Children Today
Fostering Stability & Success

CHILDREN TODAY, INC.

REPORT ON AUDIT OF
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

VASIN, HEYN & COMPANY
ABOVE THE BRIGHT LINE
AN ACCOUNTANCY CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

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(A California Non-Profit Corporation)
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(A California Non-Profit Corporation)
GENERAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

Agency Name:	Children Today, Inc.	
Program Numbers/Type:	CCTR-4096	General Child Care & Dev Programs
	CSPP-4171	California State Preschool
	CACFP – V7860Z	Child and Adult Care Food Program
Type of Agency:	A California Non-Profit Corporation	
Agency Address:	2951 Long Beach Blvd. Long Beach, CA 90806	
Name and Address of Executive Director:	Elia Rocha 2951 Long Beach Blvd. Long Beach, California 90806	
Telephone Number:	(562) 997-8800	
Website Address:	www.childrentoday.org	
Period Covered by Examination:	July 1, 2024 through June 30, 2025	
Number of Days of Agency Operation:	250 days	
Scheduled Hours of Operation Each Day:	7:00 a.m. - 5:30 p.m.	

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Children Today, Inc. (The Organization)
(A California Non-Profit Corporation)
Long Beach, California

Opinion

We have audited the accompanying financial statements of Children Today, Inc. (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Children Today, Inc. as of June 30, 2025 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Children Today, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Children Today, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

INDEPENDENT AUDITORS' REPORT (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Children Today, Inc.'s internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Children Today, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

Another auditor previously audited Children Today, Inc.'s 2024 financial statements, and they expressed an unmodified audit opinion on those audited financial statements in a report dated November 14, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The summary financial statements do not contain all the disclosures required by accounting principles generally accepted in the United States of America. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of Children Today, Inc.

INDEPENDENT AUDITORS' REPORT (Continued)

Other Matters

Report on Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplementary Information and Audited Final Attendance and Fiscal Report Forms are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplemental Information and Audited Final Attendance and Fiscal Report Forms are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and in conformity with the Audit Guide for Audits of Child Development and Nutrition Programs issued by the *California Departments of Education and Social Services (CDE / CDSS Audit Guide)*. Such 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 auditing standards generally accepted in the United States of America. In our opinion, the Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Expenditures by State Categories, Notes to the Child Care and Development Program Supplemental Information and Audited Final Attendance and Fiscal Report Forms are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal and State Awards, as required by the Audit Guide for Audits of Child Development and Nutrition Programs issued by the *California Departments of Education and Social Services (CDE / CDSS Audit Guide)*, is presented for purposes of additional analysis and is not a required part of the 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

INDEPENDENT AUDITORS' REPORT (Continued)

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2025, on our consideration of Children Today, Inc.'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 solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Children Today, Inc.'s 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 Children Today, Inc.'s internal control over financial reporting and compliance.

Vasin, Heyn + Co.

Calabasas, California
November 13, 2025

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	2024
ASSETS		
Cash and cash equivalents	$ 1,885,252	$ 1,737,263
Contracts and grants receivable	8,901	35,000
Investments	673,518	593,724
Beneficial interest in funds held by others	117,937	106,052
Deposits and prepaid expenses	7,608	8,496
Property and equipment, net	3,600,881	3,696,054
Total assets	$ 6,294,097	$ 6,176,589
LIABILITIES		
Accounts payable and accrued expenses	$ 14,638	$ 12,033
Accrued payroll and related liabilities	110,491	102,545
Total liabilities	125,129	114,578
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Without Donor Restrictions:		
Board designated for endowment purposes	35,000	35,000
Undesignated	5,861,102	5,952,011
Total Without Donor Restrictions:	5,896,102	5,987,011
With Donor Restrictions	272,866	75,000
Total net assets	6,168,968	6,062,011
Total liabilities and net assets	$ 6,294,097	$ 6,176,589

See accompanying auditors’ reports and notes to financial statements.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUE, SUPPORT AND RESTRICTIONS RELEASED				
Governmental service contracts	$ 1,274,788	$ 72,498	$ 1,347,286	$ 1,454,839
Contributions and grants	545,540	-	545,540	364,584
Program family fees	933	-	933	518
In-kind contributions	56,530	-	56,530	15,780
Interest and dividend income	25,637	-	25,637	-
Net investment activity on investments	75,409	-	75,409	70,607
Net investment activity on beneficial interest in funds held by others	11,885	-	11,885	11,472
Other income	4,686	-	4,686	-
Special events, net of expenses	68,341	-	68,341	19,582
Restrictions released	40,000	(40,000)	-	-
Total revenue, support and restrictions released	2,103,749	32,498	2,136,247	1,937,382
EXPENSES				
Program services	1,486,629	-	1,486,629	1,255,875
Support services	376,095	-	376,095	507,157
Fundraising services	55,782	-	55,782	35,971
Total expenses	1,918,506	-	1,918,506	1,799,003
CHANGE IN NET ASSETS	185,243	32,498	217,741	138,379
NET ASSETS - beginning of year	5,987,011	75,000	6,062,011	5,923,632
Prior Period Adjustments (Note 14)	(276,152)	165,368	(110,784)	-
NET ASSETS - beginning of year, as restated	5,710,859	240,368	5,951,227	5,923,632
NET ASSETS - end of year	$ 5,896,102	$ 272,866	$ 6,168,968	$ 6,062,011

