

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.

**Financial Statements and Independent Auditor's Report for the
Year Ended June 30, 2008**

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Good Samaritan Family Resource Center, Inc.
San Francisco, CA

I have audited the accompanying statements of financial position of Good Samaritan Family Resource Center, Inc. (a non-profit organization), a California nonprofit corporation, as of June 30, 2008 and the related statements of activities, functional expenses and cash flows for the year then ended. These accompanying financial statements are the responsibility of the organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good Samaritan Family Resource Center, Inc. as of June 30, 2008, and the results of its activities, changes in net assets and changes in cash equivalents for the year then ended in conformity with generally accepted accounting principles in the United States of America. In accordance with *Government Auditing Standards*, we have also issued a report dated October 31, 2008 on our consideration of Good Samaritan Family Resource Center, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grants. My audit was performed for the purpose of forming an opinion on the basic financial statements of Good Samaritan Family Resource Center, Inc., taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in conformity with the Audit Guide for Audits of Child Development and Nutrition Programs issued by the California Department of Education. In my opinion, the accompanying information, as referred to above, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

October 31, 2008



GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008

ASSETS

Current Assets	
Cash and cash equivalents	\$ 528,418
Accounts receivable	455,799
Prepaid expenses	<u>15,954</u>
Total Current Assets	1,000,171
Other assets	3,632
Property, furniture & equipment (net)	<u>2,664,721</u>
TOTAL ASSETS	<u><u>\$ 3,668,524</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Current Liabilities	
Accounts payable	\$ 25,926
Accrued liability	97,910
Due to SDE	<u>12,910</u>
Total Liabilities	<u>136,746</u>
Net Assets	
Unrestricted	2,949,687
Temporarily restricted	553,743
Permanently restricted	<u>28,348</u>
Total Net Assets	<u>3,531,778</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,668,524</u></u>

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

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
REVENUE				
Contributions	\$ 284,595	\$ 467,142	\$ -	\$ 751,737
Government grants and contracts	850,980	-	-	850,980
Program service fees	56,833	-	-	56,833
Interest and dividends	11,502	-	-	11,502
Other income	11,036	-	-	11,036
Net assets released from restriction				
Satisfaction of program restriction	388,262	(388,262)	-	-
TOTAL REVENUE	<u>1,603,208</u>	<u>78,880</u>	<u>-</u>	<u>1,682,088</u>
EXPENSES				
Program services				
Family services	816,056	-	-	816,056
Child development	415,361	-	-	415,361
Supporting services				
Management and general	235,630	-	-	235,630
Fundraising	103,488	-	-	103,488
TOTAL EXPENSES	<u>1,570,535</u>	<u>-</u>	<u>-</u>	<u>1,570,535</u>
CHANGE IN NET ASSETS	(913)	78,880	-	77,967
NET ASSET, beginning of year	<u>2,950,600</u>	<u>474,863</u>	<u>28,348</u>	<u>3,453,811</u>
NET ASSET, end of year	<u>\$ 2,949,687</u>	<u>\$ 553,743</u>	<u>\$ 28,348</u>	<u>\$ 3,531,778</u>

