

**SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY-HEAD START**

**FEDERAL BLOCK GRANT CENTER
PROJECT NO. 34-2173-00-9**

**SUPPLEMENTAL SCHEDULES WITH
INDEPENDENT AUDITOR'S REPORT**

FISCAL YEAR ENDED JUNE 30, 2010

SACRAMENTO EMPLOYMENT AND TRAINING AGENCY HEAD START

SUPPLEMENTAL SCHEDULES YEAR ENDED JUNE 30, 2010

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Gilbert Associates, Inc.
CPAs and Advisors

INDEPENDENT AUDITOR'S REPORT

Governing Board
Sacramento Employment and Training Agency
Sacramento, California

We have audited the financial statements of the governmental activities and major fund of the Sacramento Employment and Training Agency (SETA) as of and for the year ended June 30, 2010, which collectively comprise SETA's basic financial statements, and have issued our report thereon dated November 8, 2010. Those financial statements are the responsibility of SETA's management. Our responsibility is to express opinions on those financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise SETA's basic financial statements. The accompanying schedules of expenditures by state category, schedule of reimbursable administrative expenditures attendance and fiscal report, and reserve account cash activity with respect to Federal Block Grant Center Project No. 34-2173-00-9 are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of SETA's management. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and in conformity with the *Audit Guide for Auditors of Child Development and Nutrition Programs* issued by the California Department of Education and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC
Sacramento, California

November 8, 2010

SACRAMENTO EMPLOYMENT AND TRAINING AGENCY - HEAD START

SCHEDULE OF EXPENDITURES BY STATE CATEGORIES AND RECONCILIATION TO GAAP EXPENSE REPORTING YEAR ENDED JUNE 30, 2010

<u>Expenditures</u>	<u>CSPP-9425</u>	<u>CCTR-9227</u>	<u>CIMS-9467</u>	<u>Total CDE Contracts</u>
Direct payments to providers:				
1000 Certified Salaries	\$ 2,264,913	\$ 1,296,065		\$ 3,560,978
2000 Classified Salaries	267,897	64,661		332,558
3000 Employee Benefits	1,081,320	586,041		1,667,361
4000 Books and Supplies	7,478	1,685	\$ 1,781	10,944
5000 Services and other Operating Expenses	315,983	401,110		717,093
Total expenses claimed for reimbursement	<u>3,937,591</u>	<u>2,349,562</u>	<u>1,781</u>	<u>6,288,934</u>
Adjustments to Reconcile to GAAP Expense Reporting:				
Restricted Income: Intra Cost Recovery	<u>(1,127,772)</u>	<u>(1,361,098)</u>		<u>(2,488,870)</u>
Statement of Activities (GAAP)	<u>\$ 2,809,819</u>	<u>\$ 988,464</u>	<u>\$ 1,781</u>	<u>\$ 3,800,064</u>

Additional Statement:

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

SACRAMENTO EMPLOYMENT AND TRAINING AGENCY - HEAD START

**SCHEDULE OF REIMBURSABLE ADMINISTRATIVE COSTS
YEAR ENDED JUNE 30, 2010**

<u>Expenditures</u>	<u>CSPP-9425</u>	<u>CCTR-9227</u>	<u>CIMS-9467</u>	<u>Total CDE Contracts</u>
Reimbursable Administrative Costs:				
Classified Salaries	\$ 267,897	\$ 64,661		\$ 332,558
Employee Benefits	119,892	27,696		147,588
Other Operating Expenses	<u>68,259</u>	<u>16,778</u>	<u> </u>	<u>85,037</u>
Total	<u>\$ 456,048</u>	<u>\$ 109,135</u>	<u>\$ -</u>	<u>\$ 565,183</u>

AUDITED ATTENDANCE AND FISCAL REPORT

for California State Preschool Programs

Agency Name: Sacramento Employment & Training Agency Vendor No. 2173

Fiscal Year Ended: June 30, 2010 Contract No. CSPP 9425

Independent Auditor's Name: Gilbert & Associates, Inc.

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Three and Four Year Olds</i>					
Full-time-plus	8		8	1.1800	9.440
Full-time	80,115		80,115	1.0000	80,115.000
Three-quarters-time	19,532		19,532	0.7500	14,649.000
One-half-time	10,134		10,134	0.6172	6,254.705
<i>Exceptional Needs</i>					
Full-time-plus	-		-	1.4160	-
Full-time	135		135	1.2000	162.000
Three-quarters-time	-		-	0.9000	-
One-half-time	-		-	0.6172	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	19		19	1.2980	24.662
Full-time	2,094		2,094	1.1000	2,303.400
Three-quarters-time	1,027		1,027	0.8250	847.275
One-half-time	90		90	0.6172	55.548
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus	-		-	1.2980	-
Full-time	59		59	1.1000	64.900
Three-quarters-time	-		-	0.8250	-
One-half-time	-		-	0.6172	-
<i>Severely Disabled</i>					
Full-time-plus	-		-	1.7700	-
Full-time	-		-	1.5000	-
Three-quarters-time	-		-	1.1250	-
One-half-time	-		-	0.6172	-
TOTAL DAYS OF ENROLLMENT	113,213	-	113,213		104,485.930
DAYS OF OPERATION	241	-	241		
DAYS OF ATTENDANCE	110,091	-	110,091		

NO NONCERTIFIED CHILDREN - Check this box and continue to Section III if no noncertified children were enrolled in the program.

