



ROOTED IN ISLA VISTA, NURTURING CENTRAL COAST FAMILIES

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**Financial Statements
For the Year Ended
June 30, 2025**

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2025

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LEAP: Learn. Engage. Advocate. Partner.**TABLE OF CONTENTS****June 30, 2025**

	Page
Independent Auditors' Report	1 - 4
Management's Discussion & Analysis	5 - 6
 Financial Statements:	
Statement of Financial Position	7
Statement of Activities	8
Statement of Functional Expenses	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 - 24
 Information Required By <i>Government Auditing Standards</i>	
Independent Auditors' Report on Internal Control Over Financial Reporting on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	25 - 26
Schedule of Expenditures of Federal and State Awards	27
Notes to Schedule of Expenditures of Federal and State Awards	28
Schedule of Findings and Questioned Costs	29
Schedule of Current and Prior Years Findings and Questioned Costs	30
 California Departments of Education and Social Services Supplemental Information	
General Information	31
Combining Schedule of Activities	32
Schedule of Claimed Equipment Expenditures	33
Schedule of Claimed Expenditures for Renovations and Repairs	34
Schedule of Claimed Administrative Costs	35
Schedule of Reconciling CDE/ CDSS and GAAP Expense Reporting	36
Schedule of Expenditures by State Categories	37
Notes to the Child Care and Development Program Supplemental Information	38
Audited Final Attendance and Fiscal Report Forms	39

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Isla Vista Youth Projects, Inc.
dba LEAP: Learn. Engage. Advocate. Partner.
(A California Non-Profit Corporation)
Goleta, California

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of LEAP: Learn. Engage. Advocate. Partner. (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 referred to above present fairly, in all material respects, the financial position of LEAP: Learn. Engage. Advocate. Partner. 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 LEAP: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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, including omissions, 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 LEAP's: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. 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

We previously audited LEAP's: Learn. Engage. Advocate. Partner. 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 20, 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 LEAP: Learn. Engage. Advocate. Partner.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Management Discussion and Analysis is presented for purposes of additional analysis and are not a required part of the basic financial statements. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The General Information, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Reconciling CDE / CDSS and GAAP Expense Reporting, 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 presented for purposes of additional analysis and are not a required part of the basic financial statements. The General Information, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Reconciling CDE / CDSS and GAAP Expense Reporting, 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 General Information, Combining Schedule of Activities, Schedule of Claimed Equipment Expenditures, Schedule of Claimed Expenditures for Renovations and Repairs, Schedule of Claimed Administrative Costs, Schedule of Reconciling CDE / CDSS and GAAP Expense Reporting, 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2025, on our consideration of LEAP's: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. internal control over financial reporting and compliance.

Weller, Hayn + Co.

Calabasas, California
December 12, 2025

LEAP: Learn. Engage. Advocate. Partner.
MANAGEMENT DISCUSSION & ANALYSIS
For the Year Ended June 30, 2025

Purpose

The purpose of this Management's Discussion & Analysis is to introduce our financial statements and to provide an overview of our program service accomplishments and community impact.

Mission

LEAP: Learn. Engage. Advocate. Partner. (LEAP) mitigates the effects of poverty, racism and trauma by providing high-quality, trauma-informed childcare, visionary community leadership comprehensive and culturally-sensitive family support.

Vision

We envision a community where children are loved, valued, and respected; and families are able to reach their highest potential.

Core Beliefs

All children benefit when:

- they have as many loving, responsive, safe (and consistent) adults as possible in their lives, because children become resilient through relationships.
- they have equal access to educational, social, and recreational opportunities.
- they are in diverse economic, social, and cultural environments.
- parents are engaged in their child's school and community, when they know how to navigate and advocate for their children, resulting in positive academic outcomes.

All families benefit when:

- our teachers, family advocates and staff assume that caregivers want the best for their children
- they develop social connections with multiple individuals, organizations and one another
- they are supported to build relationships in diverse economic, social, and cultural environments in which they can feel safe, valued and whole

All communities benefit when:

- the individuals, families and organizations know one another, because communities build resilience through relationships.
- people of diverse cultures, ethnicities, religions and economic capacity are valued and represented.
- we honor diversity, multi-culturalism and respect.
- leaders know one another and can work together toward a common vision.
- the individuals, families and organizations know one another, because communities build resilience through relationships
- education is viewed as a pathway to success, social change, and leadership.

LEAP: Learn. Engage. Advocate. Partner.
MANAGEMENT DISCUSSION & ANALYSIS
For the Year Ended June 30, 2025

OUR PROGRAMS

Children's Center

When children are cared for in a safe, stimulating and high-quality environment, they grow up to be lifelong learners and caregivers who can work or go to school in order to provide for their families. LEAP's three Children's Center sites serve students with trauma-informed programs designed to facilitate cognitive, emotional, physical, social and creative growth to children in a language-rich environment that supports the ethnic and cultural diversity of the children. In March of 2025, LEAP opened an new Children's Center in Lompoc. We are now licensed to serve up to 195 students across three sites.

School Aged Enrichment

Children build resilience when they have access to enriched social, educational and recreational opportunities. In Fiscal Year 2024-2025, LEAP launched the NextLEAP mentorship program at El Camino and Isla Vista elementary schools, providing mentorship and skills to 4th – 6th grade students at these two sites. Additionally, LEAP continued our partnership with GUSD to supplement their expanded learning program at Isla Vista Elementary School, El Camino Elementary School, and La Patera Elementary School. LEAP provided a site- based family advocate to build nurturing relationships with the children in the expanded learning program as well as their families.

Family Resource Center

LEAP's Family Resource Center mitigates the effects of poverty, racism, and trauma by strengthening families. Families become resilient through relationships with community organizations and with one another. LEAP's Family Resource Center provides parent education classes, case management, monthly food distributions, an emergency personal care and food pantry on site, clothing distributions, home visitation, and enrollment services for CalFresh, Medi-Cal, WIC and other resources community engagement events. FRC services continued in FY 2024-2025. This year, LEAP's diaper bank provided more than 55,000 diapers to more than 2,000 children. In partnership with Immigrant Hope, the FRC hosted bi-monthly immigration webinars, providing accurate information about the changing laws relating to immigrants. The FRC expanded their offerings to include webinars on financial literacy and tenants' rights as well as a Mental Wellness series to address the extreme stress faced in our Spanish speaking community.