See accompanying auditors' reports and notes to financial statements.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	Program Services	Management and General	Fundraising	2025 Total Expenses	2024 Total Expenses
Salaries and related expenses					
Salaries	$ 901,111	$ 219,722	$ 46,305	$ 1,167,138	$ 1,078,653
Payroll taxes	74,763	15,987	3,798	94,548	83,053
Employee benefits	95,621	21,686	3,772	121,079	101,639
	1,071,495	257,395	53,875	1,382,765	1,263,345
Other expenses					
Advertising and outreach costs	3,565	1,296	-	4,861	6,556
Automobile expenses	59	1,203	-	1,262	3,281
Bank and credit card service fees	-	4,006	-	4,006	592
Consultants	-	24,947	-	24,947	-
Dues and subscriptions	2,539	6,052	-	8,591	7,088
Equipment purchases	15,095	217	-	15,312	-
Food supplies	30,525	-	-	30,525	29,201
In-kind donated goods and services	37,774	-	18,756	56,530	31,260
Insurance	86,451	31,924	1,907	120,282	122,557
Interest expense	-	-	-	-	3,881
Office expenses	2,435	2,720	-	5,155	650
Office supplies	3,691	1,543	-	5,234	1,330
Permits and licenses	1,269	469	-	1,738	1,675
Postage and delivery	-	224	-	224	267
Professional fees	-	25,015	-	25,015	26,871
Program supplies	22,023	-	-	22,023	36,660
Programmatic events	-	-	-	-	8,037
Property taxes	-	1,421	-	1,421	2,938
Repairs and maintenance	57,999	1,630	-	59,629	53,481
Staff development	6,641	-	-	6,641	16,073
Telephone	7,201	3,026	-	10,227	9,848
Travel and conferences	-	7,855	-	7,855	-
Utilities	22,379	855	-	23,234	22,092
	1,371,141	371,798	74,538	1,817,477	1,647,683
Depreciation	96,732	4,297	-	101,029	151,320
Total Expenses	$ 1,467,873	$ 376,095	$ 74,538	$ 1,918,506	$ 1,799,003

See accompanying auditors' reports and notes to financial statements.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 217,741	$ 138,379
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Prior period adjustment	(110,784)	-
Depreciation	101,029	151,320
Adjustment to reconcile property and equipment	(5,856)	1
Realized and unrealized gain (loss) on investments, net	(75,409)	(45,010)
Realized and unrealized gain (loss) on beneficial interest in funds held by others, net	(11,885)	(11,472)
(Increase) decrease in:		
Contracts and grants receivable	26,099	163,815
Deposits and prepaid expenses	888	(695)
Increase (decrease) in:		
Accounts payable and accrued expenses	2,605	6,025
Accrued payroll and related liabilities	7,946	15,342
Total adjustments	(65,367)	279,326
Net Cash Provided (Used) by Operating Activities	152,374	417,705
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	256,177	108,502
Purchases of investments	(260,562)	(126,101)
Purchases of property and equipment	-	(3,840)
Net Cash Provided (Used) by Investing Activities	(4,385)	(21,439)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments related to notes payable	-	(314,005)
Net Cash Provided (Used) by Financing Activities	-	(314,005)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	147,989	82,261
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,737,263	1,655,002
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1,885,252	$ 1,737,263
Supplemental Disclosures:		
Interest expense	$ -	$ 3,881
Non-Cash Supplemental Disclosures:		
In-kind contributions	$ 56,530	$ 15,780

See accompanying auditors' reports and notes to financial statements.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. ORGANIZATION

Children Today, Inc. (the Organization) was founded in 1997 in Long Beach, California. The Organization's mission is to provide community-based services to children and families experiencing homelessness or who are involved in the child welfare system, fostering long-term family stability and success.

The Organization provides no-cost, high quality, early care and education through an eco-friendly and LEED certified facility entitled the Eco House. The Eco House was designed to serve children and advocate on behalf of the families. Since inception, the Organization has reached thousands of children and families in Long Beach, California.

Funding is obtained principally from state and federal government grants for specific programs, as well as from donations and fundraising activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization prepares its financial statements in accordance with generally accepted accounting principles (GAAP) promulgated in the United States of America. The significant accounting and reporting policies used by the Organization are described below to enhance the usefulness and understandability of the financial statements.

Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by its donors, as follows:

- *Net assets without donor restrictions.* Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting for the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

- *Net assets with donor restrictions.* Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period or are limited by donor-imposed restrictions that neither expire by being used in accordance with a donor's restriction nor by the passage of time. The Organization's unspent contributions are classified in this class if the donor limited their use, as are the unspent appreciation of its donor-restricted endowment funds. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Net assets restricted for acquisition of buildings or equipment (or less commonly, the contribution of those assets directly) are reported as donor restricted until the specified asset is placed in service by the Organization, unless the donor provides more specific directions about the period of its use.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the use of the related resources is subject to donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in net assets without donor restrictions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Cash and Cash Equivalents

All cash and highly liquid financial instruments with an original maturity of three months or less when purchased, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents.

Contracts and Grants Receivables

Receivables are stated at the amount management expects to collect from outstanding balances. Receivables are primarily unsecured amounts due on cost reimbursement or performance contracts. Any amount that is denied for reimbursement is written off when the Organization receives notification from the grantor agency. The Organization uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all receivables were collectible at year-end. No allowance for doubtful accounts for receivables is considered necessary at June 30, 2025.

Investments

Investments are reported at fair value in the Statement of Financial Position. Realized and unrealized gains and losses are included in the accompanying Statement of Activities in the appropriate class of net assets. Investment income and gains or losses restricted by donors are reported as changes in net assets without donor restrictions.

Beneficial Interest in Funds Held by Others

The Organization's Board of Directors established an endowment fund whereby certain contributions would remain intact. Board designated investments, which are resources set aside by the Board of Directors for an indeterminate period to operate in a manner similar to a donor-restricted permanent endowment. Because a board-designated endowment results from an internal designation, it can be spent upon action of the Board of Directors.

Deposits and Prepaid Expenses

Deposits and prepaid expenses are expensed ratably over their respective terms of agreement.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Property and Equipment, Net

Land, buildings, property, and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land, buildings, and property are capitalized. Equipment is capitalized if it has a cost of $5,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Building and building improvements	7 - 39 years
Furniture and equipment	3 - 5 years
Vehicles	5 years

Property and equipment are reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Government funded assets are recorded as an asset and an offsetting liability. The related assets are depreciated over their estimated useful lives and a corresponding amount reduces the related liability each year and is recognized as revenue.

Accrued Vacation

Accrued vacation benefits are accrued on a monthly basis. Full-time employees accrue vacation time based upon years of service to the Organization as follows:

Years Employed	Annualized Accrual Based on Working Days
0 - 4 years	15 Days
5 - 9 years	18 Days
10 - 14 years	20 Days
After 15 years	22 Days

Accumulated unpaid employee vacation benefits are recognized as liabilities in the program to which the liability relates. Accrued vacation for the year ended June 30, 2025 was $52,575.