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

**AUDITED ATTENDANCE AND FISCAL REPORT
for California State Preschool Programs**

Agency Name: Sacramento Employment & Training Agency Vendor No. 2173

Fiscal Year End: June 30, 2010 Contract No. CSPP 9425

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION III - REVENUE			
RESTRICTED INCOME			
Child Nutrition Programs	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)			0
Other (Specify): Intra Cost Recovery	1,127,772		1,127,772
			0
Subtotal	\$1,127,772	\$0	\$1,127,772
Transfer from Reserve Contract #			0
Transfer from Reserve Contract #			0
Family Fees for Certified Children Contract #			0
Family Fees for Certified Children Contract #	30,819		30,819
Interest on Apportionments Contract #			0
Interest on Apportionments Contract #			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children			0
Head Start Program (EC § 8235(b))			0
Other (Specify):			0
TOTAL REVENUE	\$1,158,591	\$0	\$1,158,591

SECTION IV - REIMBURSABLE EXPENSES

1000 Certificated Salaries	\$2,264,913		\$2,264,913
2000 Classified Salaries	267,897		267,897
3000 Employee Benefits	1,081,320		1,081,320
4000 Books and Supplies	7,478		7,478
5000 Services and Other Operating Expenses	315,983		315,983
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Replacement Equipment (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Cost Rate Percentage: 0.00%			0
FOR CDE-A&I USE ONLY:			
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$3,937,591	\$0	\$3,937,591
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$456,048	\$0	\$456,048

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Child Development Division:

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

YES

NO - Explain any discrepancies.

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

YES

NO - Explain any discrepancies.

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

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

AUDITED ATTENDANCE AND FISCAL REPORT

for Child Development Programs

Agency Name: Sacramento Employment & Training Agency Vendor No. 2173

Fiscal Year Ended: June 30, 2010 Contract No. CCTR 9227

Independent Auditor's Name: Gilbert & Associates, Inc.

SECTION I - CERTIFIED CHILDREN DAYS OF ENROLLMENT	COLUMN A CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	COLUMN B AUDIT ADJUSTMENTS	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	COLUMN D ADJUSTMENT FACTOR	COLUMN E ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<i>Infants (up to 18 months)</i>					
Full-time-plus	-		-	2.006	-
Full-time	139		139	1.700	236.300
Three-quarters-time	192		192	1.275	244.800
One-half-time	-		-	0.935	-
<i>FCCH Infants (up to 18 months)</i>					
Full-time plus	-		-	1.652	-
Full-time	-		-	1.400	-
Three-quarters-time	-		-	1.050	-
One-half-time	-		-	0.770	-
<i>Toddlers (18 up to 36 months)</i>					
Full-time-plus	-		-	1.652	-
Full-time	15,248		15,248	1.400	21,347.200
Three-quarters-time	6,178		6,178	1.050	6,486.900
On-half-time	239		239	0.770	184.030
<i>Three Years and Older</i>					
Full-time-plus	-		-	1.180	-
Full-time	-		-	1.000	-
Three-quarters-time	-		-	0.750	-
One-half-time	-		-	0.550	-
<i>Exceptional Needs</i>					
Full-time-plus	-		-	1.416	-
Full-time	-		-	1.200	-
Three-quarters-time	-		-	0.900	-
One-half-time	-		-	0.660	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus	-		-	1.298	-
Full-time	158		158	1.100	173.800
Three-quarters-time	57		57	0.825	47.025
One-half-time	-		-	0.605	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus	-		-	1.298	-
Full-time	-		-	1.100	-
Three-quarters-time	-		-	0.825	-
One-half-time	-		-	0.605	-
<i>Severely Disabled</i>					
Full-time-plus	-		-	1.770	-
Full-time	-		-	1.500	-
Three-quarters-time	-		-	1.125	-
One-half-time	-		-	0.825	-
TOTAL DAYS OF ENROLLMENT	22,211	-	22,211		28,720.055
DAYS OF OPERATION	241	-	241		
DAYS OF ATTENDANCE	21,818	-	21,818		

NO NONCERTIFIED CHILDREN - Check this box and continue to Section III if no noncertified children were enrolled in the program.

