

Assistance League® of Los Angeles

Financial Statements

June 30, 2017



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INDEPENDENT AUDITOR'S REPORT

To the Audit Committee
Assistance League® of Los Angeles
Los Angeles, California

We have audited the accompanying financial statements of Assistance League® of Los Angeles (the "League"), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Assistance League® of Los Angeles as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2017, on our consideration of the League's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 League's internal control over financial reporting and compliance.



Armanino^{LLP}
Los Angeles, California

November 27, 2017

Assistance League® of Los Angeles
Statement of Financial Position
June 30, 2017

ASSETS

Cash and cash equivalents	\$ 1,884,384
Accounts receivable	46,148
Operating investments	3,344,477
Prepaid expenses and other assets	408,865
Endowment investments	6,561,183
Property and equipment, net	<u>1,069,625</u>
 Total assets	 <u><u>\$ 13,314,682</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable and accrued liabilities	\$ 109,247
Accrued salaries and related expenses	<u>52,418</u>
Total liabilities	<u><u>161,665</u></u>
 Commitments and contingencies (Note 8)	
Net assets	
Unrestricted	
Unrestricted - undesignated	4,003,507
Unrestricted - invested in land, building and equipment	1,069,625
Board-designated	<u>4,820,080</u>
Total unrestricted	9,893,212
Temporarily restricted	1,788,148
Permanently restricted	<u>1,471,657</u>
Total net assets	<u><u>13,153,017</u></u>
 Total liabilities and net assets	 <u><u>\$ 13,314,682</u></u>

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

Assistance League® of Los Angeles
Statement of Activities
For the Year Ended June 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues, gains and other support				
Public support				
Contributions	\$ 1,299,233	\$ 466,791	\$ -	\$ 1,766,024
Government grants	592,652	-	-	592,652
Contributed goods and rent	389,373	-	-	389,373
Fundraising	<u>94</u>	<u>350,188</u>	<u>-</u>	<u>350,282</u>
Total public support	<u>2,281,352</u>	<u>816,979</u>	<u>-</u>	<u>3,098,331</u>
Revenue				
Membership fees and obligations	58,798	-	-	58,798
Program service fees	1,891,082	-	-	1,891,082
Facility rentals	12,631	-	-	12,631
Other income	<u>39,017</u>	<u>-</u>	<u>-</u>	<u>39,017</u>
Total revenue	<u>2,001,528</u>	<u>-</u>	<u>-</u>	<u>2,001,528</u>
Total revenues, gains and other support	<u>4,282,880</u>	<u>816,979</u>	<u>-</u>	<u>5,099,859</u>
Net assets released from restriction	<u>1,243,541</u>	<u>(1,243,541)</u>	<u>-</u>	<u>-</u>
Total revenues, gains and other support	<u>5,526,421</u>	<u>(426,562)</u>	<u>-</u>	<u>5,099,859</u>
Functional expenses				
Program services	<u>3,864,379</u>	<u>-</u>	<u>-</u>	<u>3,864,379</u>
Support services				
Management and general	705,252	-	-	705,252
Fundraising	<u>502,070</u>	<u>-</u>	<u>-</u>	<u>502,070</u>
Total support services	<u>1,207,322</u>	<u>-</u>	<u>-</u>	<u>1,207,322</u>
Total functional expenses	<u>5,071,701</u>	<u>-</u>	<u>-</u>	<u>5,071,701</u>
Change in net assets from operations	<u>454,720</u>	<u>(426,562)</u>	<u>-</u>	<u>28,158</u>
Investment returns and other				
Investment interest and dividends	193,281	-	-	193,281
Realized gains on sales of investments	294,868	-	-	294,868
Unrealized gains on investments	274,992	137,493	-	412,485
Gain on sale of property	<u>9,867</u>	<u>-</u>	<u>-</u>	<u>9,867</u>
Total investment returns and other	<u>773,008</u>	<u>137,493</u>	<u>-</u>	<u>910,501</u>
Change in net assets	1,227,728	(289,069)	-	938,659
Net assets, beginning of year	<u>8,665,484</u>	<u>2,077,217</u>	<u>1,471,657</u>	<u>12,214,358</u>
Net assets, end of year	<u>\$ 9,893,212</u>	<u>\$ 1,788,148</u>	<u>\$ 1,471,657</u>	<u>\$ 13,153,017</u>

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

Assistance League® of Los Angeles
Statement of Functional Expenses
For the Year Ended June 30, 2017