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

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008**

	<u>Program Services</u>			<u>Supporting Services</u>			<u>Total</u>
	<u>Family Services</u>	<u>Child Development Center</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	
SALARIES AND RELATED BENEFITS							
Salaries	\$ 397,717	\$ 185,751	\$ 583,468	\$ 122,555	\$ 60,075	\$ 182,630	\$ 766,098
Employee benefits and taxes	86,671	41,798	128,469	25,582	12,376	37,958	166,427
Total Salaries and related benefits	<u>484,388</u>	<u>227,549</u>	<u>711,937</u>	<u>148,137</u>	<u>72,451</u>	<u>220,588</u>	<u>932,525</u>
OTHER EXPENDITURES							
Consultants/Contractors	81,752	79,763	161,515	76,982	18,594	95,576	257,091
Supplies	15,960	6,170	22,130	4,273	142	4,415	26,545
Telephone and online	8,030	4,046	12,076	3,399	516	3,915	15,991
Postage and shipping	515	376	891	419	819	1,238	2,129
Copying, printing and publications	8,106	3,407	11,513	1,413	1,121	2,534	14,047
Outside services	140	-	140	4,100	-	4,100	4,240
Insurance	31,138	3,853	34,991	4,476	845	5,321	40,312
License and fees	4,157	555	4,712	950	70	1,020	5,732
Utilities	110	-	110	45,266	-	45,266	45,376
Maintenance and repair	551	1,016	1,567	44,332	-	44,332	45,899
Field trips	6,744	184	6,928	-	-	-	6,928
Events	13,848	18	13,866	-	6,297	6,297	20,163
Food	8,545	21,616	30,161	216	228	444	30,605
Local transportation	4,072	1,361	5,433	205	152	357	5,790
Conferences and travel	1,137	-	1,137	475	-	475	1,612
Staff development	1,250	2,603	3,853	2,525	-	2,525	6,378
Advertising	1,002	282	1,284	38	17	55	1,339
Direct support	1,381	-	1,381	-	-	-	1,381
Participant incentives	11,450	-	11,450	-	-	-	11,450
Miscellaneous	-	-	-	6,674	-	6,674	6,674
Use allowance	75,789	37,522	113,311	(115,547)	2,236	(113,311)	-
Total Other Expenditures	<u>275,677</u>	<u>162,772</u>	<u>438,449</u>	<u>80,196</u>	<u>31,037</u>	<u>111,233</u>	<u>549,682</u>
TOTAL EXPENDITURES BEFORE DEPRECIATION	760,065	390,321	1,150,386	228,333	103,488	331,821	1,482,207
Depreciation	55,991	25,040	81,031	7,297	-	7,297	88,328
TOTAL EXPENDITURES	<u>\$ 816,056</u>	<u>\$ 415,361</u>	<u>\$ 1,231,417</u>	<u>\$ 235,630</u>	<u>\$ 103,488</u>	<u>\$ 339,118</u>	<u>\$ 1,570,535</u>

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

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Cash flows from Operating Activities:

Change in net assets	\$ 77,967
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:	
Depreciation	88,328
(Increase) Decrease in accounts receivable	(327,889)
(Increase) Decrease in promises to give	123,400
(Increase) Decrease in prepaid expenses	(1,118)
(Increase) Decrease in other assets	(3,632)
Increase (Decrease) in accounts payable	568
Increase (Decrease) in accrued liabilities	17,475
Increase (Decrease) in due to CDE	<u>(11,466)</u>
Net Cash Provided (Used) by Operating Activities	<u>(36,367)</u>
 Cash flows from Investing Activities:	
Purchase of equipment	<u>(23,391)</u>
Net Cash Provided (Used) by Investing Activities	<u>(23,391)</u>
 Net Increase (Decrease) in Cash	 (59,758)
 Cash, at Beginning of Year	 <u>588,176</u>
 Cash and Cash Equivalents, at End of Year	 <u><u>\$ 528,418</u></u>

Supplemental Data:

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

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1– NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Good Samaritan Family Resource Center, Inc. (Good Samaritan “the Organization”), originally founded in 1894 by the Episcopal Diocese of California, was incorporated as an independent non-profit public benefit corporation in 1992 to help immigrant families, access needed services, stabilize in the country, develop self-efficiency and participate fully as members of the community.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

The Organization reports information regarding its financial position and activities according to three classes of net assets as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to restrictions imposed by funding sources that may or will be met either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

Revenue Recognition

Contributions received are recognized as support when received or unconditionally pledged. Contributed materials and services are recorded at their estimated fair value at the time the materials are received or services are performed. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Earned income is recognized as services are provided and related contract restrictions, if any have been met. Deferred revenue represents amounts received under earned income contracts for which services have yet to be provided.

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 1– NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(continued)

Income Taxes

The Organization is exempt from federal and state income taxes under Internal Revenue Code Section 501(C)(3) and the corresponding California law.

