTR-2177	275,150	530,812	805,962	275,150	530,812	805,962
U.S. Department of Health and Human Services:								
<i>Passed through State of California, Department of Social Services</i>								
<i>Child Development-Corona Virus Response & Relief Supplemental (CRRSA) Act & ARPA Stabilization Funds-One Time Stipend**</i>								
	93.596	N/A	76,123	-	76,123	76,123	-	76,123
Total Federal and State Awards			<u>\$ 386,097</u>	<u>\$ 531,548</u>	<u>\$ 917,645</u>	<u>\$ 386,097</u>	<u>\$ 531,548</u>	<u>\$ 917,645</u>

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

**This includes ARPA revenues and expenditures accounted for in miscellaneous grant fund. See note 8.

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2023**

	CCTR-2177	04321-CACFP 33-GM-CS	Stipends CRSA/ARPA	Total CD Contracts
REVENUES				
Contracts:				
State Department of Social Services	\$ 805,962	\$ 736	\$ -	\$ 806,698
Child and Adult Care Food Program	-	34,824	-	34,824
Stipends	-	-	76,123	76,123
Total revenues	<u>805,962</u>	<u>35,560</u>	<u>76,123</u>	<u>917,645</u>
EXPENDITURES				
Classified personnel salaries	405,178	5,867	-	411,045
Employee benefits	206,353	6,446	-	212,799
Books and supplies	32,908	23,247	13,588	69,743
Services and other operating expenses	111,470	-	62,535	174,005
Indirect costs	50,053	-	-	50,053
Total expenditures	<u>805,962</u>	<u>35,560</u>	<u>76,123</u>	<u>917,645</u>
Change in fund balance	-	-	-	-
Fund balance, beginning of year	<u>8,293</u>	<u>-</u>	<u>-</u>	<u>8,293</u>
Fund balance, end of year	<u>\$ 8,293</u>	<u>\$ -</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, 2023**

	<u>CCTR-2177</u>	<u>04321-CACFP 33-GM-CS</u>	<u>Stipends CRSA/ARPA</u>	<u>Total CD Contracts</u>
EXPENDITURES				
2000 Classified personnel salaries	\$ 405,178	\$ 5,867	\$ -	\$ 411,045
3000 Employee benefits	206,353	6,446	-	212,799
4000 Books and supplies	32,908	23,247	13,588	69,743
5000 Services and other operating expenses	111,470	-	62,535	174,005
Indirect costs	50,053	-	-	50,053
Total expenditures claimed for reimbursement	<u>805,962</u>	<u>35,560</u>	<u>76,123</u>	<u>917,645</u>
Total supplemental expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 805,962</u>	<u>\$ 35,560</u>	<u>\$ 76,123</u>	<u>\$ 917,645</u>

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
RECONCILIATION OF CDSS AND GAAP EXPENDITURE REPORTING
YEAR ENDED JUNE 30, 2023**

	<u>CCTR-2177</u>	<u>04321-CACFP 33-GM-CS</u>	<u>Stipends CRSA/ARPA</u>	<u>Total CD Contracts</u>
Schedule of expenditure by State categories (CD)	\$ 805,962	\$ 35,560	\$ 76,123	\$ 917,645
Adjustment to reconcile differences in reporting	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (GAAP)	<u>\$ 805,962</u>	<u>\$ 35,560</u>	<u>\$ 76,123</u>	<u>\$ 917,645</u>

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR RENOVATIONS AND REPAIRS
YEAR ENDED JUNE 30, 2023**

<u>Reimbursable Renovations and Repairs Expenditures</u>	<u>CCTR-2177</u>	<u>Stipends CRSA/ARPA</u>
General Repairs-Red Maple (Val Verde) & Rainbow Ridge Elementary	\$ -	\$ 62,535
Total	<u>\$ -</u>	<u>\$ 62,535</u>

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR EQUIPMENT
YEAR ENDED JUNE 30, 2023