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel expenses				
Salaries and wages	\$ 1,329,323	\$ 175,080	\$ 179,524	\$ 1,683,927
Employee benefits	200,962	25,438	27,982	254,382
Payroll taxes	<u>116,520</u>	<u>14,750</u>	<u>16,224</u>	<u>147,494</u>
Total personnel expenses	1,646,805	215,268	223,730	2,085,803
Advertising and recruiting	7,361	1,836	-	9,197
Assistance to individuals	673,536	-	-	673,536
Bad debt expense	150	-	-	150
Depreciation and amortization	81,695	10,341	11,375	103,411
Dues, fees and conferences	26,849	4,155	2,985	33,989
Equipment	3,471	96	106	3,673
Insurance	96,820	8,943	9,838	115,601
Mileage reimbursement, transportation, and travel	26,059	521	212	26,792
Miscellaneous	13,896	1,374	524	15,794
Occupancy	570,859	38,640	32,440	641,939
Office and technology supplies	54,648	1,710	1,362	57,720
Printing, copying, postage and publishing	47,762	1,817	3,797	53,376
Professional fees and service contracts	212,350	291,297	87,402	591,049
Program costs	52,493	-	-	52,493
Program supplies - nutrition-related costs	59,779	-	-	59,779
Special events	-	6,108	102,828	108,936
Taxes, licenses, and fees	46,700	99,730	2,656	149,086
Telephone	116,693	7,481	8,859	133,033
Vehicle	5,502	-	-	5,502
Website and internet	<u>120,951</u>	<u>15,935</u>	<u>13,956</u>	<u>150,842</u>
	<u>\$ 3,864,379</u>	<u>\$ 705,252</u>	<u>\$ 502,070</u>	<u>\$ 5,071,701</u>
Percentage of total	<u>76.2 %</u>	<u>13.9 %</u>	<u>9.9 %</u>	<u>100.0 %</u>

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

Assistance League® of Los Angeles
Statement of Cash Flows
For the Year Ended June 30, 2017

Cash flows from operating activities	
Change in net assets	\$ 938,659
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	103,411
Gain on sale of property and equipment	(9,867)
Realized and unrealized gains on investments	(707,353)
Changes in operating assets and liabilities	
Accounts receivable	26,567
Prepaid expenses and other assets	5,602
Accounts payable and accrued liabilities	(34,499)
Accrued salaries and related expenses	(1,449)
Net cash provided by operating activities	<u>321,071</u>
Cash flows from investing activities	
Proceeds from sale of property and equipment	30,000
Purchase of property and equipment	(386,863)
Proceeds from sales of investments	4,221,869
Purchases of investments and reinvestment of earnings, net of fees	(4,334,386)
Net cash used in investing activities	<u>(469,380)</u>
Net decrease in cash and cash equivalents	(148,309)
Cash and cash equivalents, beginning of year	<u>2,032,693</u>
Cash and cash equivalents, end of year	<u>\$ 1,884,384</u>

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

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

1. NATURE OF OPERATIONS

The mission of Assistance League® of Los Angeles (the "League") since 1919 has been to improve the quality of the lives of at-risk children and families by providing vital social services in the Los Angeles community.

The League has eight fundraising and support auxiliaries that support its programs and provide leadership and volunteer opportunities for its membership. All program and auxiliary activities are reported within these financial statements.

A summary of the numbers of children and families served and the volunteer hours to support those efforts are provided below:

	Number Served (Unaudited)
Foster Children's Resource Center	1,863
Operation School Bell	6,263
Preschool Learning Center	67
Theatre for Children	12,000
Total	20,193

	Volunteer Hours (Unaudited)
Anne Banning	10,115
College Alumnae	534
Founder Assisteens	1,599
Hilltoppers	8,118
Mannequins	783
Nine O'Clock Players	11,382
PreSchool	589
Young Professionals' Group	151
Total	33,271

Based on the U.S. Department of Labor, Bureau of Labor Statistics valuation of volunteer time for fiscal year ended June 30, 2017, the League benefited from approximately \$815,000 of volunteer services. The League does not include this amount in the reported results, but greatly appreciates all the support of its volunteers.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

1. NATURE OF OPERATIONS (continued)

Operation School Bell

Operation School Bell provides underserved and at-risk school children with new clothing and supplies. Children from disadvantaged circumstances have improved school attendance and increased academic success when they do not 'wear their poverty.' Children are given uniforms, jackets, shoes, grooming kits, backpacks and school supplies at the League's Hollywood location and via the mobile facility Operation School Bell on Wheels.

Theatre for Children

The Theatre for Children program is the oldest children's theatre in Los Angeles, bringing the joy of live theatre to thousands of underserved and handicapped children every year. The productions are offered free of charge to children from Title 1 schools along with free bus transportation. Tickets are available at reduced rates to school groups and for a nominal fee to the public on weekends. The League strives to offer children in Los Angeles arts education through the experience of live theatre.

Foster Children's Resource Center

Foster Children's Resource Center provides critically needed clothing and supplies to children who enter foster care or are abruptly moved with few personal possessions beyond the clothes that they are wearing. Children are referred to the League through the Department of Children and Family Services. The League provides them with school uniforms, play clothes, jackets, pajamas, backpacks, school supplies, toys, books and grooming kits to bolster their self-esteem during a difficult and vulnerable time in their lives.

Preschool Learning Center

Preschool Learning Center develops academic skills in children and encourages their social, emotional, cognitive, creative and physical development. Studies show that children who attend preschool outperform their peers academically and are more likely to go to college. Accredited by the National Association for the Education of Young Children ("NAEYC"), the League's Preschool Learning Center provides a quality preschool education free of charge to children ages three to five from low-income families.