Community Leadership

LEAP envisions a community where children are loved, valued and respected and families are engaged to reach their highest potential. In FY 2024-2025, LEAP continued its leadership of the Goleta Valley Community Partnership Network. By convening community stakeholders regularly, LEAP ensured that children's and families' needs were met in a timely way.

LEAP: Learn. Engage. Advocate. Partner.
STATEMENT OF FINANCIAL POSITION
June 30, 2025
(with comparative totals for 2024)

	<u>2025</u>	<u>2024</u>
ASSETS		
ASSETS		
Cash and cash equivalents	\$ 1,235,110	\$ 2,197,815
Contracts and grants receivables (Note 3)	2,097,074	439,341
Prepaid expenses and deposits	45,242	16,210
Other current assets	312	-
Right of use lease assets (Note 13)	471,108	-
Property and equipment, net (Note 4)	<u>2,174,484</u>	<u>1,742,321</u>
Investments (Note 5)		
Board designated	1,000,000	250,000
Investments	<u>105,298</u>	<u>313,374</u>
Total investments	<u>1,105,298</u>	<u>563,374</u>
Total assets	<u><u>\$ 7,128,628</u></u>	<u><u>\$ 4,959,061</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 110,300	\$ 104,599
Accrued payroll and related liabilities	420,331	134,457
Accrued vacation and sick leave (Note 6)	170,836	134,887
Deferred revenue	860,427	705,400
Lease liability (Note 13)	467,550	-
Child development reserves (Note 7)	<u>170,332</u>	<u>163,462</u>
Total liabilities	2,199,776	1,242,805
NET ASSETS		
Without Donor Restrictions:		
Undesignated	1,579,329	1,614,233
Designated by Board quasi-endowment	1,000,000	250,000
Invested in property and equipment, net	<u>2,174,484</u>	<u>1,742,321</u>
Total net assets without donor restrictions	4,753,813	3,606,554
With Donor Restrictions (Note 9)	<u>175,039</u>	<u>109,702</u>
Total net assets	<u><u>4,928,852</u></u>	<u><u>3,716,256</u></u>
Total liabilities and net assets	<u><u>\$ 7,128,628</u></u>	<u><u>\$ 4,959,061</u></u>

See accompanying notes.

LEAP: Learn. Engage. Advocate. Partner.

STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

(with comparative totals for 2024)

	2025			2024
	Without Donor Restrictions	With Donor Restrictions	Totals	Totals
OPERATING				
Public Support:				
Special events revenue, gross	\$ 51,856	\$ -	\$ 51,856	\$ 32,583
Less: Direct costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special events revenue, net	51,856	-	51,856	32,583
Contributions and grants	<u>957,356</u>	<u>325,660</u>	<u>1,283,016</u>	<u>1,091,127</u>
Total public support	1,009,212	325,660	1,334,872	1,123,710
Revenue:				
Governmental service contracts	6,179,569	-	6,179,569	4,605,507
CACFP food program revenue	141,278	-	141,278	134,139
Parent fees	46,155	-	46,155	2,990
In-kind contributions	-	-	-	25
Other income	14,535	-	14,535	12,437
Interest and investment income	97,206	-	97,206	54,112
Contract settlements	<u>(3,117)</u>	<u>-</u>	<u>(3,117)</u>	<u>(34,428)</u>
Total public support and revenue	7,484,838	325,660	7,810,498	5,898,492
With donor restrictions released	<u>260,323</u>	<u>(260,323)</u>	<u>-</u>	<u>-</u>
EXPENSES				
Program services	6,081,339	-	6,081,339	4,438,368
Supporting services:				
Management and general services	231,064	-	231,064	88,293
Fundraising services	<u>285,499</u>	<u>-</u>	<u>285,499</u>	<u>176,552</u>
Total supporting services	<u>516,563</u>	<u>-</u>	<u>516,563</u>	<u>264,845</u>
Total operating expenses	<u>6,597,902</u>	<u>-</u>	<u>6,597,902</u>	<u>4,703,213</u>
CHANGE IN NET ASSETS	1,147,259	65,337	1,212,596	1,195,279
NET ASSETS - beginning of year	<u>3,606,554</u>	<u>109,702</u>	<u>3,716,256</u>	<u>2,520,977</u>
NET ASSETS - end of year	<u>\$ 4,753,813</u>	<u>\$ 175,039</u>	<u>\$ 4,928,852</u>	<u>\$ 3,716,256</u>

See accompanying notes.

LEAP: Learn. Engage. Advocate. Partner.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025
(with comparative totals for 2024)

	Program Services			Management and General Services	Fundraising Services	2025 Total Expenses	2024 Total Expenses
	Children's Center	Family Resource Center	Total Program Services				
Salaries and related expenses							
Other salaries and wages	\$ 3,068,893	\$ 218,462	\$ 3,287,355	\$ 94,518	\$ 175,723	\$ 3,557,596	\$ 2,635,426
Payroll taxes	231,739	20,330	252,069	7,892	14,138	274,099	208,431
Other employee benefits	832,116	68,149	900,265	15,652	27,757	943,674	644,308
Total Salaries and related expenses	4,132,748	306,941	4,439,689	118,062	217,618	4,775,369	3,488,165
Other expenses							
Accounting	-	-	-	114,148	-	114,148	94,280
Advertising	17,999	128	18,127	-	437	18,564	7,702
Conferences, conventions and meetings	2,186	1,623	3,809	630	566	5,005	8,130
Fees for services	76,895	12,688	89,583	4,900	41,084	135,567	107,841
Information technology	29,328	8,978	38,306	2,955	-	41,261	68,840
Insurance	2,215	-	2,215	3,765	-	5,980	22,820
Interest expense	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	5,349
Miscellaneous fundraising expenses	-	-	-	-	16,286	16,286	22,641
Occupancy	155,088	38,136	193,224	(5,264)	-	187,960	194,342
Office expenses	78,631	20,776	99,407	166	6,787	106,360	77,669
Program supplies	770,465	15,987	786,452	263	1,040	787,755	434,992
Other expenses	325,410	26,435	351,845	(94,683)	-	257,162	80,359
Travel	31,188	2,707	33,895	513	1,681	36,089	22,829
Total Operating expenses	5,622,153	434,399	6,056,552	145,455	285,499	6,487,506	4,635,959
Nonoperating expenses							
Depreciation	24,787	-	24,787	85,609	-	110,396	67,254
Total Nonoperating expenses	24,787	-	24,787	85,609	-	110,396	67,254
Total Functional Expenses 2025	\$ 5,646,940	\$ 434,399	\$ 6,081,339	\$ 231,064	\$ 285,499	\$ 6,597,902	
Total Functional Expenses 2024	\$ 4,153,733	\$ 284,635	\$ 4,438,368	\$ 88,293	\$ 176,552		\$ 4,703,213

See accompanying notes.