Accounting for Contributions

Contributions, including unconditional promises to give, are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due, and therefore are reported as net assets with donor restrictions until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received net assets with donor restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Revenue Recognition

Revenues from government agencies, program service fees, and other third-party payors for services provided under such contracts are recognized when earned by the Organization. All gifts, bequests, and other public support are included in unrestricted net assets unless specifically restricted by the donor or the terms of the gift or grant instrument. Amounts received in excess of balances earned are recognized as liabilities in Contract Advance.

Government Revenue

Government revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Government revenue from federal agencies is subject to independent audit under the Uniform Guidance and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

Contributed Goods and Services

Contributions of goods received that are measurable are recorded as revenue at their estimated fair value when received. Contributions of services are recognized if the services received meet any of these criteria: (1) if they create or enhance nonfinancial assets and (2) if they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Total in-kind contributions received during the year were $56,530.

In addition, a substantial number of volunteers have donated significant amounts of their time to the Organization and its programs. The donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Program Family Fees

The Organization previously began collecting revenue from contracts in place with families to provide program family services. In prior years, program family service fees were not assessed because of the COVID-19 pandemic.

Advertising and Outreach Costs

The Organization uses advertising to promote its programs among the audiences it serves. Advertising and outreach costs are charged to operations when incurred. Total advertising and outreach costs were $4,861 for the year ended June 30, 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Income Taxes

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and California income taxes under section 23701(d) of the California Revenue and Taxation Code. The IRS classified the organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi). The Organization has adopted Financial Accounting Standards Board Accounting Standards Codification (ASC) Section 740-10, which clarifies the accounting for uncertainty in income taxes. ASC Section 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC Section 740-10 requires that an organization recognize in the financial statements the impact of the tax position if that position will more likely than not be sustained on audit, based on the technical merits of the position. As of and for the year ended June 30, 2025, the Organization had no material unrecognized tax benefits, tax penalties or interest.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for each of the tax years ended June 30, 2024, 2023 and 2022, are subject to examination by the IRS, generally for 3 years after they were filed.

The Organization's Forms 199, *California Exempt Organization Return*, for each of the tax years ended June 30, 2024, 2023, 2022, and 2021, are subject to examination by the Franchise Tax Board, generally for 4 years after they were filed.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the Organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Organization's management believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates.

Comparative Totals

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

Reclassifications

Certain amounts in the 2024 comparative totals have been reclassified to conform with the 2025 reporting format.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural and functional classification detail of expenses. Therefore, certain costs have been allocated among the programs and supporting services benefited. Expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include insurance and property taxes, which are allocated on a square footage basis, as well as salaries and wages, employee benefits and taxes, advertising and outreach, automobile, dues and subscriptions, permits and licenses, repairs and maintenance, staff development, supplies, programmatic events, interest expense, telephone and internet, and utilities, which are allocated on the basis of estimates of time and effort.

Fair Value Measurements

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- *Level 1* - Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- *Level 2* - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
    - quoted prices for similar assets or liabilities in active markets;
    - quoted prices for identical or similar assets in markets that are not active;
    - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
    - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- *Level 3* - Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

The carrying amounts of cash and cash equivalents and receivables approximate fair value because of the terms and relatively short maturity of these financial instruments. The investments are valued at quoted market prices, which represent the net asset value held by the Organization at year end.

The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value.

3. INVESTMENTS

The Organization measures fair value in accordance with FASB ASC 820-10. FASB ASC 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 unobservable inputs in which there is little or no market data, which requires the Organization to develop its own assumptions. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. All assets reported at fair value at June 30, 2025, are Level 1 and Level 2 inputs.

Investments consist of the following at June 30, 2025:

	Total	Level 1	Level 2
Cash and cash equivalents	$ 10,219	$ -	$ 10,219
Equities	371,015	371,015	-
Fixed income	222,228	222,228	-
Other investments	70,056	70,056	-
Total investments	$ 673,518	$ 663,299	$ 10,219

At June 30, 2025, the Organization does not have any investments measured using Level 3 inputs.

The composition of the interest and investment income is reported in the statement of activities is follows:

	Amount
Interest income from cash and cash equivalents accounts	$ 25,637
Net investment activity on investments	75,409
Total interest and investment income	$ 101,046

4. BENEFICIAL INTEREST IN FUNDS HELD BY OTHERS

The Organization’s Board of Directors established an endowment fund whereby certain contributions would remain intact. In 2009, the Organization transferred $35,000 to the Long Beach Community Foundation (LBCF) to establish the Children Today Endowment Fund. The funds are invested in an allocated investment pool. Net income from the fund may be distributed annually to the Organization upon request. The Organization granted LBCF variance power over the funds at the time of the transfer, but since the Organization is a nonprofit organization, who specified themselves as the beneficiary, the Organization may recognize at fair value the beneficial interest in the funds held by LBCF.

At June 30, 2025, the Organization had a beneficial interest in the Fund and is stated at fair value as a Level 3 classification. Investments are made up of pooled expendable funds held by the Foundation, cash and cash equivalents, domestic equities, international equities, short term fixed income poo, and intermediate fixed income pool and are reported at their fair values in the statement of financial position. The Fund’s fair market value at June 30, 2025 was $117,937.

	Total	Level 3
Funds Held by Others	$ 117,937	$ 117,937
Total investments	$ 117,937	$ 117,937

The composition is as follows using Level 3 inputs:

	Amount
Beginning balance at June 30, 2024	$ 106,052
Contributions	-
Dividends and interest reinvested	3,109
Realized and unrealized gain(loss), net	10,055
Less - investment fees	(1,279)
Total ending balance at June 30, 2025	$ 117,937

5. PROPERTY AND EQUIPMENT, NET

Property and equipment at June 30, 2025 consists of the following:

	Amount
Building and improvements	$ 3,852,257
Furniture and equipment	128,028
Land	724,476
Vehicles	30,470
	4,735,231
Less accumulated depreciation	(1,134,350)
Property and equipment, net	$ 3,600,881

Total depreciation expense was $101,029 for the year ended June 30, 2025.