Hollywood Children's Club

Hollywood Children's Club serves children and young parents in need in the Hollywood area. Families are referred to the League through the Los Angeles Unified School District's Homeless Education Unit and young parent program. Recipients receive clothing, diapers, and hygiene products to support their children and ease financial pressures so that they can complete their high school education.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

1. NATURE OF OPERATIONS (continued)

Court Referred Volunteer Center

The League's Court Referred Volunteer Center ("CRVC") program operates as a social enterprise providing revenue to help support League services. The CRVC program is in seven courthouses throughout Los Angeles County. The program refers clients sent from the courts to nonprofit agencies throughout Los Angeles County to fulfill their court-mandated community service requirements. During the year ended June 30, 2017, CRVC connected more than 19,000 Angelenos to community services opportunities representing more than 1,850,000 volunteer hours.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income tax status

The League is a nonprofit public benefit corporation organized under the laws of California, and, as such, is exempt from federal and California income taxes under IRC Section 501(c)(3) and corresponding California Revenue and Taxation Code sections.

The League's federal tax informational returns for tax years ended June 30, 2014, and subsequent remain open to examination by the Internal Revenue Service. The returns for California, the League's only state tax jurisdiction, remain open to examination by the California Franchise Tax Board for tax years ended June 30, 2013, and subsequent.

Net assets

The League reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted (see Note 6).

Unrestricted net assets

Unrestricted Undesignated Net Assets are currently available for use by the League or were received with donor restrictions that were satisfied in the same period.

Unrestricted Invested in Land, Building and Equipment Net Assets includes unrestricted net assets the League currently has invested in property and equipment, net of any debt.

Unrestricted Board-Designated Net Assets includes unrestricted net assets designated by the Board of Directors (the "Board") for specific purposes or programs.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Temporarily restricted net assets

Temporarily Restricted Net Assets are restricted by donors for specific purposes, restricted for use in specific future periods, or subject to both a purpose and a time restriction. Restricted contributions received are classified as unrestricted if the restrictions are met within the same reporting period.

Permanently restricted net assets

Permanently Restricted Net Assets are restricted by donors in perpetuity as endowments. Earnings from permanently restricted net assets are classified as temporarily restricted until they have been appropriated for expenditure.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. These estimates and assumptions affect the reported amounts of assets, liabilities, and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses reported during the period. Actual results could differ from these estimates.

Endowments

Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions (see Note 5).

Cash and cash equivalents

Cash equivalents consist of highly-liquid investments with original maturities of three months or less, except for certain money market account balances included in investments (see Note 3).

Accounts receivable

Accounts receivable are comprised of grants and contracts receivable from federal, state and local governments and current receivables from private funders and contributors. Management analyzes the collectability of these receivables and establishes an allowance for doubtful accounts when the receivable is deemed uncollectible. As of June 30, 2017, management believes 100% of accounts receivable is collectible, and thus there is no allowance for doubtful accounts.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating and endowment investments

Endowment investments are stated at fair value based on a hierarchy discussed in Note 3. Purchases and sales of securities are recorded on trade dates. Interest and dividend income and realized and unrealized gains and losses on investments are reported as increases or decreases to unrestricted net assets, unless the use is restricted by donor stipulations or law.

Property and equipment

Property and equipment used in the operations of the League are stated at cost or, if contributed, at the fair value at the date of contribution.

Depreciation and amortization of property and equipment is computed using the straight-line method over the following estimated useful lives of the related asset or the term of the lease for leasehold improvements:

Computers and software	3 years
Furniture and fixtures	5 - 7 years
Office and other equipment	5 years
Vehicles	5 years

Normal repairs and maintenance are expensed as incurred, whereas significant charges that materially increase values or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets.

Impairment of long-lived assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable, but at least annually. No impairment provision was recorded by the League during the year.

Revenue of recognition

Contributions, including unconditional promises to give, are recognized when made. All contributions are available for unrestricted use unless restricted by the donor. Temporarily restricted contributions that are expended in the current year are reported as unrestricted. At its discretion, the Board may designate unrestricted contributions for specific purposes (see Note 6).

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributed goods, rents, and services

The League receives contributions of goods, rent, and services. Contributed goods include supplies, meals, and equipment that are used in programs that serve children and families and are recorded at fair value when received. The League also receives free use of a building for its Children's Services (see Note 7). A substantial number of volunteers have donated significant amounts of time to the League's program and fundraising activities. The value of these donated services is not reflected in the financial statements as they do not meet the U.S. GAAP recognition criteria.

Functional expenses

The League allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on estimated level of effort or estimated physical space attributed to programs, support, and fundraising.

Occupancy

Occupancy includes expenses for security, utilities, trash and regular servicing for elevators, alarms, landscaping and other directly-paid costs for maintaining the buildings and property of the League. Additionally, rents and related costs to maintain facilities that are not owned by the League are included within occupancy expenses.

Concentrations of risk

Some of the League's cash balances exceed FDIC-insured limits. Investment balances are insured by the Securities Investor Protection Corporation ("SIPC"). Generally, the League's investment balances exceed SIPC-insured limits. The League has not experienced and does not anticipate any losses related to the cash and investments held in these accounts.

The League received funds from one government source which comprised 12% of total revenue during the year and 80% of accounts receivable at June 30, 2017.

Subsequent events

The League has evaluated events subsequent to June 30, 2017, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 27, 2017, the date the financial statements were available to be issued. Based upon this evaluation, it was determined no subsequent events occurred that require recognition or additional disclosure in the financial statements.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

3. INVESTMENTS

The League reports its operating and endowment investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3, of which there were none at June 30, 2017).