LEAP: Learn. Engage. Advocate. Partner.
(dba LEAP: Learn. Engage. Advocate. Partner.)
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025
(with comparative totals for 2024)

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	<u>\$ 1,212,596</u>	<u>\$ 1,195,279</u>
Adjustments to reconcile increase (decrease) in net assets to net cash provided (used) by operating activities		
Depreciation	110,396	67,254
Donations of stock	261,988	67,254
Amortization of right of use assets	(471,108)	-
(Increase) decrease in:		
Contracts and grants receivable	(1,657,733)	32,678
Prepaid expenses and deposits	(29,032)	-
Other current assets	(312)	1,695
Increase (decrease) in:		
Accounts payable and accrued expenses	5,701	(109,520)
Accrued payroll and related liabilities	285,874	(71,736)
Accrued vacation and sick leave	35,949	33,557
Deferred revenue	155,027	399,518
Lease liability	467,550	-
Child development reserves	6,870	806
Total adjustments	<u>(828,830)</u>	<u>421,506</u>
Net Cash Provided (Used) by Operating Activities	383,766	1,616,785
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment activity, net	(803,912)	(48,685)
Purchases of property and equipment	(542,559)	(300,872)
Net Cash Provided (Used) by Investing Activities	<u>(1,346,471)</u>	<u>(349,557)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(962,705)	1,199,974
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,197,815</u>	<u>997,841</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,235,110</u>	<u>\$ 2,197,815</u>
Non-Cash Supplemental Disclosures:		
Right of use assets obtained in exchange for lease obligations	<u>\$ 533,377</u>	<u>\$ -</u>

See accompanying notes.

LEAP: Learn. Engage. Advocate. Partner.

NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

1. ORGANIZATION

General:

The Isla Vista Youth Projects, Inc., dba LEAP: Learn. Engage. Advocate. Partner. (LEAP), was born out of the chaos of the early 1970s in Isla Vista. In the wake of riots and the burning of the Bank of America, the children and families who lived in Isla Vista needed support, strength and resilience. By creating a community that valued children LEAP enabled families to work and access the social services and support they needed and LEAP sowed the seeds for a resilient, creative and thriving community. Over the years, its work has expanded to serve children and families across the Goleta Valley. The organization's purpose remains the same. LEAP exists not only to provide direct services to families in need, but also to convene community members and stakeholders for the benefit of all. Together we can mitigate the negative effects of poverty, racism and trauma to support resilient children, families and community.

Major Programs:

LEAP Children's Center, the state-licensed component of the program, provides full day, year-round early care and education and nutrition services for children between the ages of 3 months to 5-years, including children with special needs.

School Age Enrichment Program supports GUSD expanded learning students and families with social-emotional support as well as access to concrete services.

Family Resource Center mitigates the effects of poverty, racism, and trauma, by providing strength-based supports to families. Using the protective factors framework, the FRC provides concrete support including food, diapers, and toiletries; and supports clients in applying for housing and other social services. The FRC improves parent/caregiver efficacy by offering parenting and grandparenting classes twice yearly.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

LEAP prepares its financial statements in accordance with GAAP. The significant accounting and reporting policies 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 available for use in general operations and not subject to donor restrictions are reported as net assets without donor restrictions.
- Net assets with donor restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that funds be maintained in perpetuity.

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 are reported as decreases in net assets without donor restrictions.

Cash and Cash Equivalents:

Cash and cash equivalents are short term, interest bearing, highly liquid investments with original maturities of three months or less, unless the investments are held for meeting restrictions of a capital or endowment nature.

Contracts and Grants Receivables:

Receivables consist of contracts, grants, employee advances and accounts receivables and 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 LEAP receives notification from the grantor agency. LEAP uses the allowance method of accounting for receivables determined to be potentially uncollectable. In management's opinion, all contracts and accounts receivable were collectible at year-end. No allowance for doubtful accounts or credit losses for contracts and accounts receivable is considered necessary at June 30, 2025.

Prepaid Expenses and Deposits:

Prepaid insurance, deposits and other costs 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 one 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:

Automobiles	5 years
Buildings	25 years
Equipment	5-7 years
Furniture and Fixtures	5-10 years
Leasehold Improvements	7 - 10 years, or remaining lease term, if shorter
Portable Classrooms	25 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.

Investments:

Investments consist of equities and fixed income which are carried at fair value. Donated investments are recorded at fair value at the date of donation and thereafter carried at fair value. Investment purchases and sales are accounted for on a trade-date basis. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Gains or losses (including investments bought, sold and held during the year), and interest and dividend income are reflected in the statement of activities as increases or decreases in net assets without donor restrictions, unless their use is restricted by donor stipulations or by law.

Board Designated Investments:

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Right of Use Lease Assets and Lease Liability:

LEAP recognizes and measures its leases in accordance with FASB ASC 842, Leases. LEAP is a lessee in a noncancellable operating lease for office space. LEAP determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. LEAP recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise LEAP uses its incremental borrowing rate if applicable or relative treasury bill rate.

Since LEAP does not have any borrowing debt and therefore, does not have any incremental borrowing rate, as such, the relative treasury bill rate is used for all leases. The ROU asset is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

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 LEAP. 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.

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 with 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 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)

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.

LEAP benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the organization's program operations and in its fund-raising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. During the year ended LEAP did not receive any in-kind contributions.

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, LEAP's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of LEAP.

Income Taxes:

LEAP 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). LEAP 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, LEAP had no material unrecognized tax benefits, tax penalties or interest.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEAP'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. LEAP'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.

Fundraising Expense Recognition and Allocation:

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years. LEAP generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases in which it does, such as when the annual report or donor acknowledgements contain requests for contributions, joint costs have been allocated between fundraising and management and general expenses in accordance with standards for accounting for costs of activities that include fundraising. Total fundraising costs for the year ended June 30, 2025 were \$176,552. Additionally, advertising costs are expensed as incurred; such amounts were insignificant at year end and totaled \$18,564.

Administrative and other costs are allocated to operating programs based upon employees' time spent on various tasks, and other statistical analyses (such as meals served or child days of enrollment) prepared by management.