6. CONTINGENCIES

Contracts and Grants

The Organization has received Federal and State funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

7. LINE OF CREDIT

The Organization has a secured, line of credit, for $500,000 with a maturity date of March 14, 2026 with American Plus Bank. The line of credit's interest rate currently varies with the bank's index rate. At June 30, 2025, the interest rate was 8.5%. The line of credit is collateralized by the Organization's deed of trust. During the year the line of credit was not used nor was any interest expense charged to any programs. At June 30, 2025, there was no balance due on the line of credit.

8. BOARD DESIGNATED NET ASSETS

The Organization's Board of Directors has designated a portion of net assets without donor restrictions to serve as a quasi-endowment. The balance for board designated net assets at June 30, 2025 was $35,000.

9. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are part of the net assets of the Organization resulting from contributions and other inflows of assets whose use by the Organization is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Net assets with donor restrictions were released by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors. Net assets with donor restrictions at June 30, 2025, consist of amounts restricted by donor-imposed stipulations.

The activity for the year ended June 30, 2025 is as follows:

Subject to Expenditure for Specified Purpose:	Balance at June 30, 2024	Income	Expenditures	Balance at June 30, 2025
CDE stipends	$ 93,041	$ 43,434	$ (-)	$ 136,475
CDSS stipends	72,327	29,064	(-)	101,391
Subject to time restrictions	75,000	-	(40,000)	35,000
Total	$ 240,368	$ 72,498	$ (40,000)	$ 272,866

10. IN-KIND CONTRIBUTIONS

Natural classifications of in-kind contributions not recorded are as follows:

	Amount
Donated goods	$ 6,148
Donated goods, special events	18,756
Donated professional services	31,626
Total in-kind contributions	$ 56,530

Donated goods and services received by the Organization during the fiscal year ended June 30, 2025 were provided without donor restrictions and were used to support ongoing program operations or were monetized. The value of donated goods was estimated based on comparable sales of similar items at retail prices within the local market available to the Organization, and the value of donated services was estimated based on comparable services by qualified professionals within the local market available to the Organization.

11. SPECIAL EVENTS AND FUNDRAISING

The Organization conducted a special event and fundraising activity during the year. The revenue and expenses for the year ended June 30, 2025 were as follows:

	Revenue	Contributions	In-Kind	Expenses	Net
Holiday Store	$ 11,675	$ -	$ 18,336	$ (15,726)	$ 14,285
Long Beach Gives	11,660	-	-	(8,082)	3,578
Roots to Grow	83,350	24,550	420	(39,086)	69,234
Special events, net	$ 106,685	$ 24,550	$ 18,756	$ (62,894)	$ 87,097

12. PENSION PLAN

The Organization sponsors a profit sharing plan (the Plan) qualified under IRC Section 401(k) covering substantially all full-time employees. The Plan provides that employees who have attained the age of 18 and completed 3 months of service may voluntarily contribute from 0 to 92 percent of their earnings to the Plan, up to the maximum annual contribution allowed by the IRS. During the fiscal year ended June 30, 2025, the Organization offered an employer match of contributions up to 4%, resulting in $27,754 in expenses related to the Plan.

13. CONCENTRATION RISK

Amounts held in financial institutions occasionally are in excess of the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation limits. The Organization deposits its cash with high quality financial institutions, and management believes the organization is not exposed to significant credit risk on those amounts.

Revenue provided through programs funded by the California Department of Education and the California Department of Social Services made up 65% of total revenue and support for the fiscal year ended June 30, 2025.

The majority of the Organization’s contributions and grants are received from corporations, foundations, and individuals and from agencies located throughout the state of California. As such, the Organization’s ability to generate resources via contributions and grants is dependent upon the economic health of that area and of the state of California. An economic downturn could cause a decrease in contributions and grants that coincides with an increase in demand for the Organization’s services.

The Organization’s investments are subject to various risks, such as interest rate, credit, and overall market volatility risks. Further, because of the significance of the investments to the Organization’s financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of these investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets among the various asset classes should mitigate the impact of changes in any one class.

14. PRIOR PERIOD ADJUSTMENT

During the year ended June 30, 2025, the Organization corrected an error pertaining to revenue recognized in the prior year as well as reclassifying net assets from without donor restrictions to with donor restrictions for various CDE and CDSS stipends. The effect of the correction of the error and reclassification resulted in a decrease in net assets in the amount $110,784 as of June 30, 2024.

15. LIQUIDITY AND FUNDS AVAILABLE

The total financial assets held by the Organization at June 30, 2025 and the amount of those financial assets that could be made available for general expenditure within one year of the date of the statement of financial position are summarized in the following table:

	June 30, 2025
Financial assets:	
Cash and cash equivalents	$ 1,885,252
Contracts and grants receivable	8,901
Investments	673,518
Beneficial interest in funds held by others	117,937
Total financial assets	2,685,608
Less: Board-designated quasi-endowment	(35,000)
Less: Net assets with donor restrictions	(272,866)
Total net assets with donor restrictions	(307,866)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,377,742

As part of the Organization's liquidity management plan, one portion of any operating surplus is maintained in the operating account, and one portion is maintained in an investment account. The investment account is managed following a board-approved investment policy, the objective of which is to increase the return on invested assets while minimizing risk and expenses. This is done through prudent investing and planning, and through the maintenance of a diversified portfolio. The Organization has a $500,000 line of credit available to meet cash flow needs.

16. SUBSEQUENT EVENTS

The Organization has evaluated events subsequent to June 30, 2025, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 13, 2025, the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