Property and Equipment

Good Samaritan capitalizes all expenditures for property and equipment in excess of \$1,000. Purchased property and equipment are carried at cost. Donated property and equipment are carried at estimated fair market value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful life of five to twenty years for equipment and forty years for property. Equipment purchased through a grant is expensed in the year allowed by the granting agency.

Fair Value of Financial Instruments

The carrying amounts of cash, accounts receivable, promises to give, accrued liabilities, and accounts payable, none of which are held for trading purposes, approximate fair value due to the short-term maturities of these instruments.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited by methods which best measure the relative degree of benefit, such as square footage and full-time equivalent position in each program.

Cash Flows

For purposes of the statement of cash flows, Good Samaritan considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents.

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 2– PROPERTY AND EQUIPMENT

Equipment & property with related depreciation are as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Equipment	\$ 263,001	\$ 245,526	\$ 17,475
Building and Improvements	3,201,994	858,635	2,343,359
Land	300,000	-	300,000
Work-in-Progress	<u>3,887</u>	<u>-</u>	<u>3,887</u>
Total	<u><u>\$ 3,768,882</u></u>	<u><u>\$1,104,161</u></u>	<u><u>\$ 2,664,721</u></u>

NOTE 3– PROMISES TO GIVE

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or as expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met and the promises become unconditional

NOTE 4– CONTINGENCIES

The organization receives a substantial amount of its support from federal, state and county governments. A significant reduction in the level of this support, if this were to occur, could have an effect on the Organization’s program and activities.

Grant awards require the fulfilment of certain conditions as set forth in the instrument of grant. Failure to fulfil the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms, it has accommodated the objectives of the Organization to the provisions of the grants. The Organization’s management believes that the Organization has complied with the terms of all grants.

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 5– TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets in total of \$553,743 are available for the following purposes:

Administration	\$ 100,000
Building	47,276
Development	77,787
Programs	<u>328,680</u>
Total	<u><u>\$ 553,743</u></u>

NOTE 6– ACCRUED LIABILITY

Accrued expenses consist of accrued payroll of \$34,145 and accrued vacation of \$63,765. Employees of the Good Samaritan are entitled to paid vacation based on length of service and other factors. Employees gain a vested right to accumulated vacation.

Sick leave benefits are accumulated for each employee, but employees do not gain a vested right to the accumulated sick leave benefits are therefore not recognized as a liability by Good Samaritan, and sick leave benefits are recorded as expenditures in period taken.

NOTE 7 – CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist primarily of cash and cash equivalents. Throughout the year the Organization may maintain cash and cash equivalent balances at various financial institutions in excess of the insurance per account holder provided by FDIC. The uninsured balance at June 30, 2008 is \$ 312,282.

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

NOTE 10– LEASE COMMITMENT

On September 2007, Good Samaritan leases its equipment under a non-cancelable four-year lease. The lease expense under the lease for the fiscal year ended June 30, 2008 was \$6,396. The minimum rental commitment under the new lease is as follows:

<u>Year Ending June 30,</u>	
2009	\$ 6,348
2010	6,348
2011	6,348
2012	<u>1,587</u>
Total	<u><u>\$ 20,631</u></u>

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
GENERAL INFORMATION
JUNE 30, 2008**

Agency Name:	Good Samaritan Family Resource Center, Inc.
Type of Agency:	Private Non-profit Public Benefit Corporation
Address of Agency:	1294 Potrero Avenue San Francisco, CA 94110
Telephone:	(415) 401-4245
Executive Director:	Mario Paz
Early Childhood Development:	Teresa Carias
CDE Program Numbers:	
General Child Care	38-V130-00-6 (CPRE-7334) 38-V130-00-6 (CFDP-7050) 38-V130-00-6 (CIMS-7569)
Child Care Food Programs	38-2969-0A
Number of Days of Operation of Agency:	Daily
Scheduled Hours of Operation:	7:00 AM to 6:00 PM
Number of Hours Open:	10 hours
Period Covered By Audit:	July 1, 2007 to June 30, 2008