LEAP allocates its costs based on relative benefits received by the programs or activities. Accordingly, LEAP applies several methods for allocating costs:

Direct Costs - Costs identified 100 percent to a specific project are charged directly to that project.

Shared Costs – Costs identified to specific multiple programs or activities are shared between the programs benefitting.

Payroll costs are allocated using individual timesheets that report the actual time spent by the employees in each program each day.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Rent and associated utilities, maintenance, and insurance are allocated using the square footage of building space occupied by each program, according to floor plans and/or room measurements.

Indirect Costs – Costs that benefit the operations of the entire organization, which cannot be identified to specific programs or activities, are allocated based on relative direct payroll costs.

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, LEAP's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. LEAP'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. 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 LEAP'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)

Fair Value Measurements:

LEAP 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 LEAP 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.

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

The carrying amounts of cash and cash equivalents, receivables, equities and fixed income approximate fair value because of the terms and relatively short maturity of these financial instruments. The carrying amounts of liabilities, approximate fair value because of the relatively short maturity of these financial instruments.

LEAP: Learn. Engage. Advocate. Partner.**NOTES TO FINANCIAL STATEMENTS****For the Year Ended June 30, 2025****3. CONTRACTS AND GRANTS RECEIVABLE**

In management's opinion, all contracts and grants receivable were collectible at year-end. No allowance for doubtful accounts or credit losses for contracts and accounts receivable is considered necessary at June 30, 2025.

4. PROPERTY AND EQUIPMENT, NET

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

	Cost	Accumulated Depreciation	Net
Automobiles	\$ 28,877	\$ (28,877)	\$ -
Building	490,168	(205,809)	284,359
Equipment	115,258	(71,313)	43,945
Furniture and Fixtures	91,033	(91,033)	-
Land	838,134	-	838,134
Leasehold Improvements	1,313,325	(322,666)	990,659
Portable Classrooms	<u>265,049</u>	<u>(247,662)</u>	<u>17,387</u>
TOTAL	\$ 3,141,844	\$ (967,360)	\$ 2,174,484

Total depreciation expense charged to operations was \$110,396 for the year ended June 30, 2025.

5. INVESTMENTS

LEAP 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 LEAP to develop its own assumptions. LEAP uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, LEAP 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 inputs.

LEAP: Learn. Engage. Advocate. Partner.**NOTES TO FINANCIAL STATEMENTS****For the Year Ended June 30, 2025****5. INVESTMENTS (continued)**

At June 30, 2025, LEAP did not have any investments measured using level 2 and 3 inputs.

	Total	Level 1
Equities	\$ 500,055	\$ 500,055
Fixed income	605,243	605,243
TOTAL	<u>\$ 1,105,298</u>	<u>\$ 1,105,298</u>

6. ACCRUED VACATION AND SICK LEAVE

LEAP provides all full-time and part-time employees with paid vacation after completing 90 days of employment. The amount of vacation is calculated according to the employees work anniversary and the amount of vacation received each year is based on their length of service and accrues by fractional hours each pay period according to an accrual schedule determined LEAP. Part-time regular employees receive vacation time in proportion to their work schedule.

Once the maximum accrual amount is reached, employees will no longer accrue additional vacation time until the accrual amount falls below their maximum accrual amount.

Total accrued vacation and accumulated sick leave benefits payable at June 30, 2025 was \$170,836.

7. CHILD DEVELOPMENT RESERVES

Child development contractors are allowed, with prior CDE and/or CDSS approval, to maintain a reserve account from earned but unexpended child development contract funds for three types of programs: Center Based, Resource and Referral, and Alternative Payment. Transfers from a reserve account are considered restricted income for child development programs, but may be applied to any of the contracts that are eligible to contribute to that particular program type.

LEAP maintains a reserve account for Center Based contracts, and funds are deposited into an interest-bearing account. The reserve account balance at June 30, 2025 was \$170,322, which is recorded as an asset in the cash account. Also, upon termination of all child development center-based contracts, Example Entity would have to return the reserve funds to CDE and/or CDSS, so the reserve account is recorded as a liability in the amount of \$170,322.

The reserve account balance of \$170,322 includes interest of \$6,858 that the bank paid on the account balances during the year ended June 30, 2025.

LEAP: Learn. Engage. Advocate. Partner.**NOTES TO FINANCIAL STATEMENTS****For the Year Ended June 30, 2025****8. RETIREMENT PLAN**

LEAP maintains a contributory retirement plan available to eligible employees which allows participants to make tax deferred investment contributions. Full-time employees are eligible to participate immediately on hire. The plan qualifies under 403(b). During the year ended June 30, 2025 LEAP contributed \$303,742 to the plan.

9. NET ASSETS WITH DONOR RESTRICTIONS

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

Net assets with donor restrictions at June 30, 2025 comprised of:

	Balance at June 30, 2024	Income	Expenditures	Balance at June 30, 2025
Alice Tweed Touhy Grant	\$ 25,000	\$ -	\$ (25,000)	\$ -
Children's Resource and Referral	34,702	-	(34,702)	-
Daniel Scholarship Grant	-	30,660	(10,621)	20,039
Lompoc Site Funds	-	140,000	(140,000)	-
Nissenson Family Fund	25,000	-	(25,000)	-
STOP THE HATE	-	155,000	(-)	155,000
William Corbet Fund	25,000	-	(25,000)	-
TOTAL	\$ 109,702	\$ 325,660	\$ (260,323)	\$ 175,039

10. CONTINGENCIES**Contracts and Grants:**

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. LEAP 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. LEAP's management is of the opinion that the organization has complied with the terms of all grants.

11. LIQUIDITY AND FUNDS AVAILABILITY

The total financial assets held by LEAP 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:

	<u>June 30, 2025</u>
Financial assets:	
Cash and cash equivalents	\$ 1,235,110
Contracts and grants receivable	2,097,074
Investments	<u>1,105,298</u>
Total financial assets	4,437,482
Less: With donor restrictions	<u>(175,039)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 4,262,443</u></u>

LEAP receives significant contributions that are restricted by donors. Contributions that are restricted for programs which are ongoing, major, and central to its annual operations are considered by LEAP to be available to meet cash needs for general expenditures.

LEAP manages its liquidity and reserves following three guiding principles:

- (1) Operating within a prudent range of financial soundness and stability,
- (2) maintaining adequate liquid assets to fund near-term operating needs, and
- (3) maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

LEAP has a liquidity policy to maintain its working capital (current assets - current liabilities) at a minimum of 60 days of average operating expenses and has a policy to target a year-end balance of reserves of unrestricted, undesignated net assets at 30 to 60 days of expected average expenditures for the next fiscal year.