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

AUDITED ATTENDANCE AND FISCAL REPORT for Child Development Programs

Agency Name: Sacramento Employment & Training Agency Vendor No. 2173

Fiscal Year End: June 30, 2010 Contract No. CCTR 9227

	COLUMN A	COLUMN B	COLUMN C
SECTION III - REVENUE	CUMULATIVE FISCAL YEAR PER FORM CDFS 9500	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED INCOME			
Child Nutrition Programs	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify): Intra Cost Recovery	1,361,098		1,361,098
Subtotal	\$1,361,098	\$0	\$1,361,098
Transfer from Reserve Contract #			0
Transfer from Reserve Contract #			0
Family Fees for Certified Children Contract #	13,891		13,891
Family Fees for Certified Children Contract #			0
Interest on Apportionments Contract #			0
Interest on Apportionments Contract #			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children			0
Other (Specify):			0
TOTAL REVENUE	\$1,374,989	\$0	\$1,374,989

SECTION IV - REIMBURSABLE EXPENSES

<i>Direct Payments to Providers (FCCH Only)</i>	\$0	\$0	\$0
1000 Certificated Salaries	1,296,065		1,296,065
2000 Classified Salaries	64,661		64,661
3000 Employee Benefits	586,041		586,041
4000 Books and Supplies	1,685		1,685
5000 Services and Other Operating Expenses	401,110		401,110
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Replacement Equipment (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Cost Rate Percentage: 0.00%			0
FOR CDE-A&I USE ONLY:			
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$2,349,562	\$0	\$2,349,562
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$109,135	\$0	\$109,135

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Child Development Division:

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

YES

NO - Explain any discrepancies.

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

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

YES

NO - Explain any discrepancies.

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

AUDITED FISCAL REPORT for Child Development Support Contracts

Agency Name: Sacramento Employment & Training Agency Vendor No. 2173

Fiscal Year End: June 30, 2010 Contract No. CIMS 9467

Multi-Year Contract? (Check No Box or Enter Contract Period): No: or Period: _____

Independent Auditor's Name: Gilbert & Associates, Inc.

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	LAST YEAR'S AUD 9529	CURRENT FISCAL YEAR PER FORM CDFS 9529	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE THROUGH CURRENT FISCAL YEAR PER AUDIT
SECTION I - REVENUE				
RESTRICTED INCOME				
Match Requirement	\$0	\$0	\$0	\$0
County Maintenance of Effort (EC § 8279)				0
Other (Specify):				0
				0
Subtotal	\$0	\$0	\$0	\$0
INTEREST ON APPORTIONMENT PAYMENTS				0
UNRESTRICTED INCOME				
Other (Specify):				0
				0
TOTAL REVENUE	\$0	\$0	\$0	\$0

SECTION II - REIMBURSABLE EXPENSES

1000 Certificated Salaries	\$0	\$0	\$0	\$0
2000 Classified Salaries				0
3000 Employee Benefits				0
4000 Books and Supplies	1,781			1,781
5000 Services and Other Operating Expenses				0
6100/6200 Other Approved Capital Outlay				0
6400 New Equipment (<i>program-related</i>)				0
6500 Replacement Equipment (<i>program-related</i>)				0
Depreciation or Use Allowance				0
Indirect Cost Rate Percentage: 0.00%				0
FOR CDE-A&I USE ONLY:				
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$1,781	\$0	\$0	\$1,781
TOTAL ADMINISTRATIVE COSTS <small>(included in section II above)</small>	\$0	\$0	\$0	\$0

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

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

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Agency Name: Sacramento Employment & Training Agency

Fiscal Year End: June 30, 2010

Vendor No. 2173

Independent Auditor's Name: Gilbert & Associates, Inc.

RESERVE ACCOUNT TYPE (Check One):

- Center Based
 Resource and Referral
 Alternative Payment

COLUMN A	COLUMN B	COLUMN C
PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	PER AUDIT

LAST YEAR:

1. Ending Balance on Last Year's AUD 9530-A	\$304,110	\$0	\$304,110
2. Plus Transfers from Contracts to Reserve Account (based on last year's post-audit CDFS 9530, Section IV):			
Contract No.	\$0	\$0	\$0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred from Contracts to Reserve Account	0	0	0
3. Less Excess Reserve to be Billed (enter as a positive amount any excess amount calculated by CDFS on last year's post-audit CDFS 9530)	\$0	\$0	\$0
4. Ending Balance on Last Year's Post-Audit CDFS 9530	\$304,110	\$0	\$304,110

THIS YEAR:

5. Plus Interest Earned This Year on Reserve Funds (column A must agree with this year's CDFS 9530-A, Section II)	\$3,220		\$3,220
6. Less Transfers to Contracts from Reserve Account (column A amounts must agree with this year's CDFS 9530-A, Section III; and column C amounts must be reported on this year's AUD forms for respective contracts):			
Contract No.	\$0	\$0	\$0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred to Contracts from Reserve Account	0	0	0
7. Ending Balance on June 30, 2010 (column A must agree with this year's CDFS 9530-A, Section IV)	\$307,330	\$0	\$307,330

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