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF ADMINISTRATIVE COSTS
FOR THE YEAR ENDED JUNE 30, 2008**

Administrative Costs	<u>CPRE-7334</u>	<u>CFDP-7050</u>	<u>Total</u>
Operations Director Salaries	\$ 2,303	\$ 15,260	\$ 17,563
Fringe Benefits	575	3,815	4,390
Personnel Services	1,208	8,010	9,218
Insurance	1,188	7,879	9,067
Utilities and Housekeeping	<u>1,649</u>	<u>10,932</u>	<u>12,581</u>
Total Administrative Cost:	<u><u>\$ 6,923</u></u>	<u><u>\$ 45,896</u></u>	<u><u>\$ 52,819</u></u>

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

<u>Federal Grantor/ Pass Through Grantor/ Program Title</u>	<u>Federal Catalog Number</u>	<u>Identification Number</u>	<u>Program or Award Amount</u>	<u>Revenue Recognized</u>	<u>Disbursement Expenditures</u>
Federal					
U.S. Dept. of Agriculture <i>Passed through:</i> California State Dept. of Education Child & Adult Care Food Program	10.558	38-2969-0A	\$ 16,232	\$ 16,232	\$ 16,232
<i>Passed through:</i> California State Dept. of Education Instructional Materials	93.575	CIMS-7569	<u>823</u>	<u>823</u>	<u>823</u>
Total Federal Awards			<u>17,055</u>	<u>17,055</u>	<u>17,055</u>
State					
Child & Adult Care Food Program	10.558	38-2969-0A	1,175	1,175	1,175
California State Dept of Education Child Development Services Full Day Preschool		CFDP-7050	127,765	127,765	127,765
State Preschool		CPRE-7334	<u>96,891</u>	<u>96,891</u>	<u>96,891</u>
Total State Awards			<u>225,831</u>	<u>225,831</u>	<u>225,831</u>
Total Federal & State Awards			<u>\$ 242,886</u>	<u>\$ 242,886</u>	<u>\$ 242,886</u>

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
FOR THE YEAR ENDED JUNE 30, 2008**

		<u>CPRE-7334</u> <u>Reimbursable</u>	<u>CFDP-7050</u> <u>Reimbursable</u>	<u>CIMS-7569</u> <u>Reimbursable</u>	<u>Total</u>
1000 CERTIFIED SALARIES					
1100	Teacher's salaries	\$ 14,673	\$ 97,273	\$ -	\$ 111,946
1200	Administrative salaries	6,216	41,211	-	47,427
1300	Supervisor's salaries	-	-	-	-
2000 CLASSIFIED SALARIES					
2100	Instructional aide salaries	36	237	-	273
2300	Clerical and office salaries	1,484	9,836	-	11,320
2900	Substitutes salaries	-	-	-	-
3000 EMPLOYEE BENEFITS					
3300	Old age, survivors, disability & health insurance	2,565	17,001	-	19,566
3400	Health & welfare benefits	1,954	12,954	-	14,908
3500	State unemployment insurance	206	1,364	-	1,570
3600	Worker's compensation insurance	119	792	-	911
4000 BOOKS, SUPPLIES AND EQUIPMENT REPLACEMENT					
4300	Instructional supplies	584	3,873	823	5,280
4500	Other supplies	-	-	-	-
4600	Food services	2,505	16,606	-	19,111
5000 CONTRACTED SERVICES AND OTHER OPERATING EXPENSES					
5100	Contract for personal services	2,882	19,107	-	21,989
5200	Travel & conferences	459	3,045	-	3,504
5400	Insurance	1,146	7,597	-	8,743
5500	Utilities & housekeeping	1,634	10,830	-	12,464
5600	Contract, rent & leases	55,260	6,812	-	62,072
5700	Legal, election & audit	1,019	6,753	-	7,772
6000 SITE, BUILDING, BOOKS, MEDIA & EQUIPMENT					
6200	Buildings & improvements	-	-	-	-
6400	New equipment	-	-	-	-
6500	Depreciation /use allowance	6,525	43,254	-	49,779
	Indirect cost rate 8%	4,035	26,748	-	30,783
TOTAL CDE EXPENSES		<u>\$ 103,302</u>	<u>\$ 325,293</u>	<u>\$ 823</u>	<u>\$ 429,418</u>