To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the year ended June 30, 2025 the level of liquidity and reserves was managed within the policy requirements.

12. CONCENTRATION RISK

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

During the year ended June 30, 2025, LEAP had two major revenue funding source, the California Departments of Education and Social Services, which accounted for approximately 78% of the total revenue of LEAP. The majority of LEAP's contributions and grants are received from corporations, foundations, and individuals and from agencies located throughout the state of California.

As such, LEAP'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 LEAP's services.

13. RIGHT OF USE LEASE ASSETS AND LEASE LIABILITY

LEAP conducts administrative activities in premises subject to an operating lease expiring in December 31 2031 which provides for monthly rent of \$3,292, with annual increases. LEAP is also obligated under a lease agreement expiring in August 15 2029 which provides for monthly rent of \$5,500, with annual increase for its Lompoc child care facility.

The following table summarizes the weighted average remaining lease term and discount rate for operating leases:

Weighted average remaining lease term	5.42 years
Weighted average discount rate	4.15%

13. RIGHT OF USE LEASE ASSETS AND LEASE LIABILITY (CONTINUED)

Amounts disclosed for ROU assets obtained in exchange for lease obligations and reductions to ROU assets resulting from reductions to lease obligations include amounts added to or reduced from the carrying amount of ROU assets resulting from new lease, lease modifications or reassessments. Maturities of lease liabilities under noncancellable operating leases as of June 30, 2025, are as follows:

Year Ended June 30,	Amount
2026	\$ 107,907
2027	111,144
2028	90,478
2029	93,909
2030	49,313
Thereafter	<u>70,059</u>
Total undiscounted lease payments	522,810
Less: present value discounts	<u>(55,260)</u>
Lease liability	<u>\$ 467,550</u>

14. SUBSEQUENT EVENTS

LEAP 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 December 12, 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.

VASIN, HEYN & COMPANY

ABOVE THE BRIGHT LINE

AN ACCOUNTANCY CORPORATION

CERTIFIED PUBLIC ACCOUNTANTS | AUDITORS AND ADVISERS

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
Isla Vista Youth Projects, Inc.
dba LEAP: Learn. Engage. Advocate. Partner.
(A California Non-Profit Corporation)
Goleta, 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 LEAP: Learn. Engage. Advocate. Partner. (A California Non-Profit Corporation), which comprise the statement of financial position as of June 30, 2024 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 December 12, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered LEAP's: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. internal control. Accordingly, we do not express an opinion on the effectiveness of LEAP's: Learn. Engage. Advocate. Partner. 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 LEAP's: Learn. Engage. Advocate. Partner. 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 the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering LEAP's: Learn. Engage. Advocate. Partner. internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Voskin, Hayn + Co.

Calabasas, California
December 12, 2025

LEAP: Learn. Engage. Advocate. Partner.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended June 30, 2025

FEIN: 95-3007419

Federal Grantor, Pass Through Grantor, Program Title	Assistance Listing Number	Grantors Number	Program or Award Amount	Revenue Recognized	Disbursements/ Expenditures	Payments to Subrecipients
U.S. Department of Health and Human Services						
Child Care and 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-4324	\$ 23,240	\$ 23,240	\$ 23,240	\$ -
Passed Through the California Department of Social Services General Center Child Care & Development Programs						
Child Care and Development Block Grant	93.575	CCTR-4324	523,714	523,714	523,714	-
Passed Through the California Departments of Education and Social Services ARPA Funds						
Child Care and Development Block Grant	93.596/93.575		46,227	46,227	46,227	-
Total Child Care and Development Fund Cluster			\$ 593,181	\$ 593,181	\$ 593,181	\$ -
Total U.S. Department of Health and Human Services			\$ 593,181	\$ 593,181	\$ 593,181	\$ -
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	05024-CACFP-42-NP-CS	\$ 141,278	\$ 141,278	\$ 141,278	\$ -
Total U.S. Department of Agriculture			\$ 141,278	\$ 141,278	\$ 141,278	\$ -
TOTAL FEDERAL EXPENDITURES			\$ 734,459	\$ 734,459	\$ 734,459	\$ -
STATE FUNDING						
California Department of Social Services						
General Center Child Care & Development Programs		CCTR-4324	\$ 3,401,819	\$ 3,401,819	\$ 3,401,819	\$ -
California Department of Education						
California State Preschool		CSPP-4531	\$ 1,983,842	\$ 1,983,842	\$ 1,983,842	\$ -
TOTAL STATE EXPENDITURES			\$ 5,385,661	\$ 5,385,661	\$ 5,385,661	\$ -
TOTAL FEDERAL AND STATE EXPENDITURES			\$ 6,120,120	\$ 6,120,120	\$ 6,120,120	\$ -

LEAP: Learn. Engage. Advocate. Partner.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the Year Ended June 30, 2025

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal grant activity of LEAP: Learn. Engage. Advocate. Partner. under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of LEAP: Learn. Engage. Advocate. Partner., it is not intended to and does not present the financial position, changes in net assets or cash flows of LEAP: Learn. Engage. Advocate. Partner.

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.

LEAP: Learn. Engage. Advocate. Partner.
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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
• Significant deficiency(ies) identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> X None Reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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.

LEAP: Learn. Engage. Advocate. Partner.
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.

LEAP: Learn. Engage. Advocate. Partner.

GENERAL INFORMATION

For the Year Ended June 30, 2025

Agency Name: LEAP: Learn. Engage. Advocate. Partner

Program Numbers/Type CCTR-4324 General Child Care & Development Programs
CSPP-4531 California State Preschool
Child and Adult Care Food Program 05024-CACFP-42-NP-CS

Type of Agency: A California Non-Profit Corporation

Agency Address: 6842 Phelps Road, Goleta, California 93117

Name and Address
of Executive Director: Lori Goodman
6842 Phelps Road, Goleta, California 93117

Telephone Number: (805) 968-0488

Fax Number: (805) 968-1771

Website Address: www.leapcentralcoast.org

Period Covered by
Examination: July 1, 2024 through June 30, 2025

Number of Days of
Agency Operation: 242 days

Scheduled Hours of
Operation Each Day: 8:00 a.m. - 5:00 p.m.