SUPPLEMENTAL INFORMATION

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

	General Child Care & Dev Programs CCTR-4096	California State Preschool CSPP-4171	CDSS Cost of Care Plus	Total CDE / CDSS Contracts	QSLA	Non-CDE / CDSS Programs	Total
SUPPORT AND REVENUE							
Government contracts	$ 591,948	$ 508,807	$ -	$ 1,100,755	$ 7,000	$ -	$ 1,107,755
Child and adult care food program	30,445	25,804	-	56,249	-	-	56,249
CDE / CDSS stipends - ARPA & AB110 & Other	16,576	98,464	-	115,040	-	-	115,040
CDE / CDSS stipends and cost of care plus with donor restrictions	-	43,434	24,808	68,242	-	-	68,242
Contributions and grants	176,541	31,888	-	208,429	-	337,111	545,540
Program family fees	57	876	-	933	-	-	933
In-kind contributions	22,213	28,270	-	50,483	-	6,047	56,530
Interest and dividend income	-	-	-	-	-	25,637	25,637
Net investment activity on investments	-	-	-	-	-	75,409	75,409
Net investment activity on beneficial interest in funds held by others	-	-	-	-	-	11,885	11,885
Other income	-	-	-	-	-	4,686	4,686
Special events, net of expenses	-	-	-	-	-	68,341	68,341
TOTAL SUPPORT AND REVENUE	837,780	737,543	24,808	1,600,131	7,000	529,116	2,136,247
OPERATING EXPENSES							
Salaries	550,681	411,189	-	961,870	-	205,268	1,167,138
Payroll taxes and employee benefits	91,375	87,000	-	178,375	-	37,252	215,627
Books, supplies and food	12,420	15,960	-	28,380	-	24,169	52,549
Services and other operating expenses	57,360	115,933	24,808	198,101	7,000	89,655	294,756
Depreciation	52,279	44,453	-	96,732	-	4,297	101,029
General, administrative and indirect	73,665	63,008	-	136,673	-	(49,266)	87,407
TOTAL OPERATING EXPENSES	837,780	737,543	24,808	1,600,131	7,000	311,375	1,918,506
CHANGE IN NET ASSETS	$ -	$ -	$ -	$ -	$ -	$ 217,741	$ 217,741

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED EQUIPMENT EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2025

	General Child Care & Dev Programs CCTR-4096	California State Preschool CSPP-4171	Total Costs
Capitalized Equipment Expensed on the AUD with Prior Written Approval			
Item:			
None	$ -	$ -	$ -
Total:	-	-	-
Capitalized Equipment Expensed on the AUD without Prior Written Approval			
Item:			
None	-	-	-
Total:	-	-	-
Total Equipment Expenditures	$ -	$ -	$ -

Children Today, Inc.'s capitalization threshold is $5,000 or more.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED EXPENDITURES FOR RENOVATIONS AND REPAIRS
FOR THE YEAR ENDED JUNE 30, 2025

	General Child Care & Dev Programs CCTR-4096	California State Preschool CSPP-4171	Total Costs
Capitalized R&R Project Under $10,000			
Item:			
None	$ -	$ -	$ -
Total:	-	-	-
Capitalized R&R Project of $10,000 or More with Prior Written Approval			
Item:			
None	-	-	-
Total:	-	-	-
Capitalized R&R Project of $10,000 or More without Prior Written Approval			
Item:			
None	-	-	-
Total:	-	-	-
Total Expenditures for Renovations and Repairs	$ -	$ -	$ -

Children Today, Inc.'s capitalization threshold is $5,000 or more.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF CLAIMED ADMINISTRATIVE COSTS
FOR THE YEAR ENDED JUNE 30, 2025

		General Child Care & Dev Programs CCTR-4096	California State Preschool CSPP-4171	Total Costs
Direct payments to providers		$ -	$ -	$ -
1000	Certified Salaries	14,329	17,366	31,695
2000	Classified Salaries	28,365	31,430	59,795
3000	Employee Benefits	7,230	8,336	15,566
4000	Books and Supplies	-	-	-
5000	Services and Other Operating Expenses	-	-	-
6100 / 6200	Other Approved Capital Outlay	-	-	-
6400	New Equipment Expense	-	-	-
6500	Replacement Equipment	-	-	-
Depreciation on Assets Not Purchased with Public Funds		-	-	-
Start-up Expense (service level exemption)		-	-	-
Budget Impasse Credit Expense (service level exemption)		-	-	-
Indirect Costs		73,665	63,008	136,673
Total Administrative Costs Claimed for Reimbursement		$ 123,589	$ 120,140	$ 243,729

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
FOR THE YEAR ENDED JUNE 30, 2025

		General Child Care & Dev Programs CCTR-4096	California State Preschool CSPP-4171	Total Costs
Direct payments to providers		$ -	$ -	$ -
1000	Certified Salaries	418,578	321,598	740,176
2000	Classified Salaries	132,103	89,591	221,694
3000	Employee Benefits	91,375	87,000	178,375
4000	Books and Supplies	12,420	15,960	28,380
5000	Services and Other Operating Expenses	57,360	115,933	173,293
6100 / 6200	Other Approved Capital Outlay	-	-	-
6400	New Equipment Expense	-	-	-
6500	Replacement Equipment	-	-	-
Depreciation on Assets Not Purchased with Public Funds		52,279	44,453	96,732
Start-up Expense (service level exemption)		-	-	-
Budget Impasse Credit Expense (service level exemption)		-	-	-
Indirect Costs		73,665	63,008	136,673
	Total Expenses Claimed for Reimbursement	837,780	737,544	1,575,323
	Supplemental Expenses	46,195	52,235	98,430
	Total Expenses	$ 883,975	$ 789,779	$ 1,673,753

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
NOTES TO THE CHILD CARE AND DEVELOPMENT PROGRAM
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

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

1. Interest expense is only allowable as a reimbursable cost in certain circumstances when it has been preapproved by the administering state department or relates to the lease purchase, acquisition, or repair or renovation of early learning and care facilities owned or leased by the contractor. THE ORGANIZATION had no interest expense claimed as a reimbursable expense for the year ended June 30, 2025. No interest expense relating to the line of credit was claimed to a child development contract for the year ended June 30, 2025.

2. All expenses claimed for reimbursement under a related party rent transaction must be supported by a fair market rental estimate from an independent appraiser, licensed by the California Office of Real Estate Appraisers. There was no related party rent expense claimed as a reimbursable expense for the year ended June 30, 2025.

3. Bad debt expense is unallowable unless it relates to uncollected family fees where documentation of adequate collection attempts exists. No bad debt expense was claimed to a child development contract for the year ended June 30, 2025.