<u>Reimbursable Equipment Expenditures</u>	<u>CCTR-2177</u>	<u>Stipends CRSA/ARPA</u>
None	\$ -	\$ -
Total	<u>\$ -</u>	<u>\$ -</u>

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
SCHEDULE OF REIMBURSABLE EXPENDITURES FOR ADMINISTRATIVE COSTS
YEAR ENDED JUNE 30, 2023**

Reimbursable Administrative Costs	CCTR-2177
Classified salaries and benefits	\$ 62,965
Audit services	4,455
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><u>\$ 117,473</u></u>

**CHILD CARE AND DEVELOPMENT PROGRAMS
CERTIFIED CHILDREN DAYS OF ENROLLMENT AND
ATTENDANCE**

Fiscal Year Ending **June 30, 2023**

Contract Number **CCTR 2177**

Vendor Code **2186**

Full Name of Contractor **CITY OF MORENO VALLEY**

Service County: **Riverside**

	Column A Cumulative FY 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) 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) One-half-time				0.9900	
Three Years and Older Full-time-plus	551		551	1.1800	650.1800
Three Years and Older Full-time	8,492		8,492	1.0000	8,492.0000
Three Years and Older One-half-time	16,599		16,599	0.5500	9,129.4500
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.8470	

Full Name of Contractor CITY OF MORENO VALLEY

Contract Number CCTR 2177

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.5500	
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 One-half-time				0.5500	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.0615	
Total Certified Days of Enrollment	25,642		25,642	N/A	18,271.6300
Days of Attendance	25,642		25,642	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from Form AUD9500.1(s) in the Total Certified Days of Enrollment line of AUD 9500, Section 2.

Enter the sum of Days of Attendance from all Form AUD9500.1(s) and Form AUD9500.2(s) in the Days of Attendance line of AUD 9500, Section 2.

AUDITED ENROLLMENT, ATTENDANCE AND FISCAL REPORT FOR CHILD CARE AND DEVELOPMENT PROGRAMS

Fiscal Year Ending	June 30, 2023
Contract Number	CCTR-2177
Vendor Code	2186

Full Name of Contractor

Section 1 - Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form AUD 9500.1):

Number of counties where the agency provided mental health consultation services to certified children (Form AUD 9500.2):

Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):

Number of counties where the agency provided mental health consultation services to non-certified children (Form AUD 9500.4):

Total enrollment and attendance forms to attach:

Note: For each of the above categories, submit one form for each service county for the fiscal year.

Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	25,642		25,642	
Total Certified Days of Enrollment with Mental Health Consultation Services				
Days of Attendance (including MHCS)	25,642		25,642	N/A
Total Non-Certified Days of Enrollment				
Total Non-Certified Days of Enrollment with Mental Health Consultation Services				
Days of Operation	249		249	N/A

Full Name of Contractor **CITY OF MORENO VALLEY**

Contract Number **CCTR-2177**

Section 3 - Revenue

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	35,560		35,560
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			
Restricted Income - American Rescue Plan Act (ARPA)	76,123		76,123
Restricted Income - Other:			
Restricted Income - Subtotal	111,683		111,683
Transfer From Reserve			
Waived 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	111,683		111,683

Comments:

Full Name of Contractor **CITY OF MORENO VALLEY**

Contract Number **CCTR-2177**

Section 4 - Reimbursable Expenses

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	0		
2000 Classified Salaries	411,045		411,045
3000 Employee Benefits	212,799		212,799
4000 Books and Supplies	69,743		69,743
5000 Services and Other Operating Expenses	174,005		174,005
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
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)			
Total Reimbursable Expenses	917,645		917,645
Total Administrative Cost (included in Section 4 above)	117,473		117,473
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate:

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.