LEAP: Learn. Engage. Advocate. Partner.
COMBINING SCHEDULE OF ACTIVITIES
For the Year Ended June 30, 2025

	General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total CDE / CDSS	Non-CDE / CDSS General Child Care Programs	Family Resource Center	Management and General	Fundraising	2025 Totals
Revenue and Support								
CDE / CDSS governmental service contracts	\$ 3,948,773	\$ 1,983,842	\$ 5,932,615	\$ -	\$ -	\$ -	\$ -	\$ 5,932,615
ARPA Stipends	46,227	-	46,227	-	-	-	-	46,227
CACFP food program revenue	87,734	53,544	141,278	-	-	-	-	141,278
Governmental service contracts	-	-	-	29,324	136,188	35,215	-	200,727
Contributions and grants	-	-	-	203,699	178,856	60,499	839,962	1,283,016
Parent fees - certified	1,920	1,659	3,579	-	-	-	-	3,579
Parent fees - non-certified / private pay	5,893	15,911	21,804	20,772	-	-	-	42,576
Other income	-	-	-	-	-	14,535	-	14,535
Interest income	-	-	-	-	-	97,206	-	97,206
Contract settlements	-	-	-	-	-	(3,117)	-	(3,117)
Special events revenue	-	-	-	-	-	-	51,856	51,856
Total revenue and support	4,090,547	2,054,956	6,145,503	253,795	315,044	204,338	891,818	7,810,498
Expenses								
Other salaries and wages	2,042,667	1,026,226	3,068,893	-	218,462	94,518	175,723	3,557,596
Payroll taxes	154,245	77,494	231,739	-	20,330	7,892	14,138	274,099
Other employee benefits	553,861	278,255	832,116	-	68,149	15,652	27,757	943,674
Accounting	-	-	-	-	-	114,148	-	114,148
Advertising	11,980	6,019	17,999	-	128	-	437	18,564
Conferences, conventions and meetings	1,455	731	2,186	-	1,623	630	566	5,005
Fees for services	51,181	25,714	76,895	-	12,688	4,900	41,084	135,567
Information technology	19,521	9,807	29,328	-	8,978	2,955	-	41,261
Insurance	1,474	741	2,215	-	-	3,765	-	5,980
Miscellaneous fundraising expenses	-	-	-	-	-	-	16,286	16,286
Occupancy	103,227	51,861	155,088	-	38,136	(5,264)	-	187,960
Office expenses	52,336	26,295	78,631	-	20,776	166	6,787	106,360
Program supplies	620,370	150,095	770,465	-	15,987	263	1,040	787,755
Other expenses	250,564	74,846	325,410	-	26,435	(94,683)	-	257,162
Travel	20,759	10,429	31,188	-	2,707	513	1,681	36,089
	3,883,640	1,738,513	5,622,153	-	434,399	145,455	285,499	6,487,506
Depreciation	16,498	8,289	24,787	-	-	85,609	-	110,396
Total expenses	3,900,138	1,746,802	5,646,940	-	434,399	231,064	285,499	6,597,902
CHANGE IN NET ASSETS	\$ 190,409	\$ 308,154	498,563	\$ 253,795	\$ (119,355)	\$ (26,726)	\$ 606,319	\$ 1,212,596

LEAP: Learn. Engage. Advocate. Partner.
SCHEDULE OF CLAIMED EQUIPMENT EXPENDITURES
For the Year Ended June 30, 2025

	General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total Costs
Capitalized Equipment Expensed on the AUD with Prior Written Approval:			
Item:			
Bathroom remodel - Phelps and Campus	\$ 87,017	\$ 37,293	\$ 124,310
Dishwasher - Lompoc	-	5,206	5,206
Fire monitoring - Lompoc	7,995	-	7,995
Fire suppression system - Lompoc	92,453	-	92,453
Flooring - Lompoc	19,253	-	19,253
Freezer - Lompoc	6,878	-	6,878
Landscape outdoor classroom safety	37,898	37,898	75,796
Playground remodel - Phelps	78,899	118,348	197,247
Total:	<u>330,393</u>	<u>198,745</u>	<u>529,138</u>
Capitalized Equipment Expensed on the AUD without Prior Written Approval:			
Item:			
None	-	-	-
Total:	<u>-</u>	<u>-</u>	<u>-</u>
Total Equipment Expenditures	\$ 330,393	\$ 198,745	\$ 529,138

LEAP's capitalization threshold is \$5,000 or more.

LEAP: Learn. Engage. Advocate. Partner.

SCHEDULE OF CLAIMED EXPENDITURES FOR RENOVATIONS AND REPAIRS

For the Year Ended June 30, 2025

	General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total Costs
Capitalized R&R Project Under \$10,000:			
Items:			
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	\$ -	\$ -	\$ -

LEAP's capitalization threshold is \$5,000 or more.

LEAP: Learn. Engage. Advocate. Partner.
SCHEDULE OF ADMINISTRATIVE COSTS
For the Year Ended June 30, 2025

	General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total Costs
Direct payment to providers	\$ -	\$ -	\$ -
1000 Certified Salaries	71,557	35,950	107,507
2000 Classified Salaries	107,335	53,925	161,260
3000 Employee Benefits	72,049	36,198	108,247
4000 Books and Supplies	158,206	79,484	237,690
5000 Services and Other Expenses	12,234	6,142	18,376
6100 / 6200 Other Approved Capital Outlay	-	-	-
6400 New Equipment Expense	-	-	-
6500 Replacement Equipment (program-related)	-	-	-
Depreciation on Assets Not Purchased with Public Funds	-	-	-
Start-up Expense (service level exemption)	-	-	-
Budget Impasse Credit Expense (service level exemption)	-	-	-
Indirect Costs	-	-	-
Total Administrative Costs	\$ 421,381	\$ 211,699	\$ 633,080

LEAP: Learn. Engage. Advocate. Partner.
SCHEDULE OF RECONCILING CDE / CDSS AND GAAP EXPENSE REPORTING
For the Year Ended June 30, 2025

Expenses	General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total
Schedule of Expenditures by State Categories (CDE / CDSS)	\$ 4,230,531	\$ 1,945,547	\$ 6,176,078
Adjustments to Reconcile Differences in Reporting:			
Depreciation of assets funded by CDE / CDSS-CD	\$ -	\$ -	\$ -
Capitalized renovation and repairs expensed on AUD forms	-	-	-
Capitalized lease expensed on AUD forms	-	-	-
Capitalized carpeting expensed on supplemental expensed on AUD forms	-	-	-
Capitalized equipment expensed on AUD forms	(330,393)	(198,745)	(529,138)
Audit fees expensed on AUD forms	-	-	-
Start-Up Expenses (capitalized)	-	-	-
Subtotal	(330,393)	(198,745)	(529,138)
Statement of Activities amounts for CDE / CDSS Contracts (GAAP)	\$ 3,900,138	\$ 1,746,802	\$ 5,646,940