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

Agency Name: Good Samaritan Family Resource Center Vendor No. V130

Fiscal Year End: June 30, 2008 Contract No. CFDP-7050

Independent Auditor's Name: Lamorena & Chang, CPA

SECTION I - CERTIFIED CHILDREN	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
Days of Enrollment	190	3,488	0	3,488
Days of Operation	169	238	0	238
Days of Attendance	179	3,479	0	3,479

SECTION II - NONCERTIFIED CHILDREN

No Noncertified Children
Check this box and continue to Section III if no noncertified children are enrolled in the program

Days of Enrollment	290	2,949	0	2,949
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Independent Auditor's Certifications on meeting the requirements of the California Department of Education, Child Development Division:

Attendance records are being maintained as required (check YES or NO):

YES

NO - Explain any discrepancies.

Attendance data reported in Column C, above, agree with the original supporting records, such as sign-in/sign-out sheets and daily attendance records (check YES or NO):

YES

NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

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

Agency Name: Good Samaritan Family Resource Center Vendor No. V130

Fiscal Year End: June 30, 2008 Contract No. CFDP-7050

SECTION III - REVENUE	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME				
Child Care Food/National School Lunch Program	302	\$13,352	\$0	\$13,352
Restricted income for operating costs	308			0
Maintenance of Effort	339			0
Other (specify):	312			0
SUBTOTAL	311	13,352	0	13,352
TRANSFER FROM RESERVE FUND	310			0
FAMILY FEES FOR CERTIFIED CHILDREN (GWAP Only)	329			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS	349			0
NON-RESTRICTED INCOME				
Parent fees for noncertified children	356	51,332	(665)	50,667
Cal Learn Program	306			0
Head Start Funds	360			0
Other (specify): SF DCYF, SF Children's Council, Foundations	362	153,431	(6,425)	147,006
TOTAL REVENUE	390	\$218,115	(\$7,090)	\$211,025
SECTION IV - EXPENSES				
REIMBURSABLE EXPENSES				
1000 Certificated Salaries	402	\$132,626	\$5,858	\$138,484
2000 Classified Salaries	404	19,148	(9,075)	10,073
3000 Employee Benefits	406	32,110	1	32,111
4000 Books and Supplies	408	3,873	16,606	20,479
5000 Services and Other Operating Expenses	412	61,676	(7,532)	54,144
6100/6200 Other Approved Capital Outlay	413			0
6400 New Equipment (program-related)	414			0
6500 Equipment Replacement (program-related)	416			0
Depreciation or Use Allowance	439	43,254		43,254
Start-Up Expenses (service level exemption)	447			0
Indirect Costs -- Rate: 8.00%	459	26,748		26,748
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable capital outlay	479			0
Other nonreimbursable expenses (specify):	489			0
Total Expenses	490	\$319,435	\$5,858	\$325,293
TOTAL ADMINISTRATIVE COST (included in section IV above)		\$45,896	\$0	\$45,896

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

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

Agency Name: Good Samaritan Family Resource Center Vendor No. V130

Fiscal Year End: June 30, 2008 Contract No. CPRE-7334

Independent Auditor's Name: Lamorena & Chang, CPA

SECTION I - CERTIFIED CHILDREN	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
Days of Enrollment	190	4,493	0	4,493
Days of Operation	169	237	0	237
Days of Attendance	179	4,236	0	4,236

SECTION II - NONCERTIFIED CHILDREN

<input checked="" type="checkbox"/> No Noncertified Children Check this box and continue to Section III if no noncertified children are enrolled in the program				
Days of Enrollment	290			0

Independent Auditor's Certifications on meeting the requirements of the California Department of Education, Child Development Division:

Attendance records are being maintained as required (check YES or NO):

- YES
 NO - Explain any discrepancies.