AUDITED FINAL ATTENDANCE AND FISCAL REPORT FORMS

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

Fiscal Year Ending **June 30, 2025**
Contract Number* **CCTR-4096**
Vendor Code* **V786**

Full Name of Contractor* **Children Today, Inc.**

Service County*: **Los Angeles**

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus	401		401	2.8792	1,154.5592
Infants (up to 18 months) Full-time	1,519		1,519	2.4400	3,706.3600
Infants (up to 18 months) One-half-time				1.5455	
Toddlers (18 up to 36 months) Full-time-plus	297		297	2.1240	630.8280
Toddlers (18 up to 36 months) Full-time	2,584		2,584	1.8000	4,651.2000
Toddlers (18 up to 36 months) One-half-time				1.1401	
Three Years and Older Full-time-plus				1.1800	
Three Years and Older Full-time	77		77	1.0000	77.0000
Three Years and Older One-half-time				0.6334	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.9754	

*Indicates field is required.

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Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.6334	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.6334	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.2225	
Total Certified Days of Enrollment	**4,878**		**4,878**	**N/A**	**10,219.9472**
Days of Attendance	**4,816**		**4,816**	**N/A**	**N/A**

Enter the sum of Total Certified Days of Enrollment from all Form AUD 9500.1(s) into the AUD 9500 form, Section 2, Total Certified Days of Enrollment line.

Enter the sum of Days of Attendance from all From AUD 9500.1(s) and Form AUD 9500.2(s) into the AUD 9500 form, Section 2, Days of Attendance line.

CHILD CARE AND DEVELOPMENT PROGRAMS
NON-CERTIFIED CHILDREN DAYS OF ENROLLMENT

Fiscal Year Ending June 30, 2025
Contract Number* CCTR-4096
Vendor Code* V786

Full Name of Contractor* Children Today, Inc.

Service County*: Los Angeles

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time	14		14	2.4400	34.1600
Infants (up to 18 months) One-half-time				1.5455	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) One-half-time				1.1401	
Three Years and Older Full-time-plus				1.1800	
Three Years and Older Full-time				1.0000	
Three Years and Older One-half-time				0.6334	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time				1.5400	
Exceptional Needs One-half-time				0.9754	

*Indicates field is required.

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Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Dual Language Learner Full-time-plus				1.2980	
Dual Language Learner Full-time				1.1000	
Dual Language Learner One-half-time				0.6334	
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect One-half-time				0.6334	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled One-half-time				1.2225	
Total Non-Certified Days of Enrollment	**14**		**14**	**N/A**	**34.1600**

Enter the sum of Total Non-Certified Days of Enrollment from all Form AUD 9500.3(s) into the AUD 9500 form, Section 2, Total Non-Certified Days of Enrollment line.

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

Fiscal Year Ending June 30, 2025
~~Con~~tract Number* CCTR-4096
Vendor Code* V786

Full Name of Contractor* Children Today, Inc.

Section 1 - Number of Counties Where Services are Provided

- Number of counties where the agency provided services to certified children (Form AUD 9500.1):* 1
- Number of counties where the agency provided mental health consultation services to certified children (Form AUD 9500.2):* 0
- Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):* 1
- Number of counties where the agency provided mental health consultation services to non-certified children (Form AUD 9500.4):* 0
- Total enrollment and attendance forms to attach: 2

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

Section 2 - Days of Enrollment, Attendance and Operation

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	4,878		4,878	10,219.9472
Total Certified Days of Enrollment with Mental Health Consultation Services				
Days of Attendance (including MHCS)	4,816		4,816	**N/A**
Total Non-Certified Days of Enrollment	14		14	34.1600
Total Non-Certified Days of Enrollment with Mental Health Consultation Services				
Days of Operation	250		250	**N/A**

*Indicates field is required.

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Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

Section 3 - Revenue

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	27,302	3,143	30,445
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			
Restricted Income - American Rescue Plan Act (ARPA)	12,320	4,256	16,576
Restricted Income - Other:			
Restricted Income - Subtotal	**39,622**	**7,399**	**47,021**
Transfer From Reserve			
Waived Family Fees for Certified Children*			
Family Fees Collected for Certified Children	58	-1	57
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other: Grants & Contributions	333,902	-157,361	176,541
Total Revenue (*Waived Family Fees Not Included)	**373,582**	**-149,963**	**223,619**

Comments:

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Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

Section 4 - Reimbursable Expenses

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	418,578		418,578
2000 Classified Salaries	132,102	1	132,103
3000 Employee Benefits	91,376	-1	91,375
4000 Books and Supplies	12,421	-1	12,420
5000 Services and Other Operating Expenses	82,167	-24,807	57,360
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	52,279		52,279
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	73,664	1	73,665
Total Reimbursable Expenses	**862,587**	**-24,807**	**837,780**
Total Administrative Cost (included in Section 4 above)	123,589		123,589
Total Staff Training Cost (included in Section 4 above)	2,654		2,654

Approved Indirect Cost Rate:

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

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Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

Section 7 - Summary

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	4,878		4,878
Days of Operation	250		250
Days of Attendance (including MHCS)	4,816		4,816
Restricted Program Income	39,622	7,399	47,021
Transfer from Reserve			
Family Fees Collected for Certified Children	58	-1	57
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	862,587	-24,807	837,780
Total Administrative Cost	123,589		123,589
Total Staff Training Cost	2,654		2,654
Non-Reimbursable (State use only)	**N/A**	**N/A**	

Total Certified Adjusted Days of Enrollment (including MHCS) 10,219.9472

Total Non-Certified Adjusted Days of Enrollment (including MHCS) 34.1600

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

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

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

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

Audit Report Page 4-8

Full Name of Contractor Children Today, Inc. **Contract Number** CCTR-4096

Section 7 - Summary

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment (including MHCS)	4,878		4,878
Days of Operation	250		250
Days of Attendance (including MHCS)	4,816		4,816
Restricted Program Income	39,622	3,143	42,765
Transfer from Reserve			
Family Fees Collected for Certified Children	58	-1	57
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	862,587	1	862,588
Total Administrative Cost	123,589		123,589
Total Staff Training Cost	2,654		2,654
Non-Reimbursable (State use only)	**N/A**	**N/A**	

Total Certified Adjusted Days of Enrollment (including MHCS) 10,219.9472

Total Non-Certified Adjusted Days of Enrollment (including MHCS) 34.1600

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

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

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

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

Audit Report Page 4-9

Contractor Name: Children Today, Inc. **Contract Number: CSPP-4171**

California State Preschool Program – Form 1
Certified Children Days of Enrollment and Attendance