Full Name of Contractor

Contract Number

Section 7 - Summary

	Column A Cumulative FY CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	25,642		25,642
Days of Operation	249		249
Days of Attendance (including MHCS)	25,642		25,642
Restricted Program Income	111,683		111,683
Transfer from Reserve			
Waived Family Fees for Certified Children			
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	917,645		917,645
Total Administrative Cost	117,473		117,473
Total Staff Training Cost			

Total Certified Adjusted Days of Enrollment (including MHCS)

Total Non-Certified Adjusted Days of Enrollment (including MHCS)

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):

Reimbursable expenses claimed on page 3 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

Include any comments in the comments box on page 2. If necessary, attach additional sheets to explain adjustments.

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Fiscal Year End	June 30, 2023
Reserve Account Type	Center-Based
Vendor Code	2186

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

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2021–22 AUD 9530A Ending Balance)	39,398
2. Plus Transfers to Reserve Account:	Per 2021–22 Post-Audit CDNFS 9530
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2021–22 Contracts to Reserve	
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2021-22 Post-Audit CDNFS 9530	39,398

Section 2 - Current Year (2022–23) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	878		878
6. Less Transfers to Contracts from Reserve:			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Contract No.			
Total Transferred to Contracts from Reserve Account			
7. Ending Balance on June 30, 2023	40,276		40,276

COMMENTS - 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, 2023

		Meals Reported			Meal Breakdown			Federal			State Meal Breakdown			State			Cash in Lieu	Grand Totals
		Reported	Adjustment	Allowed	Free	Reduced	Base	Free	Reduced	Base	Free	Reduced	Base	Free	Reduced	Base	Reimbursement	
JUL	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	
	AM Snack	1,320	-	1,320	847	237	236	\$ 999.46	\$ 151.68	\$ 44.84	-	-	-	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	1,387	-	1,387	890	249	248	\$ 1,050.20	\$ 159.36	\$ 47.12	-	-	-	\$ -	\$ -	\$ -	\$ -	
	July Totals	2,707	-	2,707	1,737	486	484	\$ 2,049.66	\$ 311.04	\$ 91.96	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 2,452.66
AUG	Breakfast	354	-	354	227	65	62	\$ 501.67	\$ 124.15	\$ 27.90	292	-	-	\$ 57.67	\$ -	\$ -	\$ -	
	Lunch	501	-	501	321	92	88	\$ 1,293.63	\$ 333.96	\$ 41.36	413	-	-	\$ 81.57	\$ -	\$ -	\$ 150.30	
	PM Snack	1,777	-	1,777	1,138	327	312	\$ 1,342.84	\$ 209.28	\$ 59.28	-	-	-	\$ -	\$ -	\$ -	\$ -	
	August Totals	2,632	-	2,632	1,686	484	462	\$ 3,138.14	\$ 667.39	\$ 128.54	705	-	-	\$ 139.24	\$ -	\$ -	\$ 150.30	\$ 4,223.61
SEP	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	
	PM Snack	1,741	-	1,741	1,076	348	317	\$ 1,269.68	\$ 222.72	\$ 60.23	-	-	-	\$ -	\$ -	\$ -	\$ -	
September Totals	1,741	-	1,741	1,076	348	317	\$ 1,269.68	\$ 222.72	\$ 60.23	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 1,552.63	
OCT	Breakfast	20	-	20	12	4	4	\$ 26.52	\$ 7.64	\$ 1.80	16	-	-	\$ 3.16	\$ -	\$ -	\$ -	
	Lunch	29	-	29	18	6	5	\$ 72.54	\$ 21.78	\$ 2.35	24	-	-	\$ 4.74	\$ -	\$ -	\$ 8.70	
	PM Snack	1,781	-	1,781	1,094	344	343	\$ 1,290.92	\$ 220.16	\$ 65.17	-	-	-	\$ -	\$ -	\$ -	\$ -	
	October Totals	1,830	-	1,830	1,124	354	352	\$ 1,389.98	\$ 249.58	\$ 69.32	40	-	-	\$ 7.90	\$ -	\$ -	\$ 8.70	\$ 1,725.48
NOV	Breakfast	220	-	220	130	49	41	\$ 287.30	\$ 93.59	\$ 18.45	179	-	-	\$ 35.35	\$ -	\$ -	\$ -	
	Lunch	334	-	334	197	74	63	\$ 793.91	\$ 268.62	\$ 29.61	271	-	-	\$ 53.52	\$ -	\$ -	\$ 100.20	
	PM Snack	1,607	-	1,607	948	356	303	\$ 1,118.64	\$ 227.84	\$ 57.57	-	-	-	\$ -	\$ -	\$ -	\$ -	
	November Totals	2,161	-	2,161	1,275	479	407	\$ 2,199.85	\$ 590.05	\$ 105.63	450	-	-	\$ 88.88	\$ -	\$ -	\$ 100.20	\$ 3,084.61
DEC	Breakfast	543	-	543	313	119	111	\$ 691.73	\$ 227.29	\$ 49.95	432	-	-	\$ 85.32	\$ -	\$ -	\$ -	
	Lunch	783	-	783	452	172	159	\$ 1,821.56	\$ 624.36	\$ 74.73	624	-	-	\$ 123.24	\$ -	\$ -	\$ 234.90	
	PM Snack	1,888	-	1,888	1,090	414	384	\$ 1,286.20	\$ 264.96	\$ 72.96	-	-	-	\$ -	\$ -	\$ -	\$ -	
	December Totals	3,214	-	3,214	1,855	705	654	\$ 3,799.49	\$ 1,116.61	\$ 197.64	1,056	-	-	\$ 208.56	\$ -	\$ -	\$ 234.90	\$ 5,557.20