LEAP: Learn. Engage. Advocate. Partner.
SCHEDULE OF EXPENDITURES BY STATE CATEGORIES
For the Year Ended June 30, 2025

		General Child Care & Development CCTR-4324	California State Preschool CSPP-4531	Total Expenditures
Direct payments to providers		\$ -	\$ -	\$ -
1000 Certified Salaries		817,066	410,491	1,227,557
2000 Classified Salaries		1,225,601	615,735	1,841,336
3000 Employee Benefits		708,106	355,749	1,063,855
4000 Books and supplies		620,370	150,095	770,465
5000 Services and Other Operating Expenses		512,497	206,443	718,940
6100/6200 Other Approved Capital Outlay		-	-	-
6400 New Equipment Expense		330,393	198,745	529,138
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		<u>16,498</u>	<u>8,289</u>	<u>24,787</u>
Total expenses claimed for reimbursements		4,230,531	1,945,547	6,176,078
Supplemental expenses		-	-	-
Total Expenditures		<u>\$ 4,230,531</u>	<u>\$ 1,945,547</u>	<u>\$ 6,176,078</u>

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NOTES TO THE CHILDCARE 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. LEAP had no interest expense claimed as a reimbursable expense 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.

**CHILD CARE AND DEVELOPMENT PROGRAMS
CERTIFIED CHILDREN RECEIVING MENTAL HEALTH
CONSULTATION SERVICES DAYS OF ENROLLMENT
AND ATTENDANCE**

Fiscal Year Ending	June 30, 2025
Contract Number*	CCTR-4324
Vendor Code*	W935

Full Name of Contractor* **Isla Vista Youth Projects, Inc.**

Service County* **Santa Barbara**

	Column A Cumulative FY CDFS 9500MHCS	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				2.9792	
Infants (up to 18 months) Full-time	3,789		3,789	2.5400	9,624.0600
Infants (up to 18 months) One-half-time	5		5	1.6291	8.1455
Toddlers (18 up to 36 months) Full-time-plus				2.2240	
Toddlers (18 up to 36 months) Full-time	9,341		9,341	1.9000	17,747.9000
Toddlers (18 up to 36 months) One-half-time				1.2281	
Three Years and Older Full-time-plus				1.2800	
Three Years and Older Full-time	1,412		1,412	1.1000	1,553.2000
Three Years and Older One-half-time	20		20	0.7267	14.5340
Exceptional Needs Full-time-plus				1.9172	
Exceptional Needs Full-time				1.6400	
Exceptional Needs One-half-time				1.0651	

*Indicates field is required.

Audit Report Page

Full Name of Contractor	Isla Vista Youth Projects, Inc.	Contract Number	CCTR-4324
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	Column A Cumulative FY CDFS 9500MHCS	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				1.3980	
Dual Language Learner Full-time				1.2000	
Dual Language Learner One-half-time				0.7267	
At Risk of Abuse or Neglect Full-time-plus				1.3980	
At Risk of Abuse or Neglect Full-time				1.2000	
At Risk of Abuse or Neglect One-half-time				0.7267	
Severely Disabled Full-time-plus				2.3774	
Severely Disabled Full-time				2.0300	
Severely Disabled One-half-time				1.3095	
TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES	14,567		14,567	N/A	28,947.8395
DAYS OF ATTENDANCE	14,530		14,530	N/A	N/A

Enter the sum of Total Certified Days of Enrollment with Mental Health Consultation Services from all Form AUD 9500.2(s) into the AUD 9500 form, Section 2, Total Certified Days of Enrollment with Mental Health Consultation Services line.

Enter the sum of Days of Attendance from all Form 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 RECEIVING MENTAL HEALTH
CONSULTATION SERVICES DAYS OF ENROLLMENT

Fiscal Year Ending	June 30, 2025
Contract Number*	CCTR-4324
Vendor Code*	W935

Full Name of Contractor*

Service County*:

	Column A Cumulative FY CDFS 9500MHCS	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				2.9792	
Infants (up to 18 months) Full-time	242		242	2.5400	614.6800
Infants (up to 18 months) One-half-time				1.6291	
Toddlers (18 up to 36 months) Full-time-plus				2.2240	
Toddlers (18 up to 36 months) Full-time	33		33	1.9000	62.7000
Toddlers (18 up to 36 months) One-half-time	24		24	1.2281	29.4744
Three Years and Older Full-time-plus				1.2800	
Three Years and Older Full-time				1.1000	
Three Years and Older One-half-time				0.7267	
Exceptional Needs Full-time-plus				1.9172	
Exceptional Needs Full-time				1.6400	
Exceptional Needs One-half-time				1.0651	

*Indicates field is required.

Audit Report Page

Full Name of Contractor **Isla Vista Youth Projects, Inc.**Contract Number **CCTR-4324**

	Column A Cumulative FY CDFS 9500MHCS	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				1.3980	
Dual Language Learner Full-time				1.2000	
Dual Language Learner One-half-time				0.7267	
At Risk of Abuse or Neglect Full-time-plus				1.3980	
At Risk of Abuse or Neglect Full-time				1.2000	
At Risk of Abuse or Neglect One-half-time				0.7267	
Severely Disabled Full-time-plus				2.3774	
Severely Disabled Full-time				2.0300	
Severely Disabled One-half-time				1.3095	
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES	299		299	N/A	706.8544

Enter the sum of Total Non-Certified Days of Enrollment with Mental Health Consultation Services from all Form AUD 9500.4(s) into the AUD 9500 form, Section 2, Total Non-Certified Days of Enrollment with Mental Health Consultation Services line.

Audit Report Page

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

Fiscal Year Ending	June 30, 2025
Contract Number*	CCTR-4324
Vendor Code*	W935

Full Name of Contractor* **Isla Vista Youth Projects, 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):*
- Number of counties where the agency provided mental health consultation services to certified children (Form AUD 9500.2):* 1
- Number of counties where the agency provided services to non-certified children (Form AUD 9500.3):* 0
- Number of counties where the agency provided mental health consultation services to non-certified children (Form AUD 9500.4):* 1
- 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				
Total Certified Days of Enrollment with Mental Health Consultation Services	14,567		14,567	28,947.8395
Days of Attendance (including MHCS)	14,530		14,530	N/A
Total Non-Certified Days of Enrollment				
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	299		299	706.8544
Days of Operation	242		242	N/A

*Indicates field is required.