Investments are categorized as follows:

Endowment (see Note 5)	\$ 6,561,183
Operating	<u>3,344,477</u>
	<u>\$ 9,905,660</u>

The following table sets forth by level, within the fair value hierarchy, the League's investments at fair value as of June 30, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Mutual funds	\$ 3,560,899	\$ -	\$ -	\$ 3,560,899
Equities	4,752,401	-	-	4,752,401
Corporate bonds	658,074	-	-	658,074
Government securities	634,312	36,924	-	671,236
Money market accounts	<u>263,050</u>	<u>-</u>	<u>-</u>	<u>263,050</u>
	<u>\$ 9,868,736</u>	<u>\$ 36,924</u>	<u>\$ -</u>	<u>\$ 9,905,660</u>

Activity in the investments during the year was as follows:

Balance, beginning of year	\$ 9,085,790
Proceeds from sale of investments	(4,221,869)
Purchases of investments and reinvestment of earnings, net of fees	4,334,386
Realized gains on sales of investments	294,868
Unrealized gains on investments	<u>412,485</u>
Balance, end of year	<u>\$ 9,905,660</u>

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Computers and software	\$ 188,498
Furniture and fixtures	536,071
Land	268,967
Leasehold improvements	575,439
Office and other equipment	74,987
Vehicles	<u>351,684</u>
	1,995,646
Accumulated depreciation and amortization	<u>(926,021)</u>
	<u><u>\$ 1,069,625</u></u>

5. ENDOWMENTS

The League endowments and quasi-endowments consist of pooled funds established for the purposes as described below. The Board has interpreted the California Uniform Prudent Management of Institutional Funds Act ("Cal UPMIFA") as requiring the preservation of the fair value of donor-restricted endowment funds. Donor-restricted endowment funds not classified as permanently restricted are classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with donor intentions and the standard of prudence prescribed by Cal UPMIFA.

In accordance with Cal UPMIFA, the League considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the League and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the League
- (7) The investment policies of the League.

Return objectives and risk parameters

The League has adopted investment and spending policies for endowment assets to provide for growth and income for its endowment assets. This is a balanced approach that seeks long-term growth in capital along with significant current income that will earn returns in excess of a passive set of market indices representative of the invested portfolio's asset allocation. Endowment assets include those assets of donor-restricted funds classified as permanently and temporarily restricted net assets as well as Board-designated funds. Under the investment policy, endowment assets are invested to return 6% on a compound annual return basis after the deduction of management fees and annualized over three five-year rolling time periods and a full market cycle. Actual returns in any given year may vary from this amount.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

5. ENDOWMENTS (continued)

Strategies employed for achieving objectives

To satisfy its long-term rate-of-return objectives, the League relies on diversification through asset allocation with the targets for invested assets as follows: equities 45%, fixed income 45%, and commodities and other investments 10%. Management, members of the Finance Committee, and the League investment advisors meet regularly to ensure the strategies and investment performance are appropriate for the League.

Spending policy and how investment objectives relate to spending policy

The League's spending policy provides for a distribution of 3.6% annually, calculated over twelve trailing quarters. By special resolution, any amount of the Board-designated endowment may be withdrawn for any purpose consistent with the mission of the League, and any amount of temporarily restricted term endowments may be appropriated for expenditure in accordance with the donors' specific instructions. During the year ended June 30, 2017, \$141,520 was distributed from the unrestricted Board-designated endowment and \$82,668 from the temporarily restricted term endowment.

Endowment net asset composition by type of fund

Endowment net asset composition by type of fund as of June 30, 2017 is as follows:

	Unrestricted Board- <u>Designated</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Total</u>
Operation School Bell	\$ -	\$ 407,338	\$ 60,000	\$ 467,338
Theatre for Children	-	649,318	734,587	1,383,905
Senior Services	-	14,213	100,000	114,213
Children's Services	-	82,238	549,628	631,866
General Endowment	<u>3,931,978</u>	<u>4,441</u>	<u>27,442</u>	<u>3,963,861</u>
	<u>\$ 3,931,978</u>	<u>\$ 1,157,548</u>	<u>\$ 1,471,657</u>	<u>\$ 6,561,183</u>

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

5. ENDOWMENTS (continued)

Changes in endowment net assets during the year

Changes in endowment net assets for the fiscal year ended June 30, 2017 is as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Balance, beginning of year	\$ 3,666,221	\$ 1,102,723	\$ 1,471,657	\$ 6,240,601
Investment return				
Investment earnings, net	407,277	137,493	-	544,770
Appropriated for expenditure and distributed	<u>(141,520)</u>	<u>(82,668)</u>	<u>-</u>	<u>(224,188)</u>
Balance, end of year	<u>\$ 3,931,978</u>	<u>\$ 1,157,548</u>	<u>\$ 1,471,657</u>	<u>\$ 6,561,183</u>

6. NET ASSETS

The League has net assets that fall into one of three categories - unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets may be designated by the Board for specific purposes, as described below. Temporarily restricted net assets have been designated by donors for specific purposes as described below. Permanently restricted net assets are detailed in Note 5.