Service County: Los Angeles

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Two Years Old and Three Years Old Full-time-plus	28		28	2.1240	59.4720
Two Years Old and Three Years Old Full-time	2,157		2,157	1.8000	3,882.6000
Two Years Old and Three Years Old Part-time			0	1.1401	0.0000
Four Years and Older Full-time-plus	22		22	1.1800	25.9600
Four Years and Older Full-time	643		643	1.0000	643.0000
Four Years and Older Part-time			0	0.6334	0.0000
Exceptional Needs Full-time-plus (Active IEP/IFSP Only)	78		78	2.8320	220.8960
Exceptional Needs Full-time (Active IEP/IFSP Only)	662		662	2.4000	1,588.8000
Exceptional Needs Part-time(Active IEP/IFSP Only)			0	1.5202	0.0000
Dual Language Learner Full-time-plus	185		185	1.4160	261.9600
Dual Language Learner Full-time	527		527	1.2000	632.4000
Dual Language Learner Part-time	78		78	0.6334	49.4052

Contractor Name: Children Today, Inc. **Contract Number: CSPP-4171**

Enrollment Description	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
At Risk of Abuse or Neglect Full-time-plus	39		39	1.2980	50.6220
At Risk of Abuse or Neglect Full-time	1,027		1,027	1.1000	1,129.7000
At Risk of Abuse or Neglect Part-time			0	0.6334	0.0000
Severely Disabled Full-time-plus (Active IEP/IFSP Only)			0	2.8320	0.0000
Severely Disabled Full-time (Active IEP/IFSP Only)			0	2.4000	0.0000
Severely Disabled Part-time (Active IEP/IFSP Only)			0	1.5202	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT	**5,446**	**0**	**5,446**	N/A	**8,544.8152**

Attendance	Column A Cumulative FY per CPARIS June Report	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
DAYS OF ATTENDANCE	**5,332**		**5,332**	N/A	N/A

Enter the sum of Total Certified Days of Enrollment from all Form 1s in the Total Certified Days of Enrollment line of AUD 8501, Section 2.

Enter the sum of Days of Attendance from all Form 1s and Form 2s in the Days of Attendance line of AUD 8501, Section 2.

Contractor Name: Children Today, Inc.

Contract Number: CSPP-4171

Fiscal Year Ended: June 30, 2025

Vendor Code: V786

California Department of Education Audited Enrollment, Attendance, and Fiscal Report for California State Preschool Program

Section 1 – Number of Counties Where Services are Provided

Number of counties where the agency provided services to certified children (Form 1): 1

Number of counties where the agency provided mental health consultation services to certified children (Form 2):

Number of counties where the agency provided services to non-certified children (Form 3):

Number of counties where the agency provided mental health consultation services to non-certified children (Form 4):

Total enrollment and attendance forms to attach: 1

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

Section 2 – Days of Enrollment, Attendance and Operation

Enrollment and Attendance Form Summary	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Total Certified Days of Enrollment	5,446		5,446	8,544.8152
Total Certified Days of Enrollment with Mental Health Consultation Services			0	
Days of Attendance (including MHCS)	5,332		5,332	N/A
Total Non-Certified Days of Enrollment			0	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services			0	

Days of Operation	Column A Cumulative FY per CPARIS	Column B Audit Adjustments	Column C Cumulative FY per Audit	Column D Adjusted Days per Audit
Days of Operation	250		250	N/A

Section 3 – Revenue

Restricted Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Child Nutrition Programs	23,104	2,700	25,804
Exceptional Needs/Severely Disabled Service Level Exemption Credit			0
County Maintenance of Effort (EC Section 8260)			0
American Rescue Plan Act (ARPA)	98,464		98,464
Other:			0
Other:			0
TOTAL RESTRICTED INCOME	**121,568**	**2,700**	**124,268**

Transfer from Reserve	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Transfer from Preschool Reserve Account			0

Other Income	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Family Fees for Certified Children	876		876
Interest Earned on Apportionment Payments			0
Unrestricted Income: Fees for Non-Certified Children			0
Unrestricted Income: Head Start			0
Other: Grants & Contributions	286,869	(254,981)	31,888

Contractor Name: Children Today, Inc.   Contract Number: CSPP-4171

Section 4 - Reimbursable Expenses

Cost Category	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Direct Payments to Providers (FCCH only)			0
Direct Payments to Subcontractors: Cost of Care Plus & One-Time Allocations Only			0
1000 Certificated Salaries	321,598		321,598
2000 Classified Salaries	89,591		89,591
3000 Employee Benefits	87,000		87,000
4000 Books and Supplies	15,961	(1)	15,960
5000 Services and Other Operating Expenses	115,934	(1)	115,933
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
6600 Lease Assets (used in governmental funds only)			0
Depreciation or Use Allowance	44,454	(1)	44,453
Start-up Expenses (service level exemption)			0
Indirect Costs (included in Total Administrative Cost)	63,008		63,008
TOTAL REIMBURSABLE EXPENSES	**737,546**	**(3)**	**737,543**

Section 4 - Reimbursable Expenses (cont.)

Specific Items of Reimbursable Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Administrative Cost (included in Reimbursable Expenses)	120,140		120,140
Total Staff Training Cost (included in Reimbursable Expenses) *Total Program Closure Only (Management Bulletin 19-05)*	3,382		3,382
Total Exceptional Needs/Severely Disabled Service Level Exception Credit Expense (included in Reimbursable Expenses)			0

Section 5 - Supplemental Funding

Supplemental Revenue	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Enhancement Funding	8,151		8,151
Other: Donated services	24,982	3,288	28,270
Other: Contributions	19,102	(3,288)	15,814
TOTAL SUPPLEMENTAL REVENUE	**52,235**	**0**	**52,235**

Supplemental Expenses	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
1000 Certificated Salaries			0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	23,440		23,440
5000 Services and Other Operating Expenses	28,795		28,795
6000 Equipment / Capital Outlay			0
Depreciation or Use Allowance			0
Indirect Costs			0
Non-Reimbursable Supplemental Expenses			0
TOTAL SUPPLEMENTAL EXPENSES	**52,235**	**0**	**52,235**