Attendance data reported in Column C, above, agree with the original supporting records, such as sign-in/sign-out sheets and daily attendance records (check YES or NO):

- YES
 NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

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

Agency Name: Good Samaritan Family Resource Center Vendor No. V130

Fiscal Year End: June 30, 2008 Contract No. CPRE-7334

SECTION III - REVENUE	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME				
Child Care Food/National School Lunch Program	302	\$2,066	\$0	\$2,066
Restricted income for operating costs	308			0
Maintenance of Effort	339			0
Other (specify):	312			0
SUBTOTAL	311	2,066	0	2,066
TRANSFER FROM RESERVE FUND	310			0
FAMILY FEES FOR CERTIFIED CHILDREN (GWAP Only)	329			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS	349			0
NON-RESTRICTED INCOME				
Parent fees for noncertified children	356			0
Cal Learn Program	306			0
Head Start Funds	360			0
Other (specify): SF DCYF, Preschool For All	362	40,639	4,007	44,646
TOTAL REVENUE	390	\$42,705	\$4,007	\$46,712

SECTION IV - EXPENSES

REIMBURSABLE EXPENSES				
1000 Certificated Salaries	402	\$20,006	\$883	\$20,889
2000 Classified Salaries	404	2,888	(1,368)	1,520
3000 Employee Benefits	406	4,844		4,844
4000 Books and Supplies	408	584	2,505	3,089
5000 Services and Other Operating Expenses	412	63,536	(1,136)	62,400
6100/6200 Other Approved Capital Outlay	413			0
6400 New Equipment (program-related)	414			0
6500 Equipment Replacement (program-related)	416			0
Depreciation or Use Allowance	439	6,525		6,525
Start-Up Expenses (service level exemption)	447			0
Indirect Costs -- Rate: 8.00%	459	4,035		4,035
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable capital outlay	479			0
Other nonreimbursable expenses (specify):				
	489			0
Total Expenses	490	\$102,418	\$884	\$103,302
TOTAL ADMINISTRATIVE COST (included in section IV above)		\$6,923	\$0	\$6,923

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

**AUDITED FINAL REVENUE AND EXPENDITURE REPORT
for Support Contracts**

Agency Name: Good Samaritan Family Resource Center Vendor No. V130

Fiscal Year End: 30-Jun-08 Contract No. CIMS-7569

Independent Auditor's Name: _____

SECTION I - REVENUE	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME			
Child Care Food/National School Lunch Program	\$0	\$0	\$0
Cal Learn Program			0
Restricted income for operating costs			0
Maintenance of Effort			0
Other (<i>specify</i>):			0
Subtotal Restricted Program Income	0	0	0
FAMILY FEES FOR CERTIFIED CHILDREN			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS			0
NON-RESTRICTED INCOME			
Parent fees for noncertified children			0
Other (<i>specify</i>):			0
Subtotal Revenue for Current Fiscal Year	0	0	0
Revenue Earned in Prior Years			0
TOTAL REVENUE	\$0	\$0	\$0

SECTION II - EXPENDITURES

REIMBURSABLE			
1000 Certificated Salaries	\$0	\$0	\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	823		823
5000 Services and Other Operating Expenses			0
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (<i>program-related</i>)			0
6500 Equipment Replacement (<i>program-related</i>)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Costs -- Rate:			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable capital outlay	0	0	0
Other nonreimbursable expenses (<i>specify</i>):			0
	0	0	0
Subtotal Expenses for Current Fiscal Year	823	0	823
Expenses Incurred in Prior Years			0
TOTAL EXPENSES	\$823	\$0	\$823
TOTAL ADMINISTRATIVE COST (<i>included in section II above</i>)			\$0

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF EQUIPMENT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2008**

EXPENDITURES UNDER \$7,500 PER UNIT COST		EXPENDITURES OVER \$7,500 PER UNIT COST WITH OCD APPROVAL		EXPENDITURES OVER \$7,500 PER UNIT COST WITH OCD APPROVAL	
<u>Cost</u>	<u>Item</u>	<u>Cost</u>	<u>Item</u>	<u>Cost</u>	<u>Item</u>
\$ -	None	\$ -	None	\$ -	None
\$ -	TOTAL	\$ -	TOTAL	\$ -	TOTAL