Unrestricted board-designated net assets

Unrestricted Board-designated net assets consist of the following:

Unrestricted Board-designated endowment (see Note 5)	\$ 3,931,978
Theatre for Children	207,171
Preschool Learning Center	301,818
Operation School Bell - inventory	149,133
Foster Children's Resource Center - inventory	57,790
Auxiliary carryover	<u>172,190</u>
	<u>\$ 4,820,080</u>

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

6. NET ASSETS (continued)

Temporarily restricted net assets

Temporarily restricted net assets during the year are as follows:

	<u>Released from Restrictions</u>	<u>Balance, June 30, 2017</u>
Donor-restricted term endowment (see Note 5)	\$ (82,668)	\$ 1,157,548
Operation School Bell	(910,647)	367,542
Theatre for Children	(99,702)	-
Foster Children's Resource Center	(89,463)	124,990
Hollywood Children's Club	-	18,004
Children's Services	(31,794)	33,111
NOP Capital Improvements	-	28,000
Bekins Grant - NOP Facility Repairs	(19,267)	58,953
Scholarships	<u>(10,000)</u>	<u>-</u>
	<u>\$ (1,243,541)</u>	<u>\$ 1,788,148</u>

7. CONTRIBUTED GOODS AND RENT

Donated materials and services during the year were valued as follows:

Rent	\$ 115,947
Assistance to individuals	268,594
Miscellaneous	<u>4,832</u>
	<u>\$ 389,373</u>

8. COMMITMENTS AND CONTINGENCIES

Retirement plan

The League offers an IRC Section 401(k) plan (the "Plan") to its employees who are at least 21 years old and have completed six months and 500 hours of service. Plan participants are permitted to defer up to 20% of their compensation and the League will match 25% of the first 4% of contributions. Employer contributions vest after six years of service. For the year ended June 30, 2017, the League contributed \$7,692 as matching contributions.

Operating leases

In 2015 the League began a 3-year lease of its headquarters through July 2018. In addition, the League leases certain equipment and other facilities under noncancellable operating leases expiring various dates through 2021.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

8. COMMITMENTS AND CONTINGENCIES (continued)

Operating leases (continued)

The scheduled minimum lease payments under the lease terms are as follows:

<u>Year Ending June 30,</u>	<u>Facilities</u>	<u>Equipment</u>	<u>Total</u>
2018	\$ 293,402	\$ 9,071	\$ 302,473
2019	14,091	8,653	22,744
2020	-	4,990	4,990
2021	-	2,937	2,937
	<u>\$ 307,493</u>	<u>\$ 25,651</u>	<u>\$ 333,144</u>

Rent expense for the year under operating leases was \$351,640 and \$18,340 for facilities and equipment respectively.

Litigation

In the normal course of operations, the League is named as a defendant in lawsuits and is subject to periodic examinations by regulatory agencies, none of which is expected to have a materially adverse impact on the League.

Government grants

Certain programs of the League receive funding and support from local, state or federal governments. Accordingly, these programs are subject to audit that could result in adjustments. Management believes that liabilities, if any, resulting from any such audits will not have a material effect on the financial statements.

9. RELATED PARTY TRANSACTIONS

During the year, the League received \$553,000 in contributions from its affiliate organization, Friends of the League Foundation (the "Foundation"). The Foundation was established for the exclusive benefit of the League and distributes funds annually to the League according to a spending plan to offset administrative costs, so that League fundraising can directly benefit the services of the League.

Assistance League® of Los Angeles
Notes to Financial Statements
June 30, 2017

10. FUNDRAISING INCOME

The chapter conducts various fundraising events and activities to help fund current operations. The revenue and related expenses from such events and activities for the year ending June 30, 2017 are as follow:

	<u>Revenue</u>	<u>Cost of Merchandise Sold</u>	<u>Cost of Direct Benefits to Attendees</u>	<u>Other Costs</u>	<u>Net Revenues</u>
Operation School Bell					
A Spring Affaire	\$ 234,194	\$ 1,364	\$ 42,501	\$ 2,429	\$ 187,900
Assisteens Catwalk for a Cause	40,795	-	12,532	1,834	26,429
Mannequins Afternoon with Eve	<u>75,293</u>	<u>1,076</u>	<u>35,182</u>	<u>3,042</u>	<u>35,993</u>
	<u>\$ 350,282</u>	<u>\$ 2,440</u>	<u>\$ 90,215</u>	<u>\$ 7,305</u>	<u>\$ 250,322</u>

OTHER AUDIT REPORT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Audit Committee
Assistance League® of Los Angeles
Los Angeles, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America (the "U.S.") 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 Assistance League® of Los Angeles (the "League"), which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 27, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the League's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the League's internal control. Accordingly, we do not express an opinion on the effectiveness of the League'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 League'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 League'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 League's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Armanino^{LLP}
Los Angeles, California

November 27, 2017

SUPPORTING SCHEDULES REQUIRED BY THE CALIFORNIA DEPARTMENT OF EDUCATION



INDEPENDENT AUDITOR'S REPORT ON SUPPORTING SCHEDULES REQUIRED
BY THE CALIFORNIA DEPARTMENT OF EDUCATION

To the Audit Committee
Assistance League® of Los Angeles
Los Angeles, California

We have audited the financial statements of Assistance League® of Los Angeles (the "League") as of and for the year ended June 30, 2017, and have issued our report thereon dated November 27, 2017, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The accompanying supplemental information for the year ended June 30, 2017, is presented for the purposes of additional analysis and is in conformity with the *CDE Audit Guide* issued by the California Department of Education. These supplemental schedules are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Armanino^{LLP}
Los Angeles, California