CITY OF MORENO VALLEY

GENERAL CHILD DEVELOPMENT PROGRAM
 CENTER BASED PROGRAMS – SUMMARY OF MEALS REPORTED, CONTINUED
 YEAR ENDED JUNE 30, 2023

		Meals Reported			Meal Breakdown			Federal			State Meal Breakdown			State			Cash in Lieu	Grand Totals	
		Reported	Adjustment	Allowed	Free	Reduced	Base	Free	Reduced	Base	Free	Reduced	Base	Free	Reduced	Base	Reimbursement		
JAN	Breakfast	206	-	206	119	43	44	\$ 262.99	\$ 82.13	\$ 19.80	162	-	-	\$ 32.00	\$ -	\$ -	\$ -		
	Lunch	347	-	347	201	73	73	\$ 810.03	\$ 264.99	\$ 34.31	274	-	-	\$ 54.12	\$ -	\$ -	\$ -	\$ 104.10	
	PM Snack	1,955	-	1,955	1,130	412	413	\$ 1,333.40	\$ 263.68	\$ 78.47	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
January Totals		2,508	-	2,508	1,450	528	530	\$ 2,406.42	\$ 610.80	\$ 132.58	436	-	-	\$ 86.11	\$ -	\$ -	\$ -	\$ 104.10	\$ 3,340.01
FEB	Breakfast	47	-	47	27	10	10	\$ 59.67	\$ 19.10	\$ 4.50	37	-	-	\$ 7.31	\$ -	\$ -	\$ -	\$ -	
	Lunch	62	-	62	36	13	13	\$ 145.08	\$ 47.19	\$ 6.11	49	-	-	\$ 9.68	\$ -	\$ -	\$ -	\$ 18.60	
	PM Snack	1,966	-	1,966	1,149	408	409	\$ 1,355.82	\$ 261.12	\$ 77.71	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
February Totals		2,075	-	2,075	1,212	431	432	\$ 1,560.57	\$ 327.41	\$ 88.32	86	-	-	\$ 16.99	\$ -	\$ -	\$ -	\$ 18.60	\$ 2,011.89
MAR	Breakfast	345	-	345	203	71	71	\$ 448.63	\$ 135.61	\$ 31.95	274	-	-	\$ 54.12	\$ -	\$ -	\$ -	\$ -	
	Lunch	498	-	498	293	103	102	\$ 1,180.79	\$ 373.89	\$ 47.94	396	-	-	\$ 78.21	\$ -	\$ -	\$ -	\$ 149.40	
	PM Snack	2,228	-	2,228	1,310	459	459	\$ 1,545.80	\$ 293.76	\$ 87.21	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
March Totals		3,071	-	3,071	1,806	633	632	\$ 3,175.22	\$ 803.26	\$ 167.10	670	-	-	\$ 132.33	\$ -	\$ -	\$ -	\$ 149.40	\$ 4,427.31
APR	Breakfast	149	-	149	91	29	29	\$ 201.11	\$ 55.39	\$ 13.05	120	-	-	\$ 23.70	\$ -	\$ -	\$ -	\$ -	
	Lunch	204	-	204	125	40	39	\$ 503.75	\$ 145.20	\$ 18.33	165	-	-	\$ 32.59	\$ -	\$ -	\$ -	\$ 61.20	
	PM Snack	2,153	-	2,153	1,317	418	418	\$ 1,554.06	\$ 267.52	\$ 79.42	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
April Totals		2,506	-	2,506	1,533	487	486	\$ 2,258.92	\$ 468.11	\$ 110.80	285	-	-	\$ 56.29	\$ -	\$ -	\$ -	\$ 61.20	\$ 2,955.32
MAY	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
	PM Snack	2,324	-	2,324	1,463	413	448	\$ 1,726.34	\$ 264.32	\$ 85.12	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