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF RENOVATION AND REPAIRS
FOR THE YEAR ENDED JUNE 30, 2008**

EXPENDITURES UNDER \$10,000 PER UNIT COST		EXPENDITURES OVER \$10,000 PER UNIT COST WITH OCD APPROVAL		EXPENDITURES OVER \$10,000 PER UNIT COST WITH OCD APPROVAL	
<u>Cost</u>	<u>Item</u>	<u>Cost</u>	<u>Item</u>	<u>Cost</u>	<u>Item</u>
\$ -	None	\$ -	None	\$ -	None
\$ -	TOTAL	\$ -	TOTAL	\$ -	TOTAL

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF REPORTED, ADJUSTED AND ALLOWED MEALS AND EARNED REIMBURSEMENT
FOR THE YEAR ENDED JUNE 30, 2008

FISCAL YEAR TOTAL	MEAL TYPE		NUMBER OF MEALS			FOOD SERVICE RATES	REVENUE RECOGNIZED	AUDIT ADJUSTMENT	EARNED REIMBURSEMENT
			REPORTED	ADJUSTED	ALLOWED				
July 1, 2007 through June 30, 2008	BREAKFAST	Free	3,539	-	3,539	\$1.35	4,778	-	4,778
		Reduced	697	-	697	\$1.05	732	-	732
		Base	1,409	-	1,409	\$0.24	338	-	338
		TOTAL	5,645	-	5,645		5,848	-	5,848
July 1, 2007 through June 30, 2008	LUNCH	Free	2,798	-	2,798	\$2.47	6,911	-	6,911
		Reduced	556	-	556	\$2.07	1,151	-	1,151
		Base	1,123	-	1,123	\$0.23	258	-	258
		TOTAL	4,477	-	4,477		8,320	-	8,320
July 1, 2007 through June 30, 2008	SUPPLEMENT	Free	1,510	-	1,510	\$0.68	1,027	-	1,027
		Reduced	278	-	278	\$0.34	95	-	95
		Base	582	-	582	\$0.06	35	-	35
		TOTAL	2,370	-	2,370		1,156	-	1,156

Cash-In-Lieu		908	-	908
Total Federal Reimbursement	\$	16,232	\$ -	\$ 16,232
State Meal Compensation	\$	1,175	\$ -	\$ 1,175

GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
NOTES TO THE SUPPLEMENTARY INFORMATION
JUNE 30, 2008

1. Schedule of Expenditures of Federal and State Awards

Federal and State awards expended are reported on the accrual basis of accounting in conformity with generally accepted accounting principles as described in the Notes to the Financial Statements.

2. Claim Preparation

Monthly CACFP claims were prepared in accordance with the Total Count-Fixed Percentage claiming method.

The "Total Count-Fixed Percentage" claiming method requires the Center to accurately categorize enrolment data into free, reduced price and base rate categories at least one time at the beginning of the fiscal year. The percentage for each category becomes the percentage used to determine reimbursement for the fiscal year. These percentages may be adjusted by the Center to accurately categorize enrolment if material changes in the enrolment percentages occur during the fiscal year.

MANAGEMENT LETTER

Board of Directors
Good Samaritan Family Resource Center, Inc.
San Francisco, California

I have audited the Statement of Financial Position and the Related Statement of Activities and Cash Flows of Good Samaritan Family Resource Center, Inc. for the year ended June 30, 2008 and have issued my report thereon dated October 31, 2008. As part of my audit, I reviewed and tested the Agency's system of internal accounting controls to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements. Additionally, my audit included procedures necessary in my judgement to determine compliance with regulations, policies and procedures.

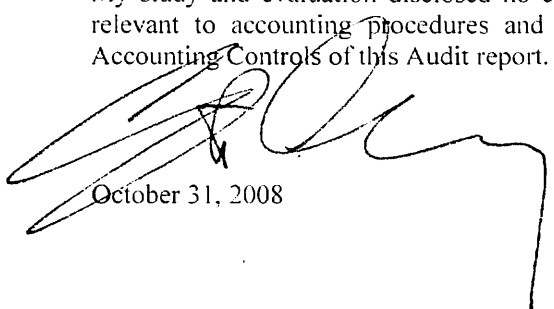
The objective internal accounting controls is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting controls should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgements by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting controls. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgement, carelessness or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion.

Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgements required in the preparation of financial statements. Further, projection of any evaluation of internal accounting controls to future periods is subject to the risk that the procedures may not be adequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

My issues addressed in the Management Letter should not be considered to be all-inclusive of changes that could be made to strengthen the internal controls, increase the efficiency of the personnel or improve the financial condition of the Corporation.

My study and evaluation disclosed no condition that I believed to be a material weakness relevant to accounting procedures and internal controls noted in my report on Internal Accounting Controls of this Audit report.



October 31, 2008

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

Board of Directors
Good Samaritan Family Resource Center, Inc.
San Francisco, California

I have audited the financial statements of the Good Samaritan Family Resource Center, Inc., as of and for the years ended June 30, 2008 and have issued my report thereon dated October 31, 2008. I conducted my 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.

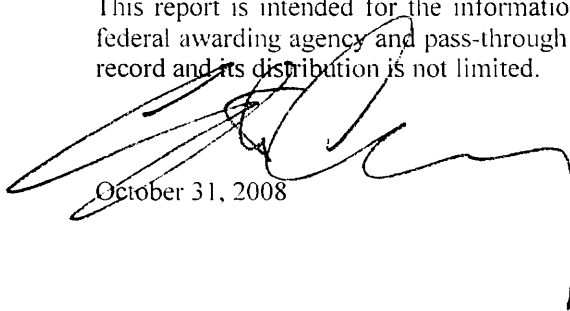
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Good Samaritan Family Resource Center, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, with which non-compliance 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of non-compliance that are required to be reported under *Government Auditing Standard* and which are described in an accompanying schedule of findings and responses as item 2008-1.

Internal Control Over Financial Reporting.

In planning and performing my audit, I considered Good Samaritan Family Resource Center, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operations that I consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and the federal awarding agency and pass-through entities. However, this report is a matter of public record and its distribution is not limited.


October 31, 2008

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2008**

A. Summary of Auditor's Results

Financial Statements

1. The Independent Auditor's Report on the financial statements of Good Samaritan Family Resource Center, Inc. expressed an unqualified opinion.
2. Internal Control over Financial Reporting.
 - a. No reportable condition was disclosed in the audit of the financial statements.
 - b. One instance of non-compliance 2008-1.

B. Findings and Questioned Costs

Financial Statement Audit

None

C. Status of Prior Year Endings

Financial Statement Audit

None

**GOOD SAMARITAN FAMILY RESOURCE CENTER, INC.
SCHEDULE OF CURRENT YEAR FINDINGS AND QUESTIONED COSTS
JUNE 30, 2008**

Finding 2008-1

SITUATION

Reviewing the meal count worksheet for the month of September 2007, L&C noted that the breakfast count was off by 1. This was due to summation error. As a result, the breakfast count was off by 1 in the Claim for Reimbursement Child and Adult Care Food Program worksheet. The lunch meal count should be 341, instead of 310 as reported and supplements reported to CDE should be 178 instead of 341 that were reported. Subsequently, L&C tested months of October, November of 2007, plus March and May of 2008 and those months seems to be fine.

RECOMMENDATION

Currently, only one person is responsible for doing the meal count and filling in the Claim for Reimbursement Child and Adult Care Food Program worksheet. Attendance reporting is also done by one person. It is recommended that more people should be involved in the process so that one person can record the meal count and the attendance, another person, the supervisor, can review the meal count and attendance reports filed. The checks and review can minimize or eliminate the errors that may cause by one individual.

RESPONSE

Management concurs with finding related to item 2008-1 and has enacted recommendations as noted. Attendance will be reviewed by supervisor and one more staff to prevent errors and assure accuracy. This will strengthen compliance oversight of the agency's CRCACF program.