November 27, 2017

Assistance League® of Los Angeles
General Information
For the Year Ended June 30, 2017

Full Official Name of the Agency	Assistance League of Los Angeles
Program Name and Contract Number: Preschool Program	CSPP-6137
Type of Agency	Nonprofit Corporation
Address of Agency Headquarters	826 Cole Avenue Los Angeles, California 90038
Name and Address of Executive Director and Name of Chief Executive Officer, Business Officer or Accountant	
Chief Executive Officer	Melanie Merians 826 Cole Avenue Los Angeles, California 90038
Board President	Lisa Wierwille
Telephone Number	(323) 465-5281
Period Covered by Examination	July 1, 2016 through June 30, 2017
Number of Days of Agency's Operation	250
Scheduled Hours of Operation Each Day	Monday through Friday, Except Holidays From 7:00 am to 6:00 pm Open 11 hours per day

Assistance League® of Los Angeles
Schedule of Expenditures of Federal, State, and Local Government Awards
For the Year Ended June 30, 2017

Federal Grantor/Program Title	Grant Period	CFDA Number	Project Number Contract Number	Award Amount	Federal Expenditures	State Expenditures	Local/Other Expenditures	Total Expenditures
Pass-Through Awards Federal:								
State of California								
California Department of Education								
U.S. Department of Agriculture								
Child and Adult Care Food Program	07/01/2016 - 09/30/2016	10.558	04524-CACFP-19-NP-IC (CNIPS)	\$ 17,828	\$ 17,828	\$ -	\$ -	\$ 17,828
Child and Adult Care Food Program	10/01/2016 - 6/30/17 (Prog to 9/30/2017)	10.558	04524-CACFP-19-NP-IC (CNIPS)	50,196	50,196	-	-	50,196
State of California				68,023	68,023	-	-	68,023
Pass-Through Awards Other Governments:								
State of California								
California Department of Education								
PreKindergarten and Family Literacy	07/01/2016 - 06/30/2017	NA	19-E760-00-6 CPKS-6022	2,500	-	2,500	-	2,500
California State Preschool Program	07/01/2016 - 06/30/2017	NA	19-E760-00-6 CSPP-6137	522,129	-	522,129	-	522,129
California Department of Education				524,629	-	524,629	-	524,629
State of California				524,629	-	524,629	-	524,629
Pass-Through Awards Other Governments				524,629	-	524,629	-	524,629
TOTAL GOVERNMENT AWARDS				\$ 592,652	\$ 68,023	\$ 524,629	\$ -	\$ 592,652

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal, State, and Local Government Awards includes the expenditures of federal, state, and local awards of Assistance League® of Los Angeles; these expenditures are presented on the accrual basis of accounting. The federal information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Assistance League® of Los Angeles
Combining Statements of Activities
For the Year Ended June 30, 2017

	<u>CSPP-6137</u>	<u>CPKS-6022</u>	<u>Other Programs</u>	<u>Total</u>
Revenue				
Contributions	\$ 10,358	\$ -	\$ 1,755,666	\$ 1,766,024
Government grants	522,129	2,500	-	524,629
Government grants - nutrition	68,023	-	-	68,023
Contributed goods and rent	-	-	389,373	389,373
Fundraising	-	-	350,282	350,282
Membership fees and obligations	-	-	58,798	58,798
Program service fees	10,174	-	1,880,908	1,891,082
Facilities rentals	-	-	12,631	12,631
Other income	-	-	39,017	39,017
Total revenue	<u>610,684</u>	<u>2,500</u>	<u>4,486,675</u>	<u>5,099,859</u>
Expenses				
Personnel expenses				
Salaries and wages	321,115	-	1,362,812	1,683,927
Employee benefits	83,334	-	171,048	254,382
Payroll taxes	29,096	-	118,398	147,494
Total personnel expenses	<u>433,545</u>	<u>-</u>	<u>1,652,258</u>	<u>2,085,803</u>
Other expenses				
Advertising and recruiting	-	-	9,197	9,197
Assistance to individuals	-	-	673,536	673,536
Bad debt expense	-	-	150	150
Depreciation and amortization	-	-	103,411	103,411
Dues, fees and conferences	2,185	-	31,804	33,989
Equipment	851	-	2,822	3,673
Insurance	-	-	115,601	115,601
Mileage, transportation, travel	-	-	26,792	26,792
Miscellaneous	527	-	15,267	15,794
Occupancy	27,803	-	614,136	641,939
Office and technology supplies	11,196	-	46,524	57,720
Printing, copying, postage and publishing	-	-	53,376	53,376
Professional fees and service contracts	12,928	-	578,121	591,049
Program supplies - nutrition-related costs	59,183	-	596	59,779
Program costs	4,786	2,500	45,207	52,493
Special events	100	-	108,836	108,936
Taxes and licenses	967	-	148,119	149,086
Telephone	5,060	-	127,973	133,033
Vehicle expense	-	-	5,502	5,502
Website and internet	895	-	149,947	150,842
Total other expenses	<u>126,481</u>	<u>2,500</u>	<u>2,856,917</u>	<u>2,985,898</u>
Indirect costs	44,802	-	44,802	-
Non-reimbursable indirect costs	48,353	-	48,353	-
Total expenses	<u>653,181</u>	<u>2,500</u>	<u>4,416,020</u>	<u>5,071,701</u>
Changes in net assets	<u>\$ (42,497)</u>	<u>\$ -</u>	<u>\$ 70,655</u>	<u>\$ 28,158</u>