Section 6 - Summary

Description	Column A – Cumulative FY per CPARIS	Column B – Audit Adjustments	Column C – Cumulative FY per Audit
Total Certified Days of Enrollment (including MHCS)	5,446	0	5,446
Days of Operation	250	0	250
Days of Attendance (including MHCS)	5,332	0	5,332
Total Certified Adjusted Days of Enrollment	N/A	N/A	8,544.8152
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	0.0000
Restricted Program Income	121,568	2,700	124,268
Transfer from Preschool Reserve Account	0	0	0
Family Fees for Certified Children	876	0	876
Interest Earned on Apportionment Payments	0	0	0
Direct Payments to Providers	0	0	0
Start-up Expenses (service level exemption)	0	0	0
Total Reimbursable Expenses	737,546	(3)	737,543
Total Administrative Cost	120,140	0	120,140
Total Staff Training Cost	3,382	0	3,382
Total Exceptional Needs/Severely Disabled Service Level Exemption Credit Expenses (included in total Reimbursable Expenses)	0	0	0
Non-Reimbursable Cost (State Use Only)	N/A	N/A	

Section 7 – Auditor's Assurances

Independent auditor's assurances on agency's compliance with the contract funding terms and conditions and program requirements of the California Department of Education, Early Education Division:

Eligibility, enrollment and attendance records are being maintained as required (Select YES or NO): ☑ Yes ☐ No

Reimbursable expenses claimed in Section 4 are eligible for reimbursement, reasonable, necessary, and adequately supported (Select YES or NO): ☑ Yes ☐ No

Section 8 – Comments

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

INFORMATION REQUIRED BY THE CALIFORNIA DEPARTMENTS OF EDUCATION AND SOCIAL SERVICES

INDEPENDENT AUDITORS' 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 Board of Directors of
Children Today, Inc. (The Organization)
(A California Non-Profit Corporation)
Long Beach, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Children Today, Inc. (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2025, 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 13, 2025.

Internal Control over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Children Today, Inc.'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 financial statements. 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 Children Today, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Children Today, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vasquez, Heyn + Co.

Calabasas, California
November 13, 2025

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2025
(FEIN: 95-4635295)

Federal Grantor, Pass Through Grantor, Program Title	Assistance Listing Number	Grantors Number	Program or Award Amount	Revenue Recognized	Disbursements/ Expenditures	Payments to Subrecipients
FEDERAL FUNDING						
U.S. Department of Health and Human Services						
Child Care Development Fund Cluster:						
Passed Through the California Department of Social Services						
General Center Child Care & Development Programs						
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	**93.596**	CCTR-4096	**$ 2,845**	**$ 2,845**	**$ 2,845**	**$ -**
Passed Through the California Department of Social Services						
General Center Child Care & Development Programs						
Child Care and Development Block Grant	**93.575**	CCTR-4096	**$ 111,149**	**$ 111,149**	**$ 111,149**	**$ -**
Passed Through the California Department oSocial Services						
ARPA Stipends FY 23-24			-	12,320	12,320	-
ARPA Stipends FY 24-25			-	4,256	-	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund / Child Care and Development Block Grant	**93.596 / 93.575**		**-**	**16,576**	**12,320**	-
Total U.S. Department of Health and Human Services - Child Care Development Fund Cluster	**93.596 / 93.575**		**$ 113,994**	**$ 130,570**	**$ 126,314**	**$ -**
U.S. Department of Agriculture						
Passed Through the California Department of Social Services						
Office of Child Nutrition Services						
Child and Adult Care Food Program	**10.558**	19-1312-7A	**$ 56,249**	**$ 56,249**	**$ 56,249**	**$ -**
Total U.S. Department of Agriculture			**$ 56,249**	**$ 56,249**	**$ 56,249**	**$ -**
TOTAL FEDERAL EXPENDITURES			**$ 170,243**	**$ 186,819**	**$ 182,563**	**$ -**
STATE FUNDING						
California Department of Social Services						
Child Development Services:						
General Center Child Care & Development Programs		CCTR-4096	**$ 477,954**	**$ 477,954**	**$ 477,954**	**$ -**
Cost of Care Plus			**-**	**24,808**	**-**	**-**
			477,954	**502,762**	**477,954**	**-**
California Department of Education						
Child Development Services:						
California State Preschool		CSPP-4171	**$ 508,807**	**$ 508,807**	**$ 508,807**	**$ -**
Cost of Care Plus			**-**	**43,434**	**-**	**-**
AB110 Temporary Rate Increase			**-**	**98,464**	**98,464**	**-**
			508,807	**650,705**	**607,271**	**-**
TOTAL STATE EXPENDITURES			**$ 986,761**	**$ 1,153,467**	**$ 1,085,225**	**$ -**
TOTAL FEDERAL AND STATE EXPENDITURES			**$ 1,157,004**	**$ 1,340,286**	**$ 1,267,788**	**$ -**

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE YEAR ENDED JUNE 30, 2025
(FEIN: 95-4635295)

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal grant activity of Children Today, Inc. under programs of the federal government for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance as required by the *California Departments of Education and Social Services Audit Guide.* Because the schedule presents only a selected portion of the operations of Children Today, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Children Today, Inc.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditors' Results

Financial Statements
Type of auditors' report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:		
• Material weakness(es) identified?	_____ Yes	X No
• Significant deficiency(ies) identified?	_____ Yes	X None Reported
Noncompliance material to financial statements noted?	_____ Yes	X No

Section II - Financial Statement Findings

No matters were reported.

Note: The Organization did not receive over $750,000 of federal funds, a Uniform Guidance 2 CFR 200 audit is not necessary. The supplementary schedule is completed to conform to California Departments of Education and Social Services requirements.

CHILDREN TODAY, INC.
(A California Non-Profit Corporation)
SCHEDULE OF CURRENT AND PRIOR YEARS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

CURRENT YEAR

2025 Findings:

There were no 2025 findings noted.

2025 Questioned Costs:

There were no 2025 questioned costs noted.

PRIOR YEARS

2024 Findings:

There were no 2024 findings noted.

2024 Questioned Costs:

There were no 2024 questioned costs noted.

2023 Findings:

There were no 2023 findings noted.

2023 Questioned Costs:

There were no 2023 questioned costs noted.