May Totals		2,324	-	2,324	1,463	413	448	\$ 1,726.34	\$ 264.32	\$ 85.12	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,075.78
JUN	Breakfast	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
	AM Snack	977	-	977	656	142	179	\$ 774.08	\$ 90.88	\$ 34.01	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
	Lunch	-	-	-	-	-	-	\$ -	\$ -	\$ -	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	
PM Snack	1,363	-	1,363	916	198	249	\$ 1,080.88	\$ 126.72	\$ 47.31	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -		
June Totals		2,340	-	2,340	1,572	340	428	\$ 1,854.96	\$ 217.60	\$ 81.32	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,153.88
Grand Totals		29,109	-	29,109	17,789	5,688	5,632	\$ 26,829.23	\$ 5,848.89	\$ 1,318.56	3,728	-	-	\$ 736.28	\$ -	\$ -	\$ -	\$ 827.40	\$ 35,560.36

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
SCHEDULE OF CACFP REPORTED, ADJUSTED AND ALLOWED ENROLLMENT
YEAR ENDED JUNE 30, 2023**

Month	Reported Total	Free	Reduced	Base
July	2,707	1,737	486	484
August	2,632	1,686	484	462
September	1,741	1,076	348	317
October	1,830	1,124	354	352
November	2,161	1,275	479	407
December	3,214	1,855	705	654
January	2,508	1,450	528	530
February	2,075	1,212	431	432
March	3,071	1,806	633	632
April	2,506	1,533	487	486
May	2,324	1,463	413	448
June	2,340	1,572	340	428

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
NOTES TO THE CHILD CARE AND DEVELOPMENT PROGRAM
SUPPLEMENTAL INFORMATION
YEAR ENDED JUNE 30, 2023**

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, 2023.

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-2177 for the year ended June 30, 2023, 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, 2023.



**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***

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscca.net

Independent Auditor's Report

The Honorable Mayor and City Council
City of Moreno Valley

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

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, 2023, and the related notes to the financial statements as listed in the table of contents, and have issued our report thereon dated December 14, 2023.

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
December 14, 2023

CITY OF MORENO VALLEY

**GENERAL CHILD DEVELOPMENT PROGRAM
STATUS OF PRIOR YEAR STATE FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2023**

No prior year findings reported.