Assistance League® of Los Angeles
Combining Schedule of Renovation and Repair Expenditures
For the Year Ended June 30, 2017

	Preschool CSPP-6137	Pre-Kinder and Family Literacy CPKS-6022	Total
Unit cost under \$10,000			
Building and equipment maintenance	\$ 156	\$ -	\$ 156
	156	-	156
Unit cost over \$10,000 (with CDE Approval)			
	-	-	-
	-	-	-
Unit cost over \$10,000 (without CDE Approval)			
	-	-	-
	-	-	-
Total Renovation and Repair Expenditures	\$ 156	\$ -	\$ 156

Description of Renovations/Repairs:

Repaired kitchen sink

Assistance League® of Los Angeles
 Combining Schedule of Equipment Expenditures
 For the Year Ended June 30, 2017

Unit cost under \$10,000	
Printers	\$ 737
Chair	<u>114</u>
Total	<u>851</u>
Unit cost over \$10,000 (with CDE Approval)	
Total	<u>-</u>
Unit cost over \$10,000 (without CDE Approval)	
Total	<u>-</u>
Total Equipment Expenditures	<u><u>\$ 851</u></u>

Assistance League® of Los Angeles
Combining Schedule of Administrative Costs
For the Year Ended June 30, 2017

	<u>Preschool CSPP-6137</u>	<u>Pre-Kinder & Family Literacy CPKS-6022</u>	<u>Total</u>
Administrative salaries	\$ 34,880	\$ -	\$ 34,880
Employee benefits	<u>12,209</u>	<u>-</u>	<u>12,209</u>
Total	47,089	-	47,089
 Indirect costs @ 8% Maximum	 <u>44,802</u>	 <u>-</u>	 <u>44,802</u>
 Total Administrative Costs	 <u>\$ 91,891</u>	 <u>\$ -</u>	 <u>\$ 91,891</u>

Maximum allowable administrative costs is calculated as a total reimbursable expenses minus restricted income multiplied by 15%. Amount reimbursed was at an 8% indirect rate.

Assistance League® of Los Angeles
Combining Schedule of Expenditures by State Categories
For the Year Ended June 30, 2017

		<u>Preschool</u> <u>CSPP-6137</u>	<u>Pre-Kinder & Family Literacy</u> <u>CPKS-6022</u>	<u>Total</u> <u>Reimbursable</u>
1000	CERTIFICATED SALARIES			
1000	Certificated salaries	\$ 299,161	\$ -	\$ 299,161
		<u>299,161</u>	<u>-</u>	<u>299,161</u>
2000	CLASSIFIED SALARIES			
2300	Clerical and other office salaries	21,954	-	21,954
		<u>21,954</u>	<u>-</u>	<u>21,954</u>
3000	EMPLOYEE BENEFITS			
3300	Social Security	24,631	-	24,631
3400	Health and welfare benefits	27,487	-	27,487
3500	State unemployment insurance	4,465	-	4,465
3600	Workers' compensation Insurance	55,847	-	55,847
		<u>112,430</u>	<u>-</u>	<u>112,430</u>
4000	BOOKS, SUPPLIES, AND EQUIPMENT			
4000	Books, supplies, and equipment	851	-	851
4300	Instructional material and supplies	63,937	2,500	66,437
		<u>64,788</u>	<u>2,500</u>	<u>67,288</u>
	SERVICES AND OTHER OPERATING EXPENSES			
5000	EXPENSES			
5200	Travel, conferences, and other expenses	308	-	308
5500	Utilities and housekeeping services	24,705	-	24,705
5800	Other services and operating expenses	36,680	-	36,680
		<u>61,693</u>	<u>-</u>	<u>61,693</u>
6000	CAPITAL OUTLAY			
6000	Capital Outlay Depreciation	44,802	-	44,802
		<u>44,802</u>	<u>-</u>	<u>44,802</u>
	Total expenditures by state categories	<u>\$ 604,828</u>	<u>\$ 2,500</u>	<u>\$ 607,328</u>

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.

AUDITED ATTENDANCE AND FISCAL REPORT

for California State Preschool Programs

Agency Name: ASSISTANCE LEAGUE OF LOS ANGELES Vendor No. E760
 Fiscal Year Ended: June 30, 2017 Contract No. CSPP 6137
 Independent Auditor's Name: ARMANINO, LLP

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			-	1.1800	-
Full-time			-	1.0000	-
Three-quarters-time			-	0.7500	-
One-half-time			-	0.6196	-
<i>Exceptional Needs</i>					
Full-time-plus			-	1.4160	-
Full-time			-	1.2000	-
Three-quarters-time			-	0.9000	-
One-half-time			-	0.6196	-
<i>Limited and Non-English Proficient</i>					
Full-time-plus			-	1.2980	-
Full-time	12,681		12,681	1.1000	13,949.100
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>At Risk of Abuse or Neglect</i>					
Full-time-plus			-	1.2980	-
Full-time			-	1.1000	-
Three-quarters-time			-	0.8250	-
One-half-time			-	0.6196	-
<i>Severely Disabled</i>					
Full-time-plus			-	1.7700	-
Full-time			-	1.5000	-
Three-quarters-time			-	1.1250	-
One-half-time			-	0.6196	-
TOTAL DAYS OF ENROLLMENT	12,681	-	12,681		13,949.100
DAYS OF OPERATION	250		250		
DAYS OF ATTENDANCE	12,681		12,681		

NO NONCERTIFIED CHILDREN - Check box, omit page 2 & 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: ASSISTANCE LEAGUE OF LOS ANGELES Vendor No. E760

Fiscal Year End: June 30, 2017 Contract No. CSPP 6137

	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	\$68,023		\$68,023
County Maintenance of Effort (EC § 8279)			0
Uncashed Checks to Providers			0
Other (Specify):			0
Other (Specify):			0
Subtotal	\$68,023	\$0	\$68,023
Transfer from Reserve - General			0
Transfer from Reserve - Professional Development			0
Subtotal	\$0	\$0	\$0
Family Fees for Certified Children	10,174		10,174
Interest Earned on Apportionments			0
UNRESTRICTED INCOME			
Family Fees for Noncertified Children			0
Head Start Program (EC § 8235(b))			0
Other (Specify):			0
Other (Specify):			0
TOTAL REVENUE	\$78,197	\$0	\$78,197

SECTION IV - REIMBURSABLE EXPENSES			
<i>Direct Payments to Providers (FCCH Only)</i>			\$0
1000 Certificated Salaries	299,161		299,161
2000 Classified Salaries		21,954	21,954
3000 Employee Benefits	106,162	6,268	112,430
4000 Books and Supplies	63,587		63,587
5000 Services and Other Operating Expenses	62,453	441	62,894
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
Start-Up Expenses (service level exemption)			0
Budget Impasse Credit			0
Indirect Costs Rate: 8.00% (Rate is Self-Calculating)	42,509	2,293	44,802
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$573,872	\$30,956	\$604,828
TOTAL ADMINISTRATIVE COSTS (included in section IV above)	\$63,376	\$28,515	\$91,891

FOR CDE-A&I USE ONLY:

Independent Auditor's Assurances on Agency's compliance with Contract Funding Terms and Conditions and Program Requirements of the California Department of Education, Early Education and Support 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 box and omit page 4 if there are no supplemental revenues or expenses to report.

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

Agency Name: ASSISTANCE LEAGUE OF LOS ANGELES Vendor No. E760

Fiscal Year End: June 30, 2017 Contract No. CSPP 6137

	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER FORM CDFS 8501	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
SECTION V - SUPPLEMENTAL REVENUE			
Enhancement Funding			\$0
Other (Specify): Contributions, Rental Income, Misc.	45,697	2,656	48,353
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL REVENUE	\$45,697	\$2,656	\$48,353

SECTION VI - SUPPLEMENTAL EXPENSES

EXPENSES RELATED TO SUPPLEMENTAL REVENUE			
1000 Certificated Salaries			\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies			0
5000 Services and Other Operating Expenses			0
6000 Equipment/Other Capital Outlay			0
Depreciation or Use Allowance			0
Indirect Costs			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable Capital Outlay			0
Other: e.g., Entertainment Expenses			0
Other (Specify):			0
Other (Specify):			0
TOTAL SUPPLEMENTAL EXPENSES	\$0	\$0	\$0

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

**AUDITED FISCAL REPORT
for Child Development Support Contracts**

Agency Name: ASSISTANCE LEAGUE OF LOS ANGELES Vendor No. E760

Fiscal Year End: June 30, 2017 Contract No. CPKS 6022

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

Independent Auditor's Name: ARMANINO, LLP

	COLUMN A1	COLUMN A2	COLUMN B	COLUMN C
	PRIOR YEAR'S AUD 9529 ENDING BALANCE FOR THIS CONTRACT (Multi-Year Contract Only)	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
County Maintenance of Effort (EC § 8279)				0
Other (Specify):				0
Other (Specify):				0
Subtotal	\$0	\$0	\$0	\$0
INTEREST EARNED ON APPORTIONMENTS				0
UNRESTRICTED INCOME				
Other (Specify):				0
Other (Specify):				0
TOTAL REVENUE	\$0	\$0	\$0	\$0

SECTION II - REIMBURSABLE EXPENSES

1000 Certificated Salaries				\$0
2000 Classified Salaries				0
3000 Employee Benefits				0
4000 Books and Supplies		2,500		2,500
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 Costs Rate: 0.00%				0
TOTAL EXPENSES CLAIMED FOR REIMBURSEMENT	\$0	\$2,500	\$0	\$2,500
TOTAL ADMINISTRATIVE COSTS (<i>included in section II above</i>)				\$0

FOR CDE-A&I USE ONLY:

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

NO SUPPLEMENTAL REVENUES OR EXPENSES - Check box & omit page 2 if there are no supplemental revenues or expenses to report.