Audit Report Page

Full Name of Contractor **Isla Vista Youth Projects, Inc.**Contract Number **CCTR-4324****Section 3 - Revenue**

	Column A Cumulative FY CDFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs	87,734		87,734
Restricted Income - County Maintenance of Effort (WIC Section 10308.5)			
Restricted Income - American Rescue Plan Act (ARPA)	46,227		46,227
Restricted Income - Other:			
Restricted Income - Subtotal	133,961		133,961
Transfer From Reserve			
Waived Family Fees for Certified Children*	751		751
Family Fees Collected for Certified Children	1,920		1,920
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children	5,893		5,893
Unrestricted Income - Head Start			
Unrestricted Income - Other:			
Total Revenue (*Waived Family Fees Not Included)	141,774		141,774

Comments:

Audit Report Page

Full Name of Contractor **Isla Vista Youth Projects, Inc.**Contract Number **CCTR-4324****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	817,067	-1	817,066
2000 Classified Salaries	1,225,601		1,225,601
3000 Employee Benefits	708,106		708,106
4000 Books and Supplies	620,370		620,370
5000 Services and Other Operating Expenses	512,498	-1	512,497
6100/6200 Other Approved Capital Outlay	298,891	-298,891	
6400 New Equipment (program-related)		330,393	330,393
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance	43,481	-26,983	16,498
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)			
Total Reimbursable Expenses	4,226,014	4,517	4,230,531
Total Administrative Cost (included in Section 4 above)	421,381		421,381
Total Staff Training Cost (included in Section 4 above)			

Approved Indirect Cost Rate: NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 4.Audit Report Page

Full Name of Contractor **Isla Vista Youth Projects, Inc.**Contract Number **CCTR-4324****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)	14,567		14,567
Days of Operation	242		242
Days of Attendance (including MHCS)	14,530		14,530
Restricted Program Income	133,961		133,961
Transfer from Reserve			
Family Fees Collected for Certified Children	1,920		1,920
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	4,226,014	31,500	4,257,514
Total Administrative Cost	421,381		421,381
Total Staff Training Cost			
Non-Reimbursable (State use only)	N/A	N/A	

Total Certified Adjusted Days of Enrollment (including MHCS) **28,947.8395**Total Non-Certified Adjusted Days of Enrollment (including MHCS) **706.8544**

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 **_____**

Contractor Name: Isla Vista Youth Projects Inc.

Contract Number: CSPP-4531

California State Preschool Program – Form 2
Certified Children Receiving Mental Health Consultation Services
Days of Enrollment and Attendance

Service County: Santa Barbara

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			0	2.2240	0.0000
Two Years Old and Three Years Old Full-time	5,912		5,912	1.9000	11,232.8000
Two Years Old and Three Years Old Part-time			0	1.2281	0.0000
Four Years and Older Full-time-plus			0	1.2800	0.0000
Four Years and Older Full-time	6,156		6,156	1.1000	6,771.6000
Four Years and Older Part-time	33		33	0.7267	23.9811
Exceptional Needs Full-time-plus			0	2.9320	0.0000
Exceptional Needs Full-time			0	2.5000	0.0000
Exceptional Needs Part-time			0	1.6041	0.0000
Dual Language Learner Full-time-plus			0	1.5160	0.0000
Dual Language Learner Full-time			0	1.3000	0.0000
Dual Language Learner Part-time			0	0.7267	0.0000

Contractor Name: Isla Vista Youth Projects Inc.

Contract Number: CSPP-4531

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			0	1.3980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.2000	0.0000
At Risk of Abuse or Neglect Part-time			0	0.7267	0.0000
Severely Disabled Full-time-plus			0	2.9320	0.0000
Severely Disabled Full-time			0	2.5000	0.0000
Severely Disabled Part-time			0	1.6041	0.0000
TOTAL CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES	12,101	0	12,101	N/A	18,028.3811

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
DAY OF ATTENDANCE	12,096		12,096	N/A	N/A

Enter the sum of Total Certified Days of Enrollment with Mental Health Consultation Services from all Form 2s in the Total Certified Days of Enrollment with Mental Health 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.

California State Preschool Program – Form 4
Non-Certified Children Receiving Mental Health Consultation Services
Days of Enrollment

Service County: Santa Barbara

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			0	2.2240	0.0000
Two Years Old and Three Years Old Full-time	136		136	1.9000	258.4000
Two Years Old and Three Years Old Part-time			0	1.2281	0.0000
Four Years and Older Full-time-plus			0	1.2800	0.0000
Four Years and Older Full-time			0	1.1000	0.0000
Four Years and Older Part-time			0	0.7267	0.0000
Exceptional Needs Full-time-plus			0	2.9320	0.0000
Exceptional Needs Full-time			0	2.5000	0.0000
Exceptional Needs Part-time			0	1.6041	0.0000
Dual Language Learner Full-time-plus			0	1.5160	0.0000
Dual Language Learner Full-time			0	1.3000	0.0000
Dual Language Learner Part-time			0	0.7267	0.0000

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			0	1.3980	0.0000
At Risk of Abuse or Neglect Full-time			0	1.2000	0.0000
At Risk of Abuse or Neglect Part-time			0	0.7267	0.0000
Severely Disabled Full-time-plus			0	2.9320	0.0000
Severely Disabled Full-time			0	2.5000	0.0000
Severely Disabled Part-time			0	1.6041	0.0000
TOTAL NON-CERTIFIED DAYS OF ENROLLMENT WITH MENTAL HEALTH CONSULTATION SERVICES	136	0	136	N/A	258.4000

Enter the sum of Total Non-Certified Days of Enrollment with Mental Health Consultation Services from all Form 4s in the Total Non-Certified Days of Enrollment with Mental Health Consultation Services line of AUD 8501, Section 2.

Contractor Name: Isla Vista Youth Projects, Inc.

Contract Number: CSPP-4531

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

Fiscal Year Ended: June 30, 2025

Vendor Code: W935

Section 1 – Number of Counties Where Services are Provided

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

Number of counties where the agency provided mental health consultation services to certified children (Form 2): 1

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): 1

Total enrollment and attendance forms to attach: 2

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			0	
Total Certified Days of Enrollment with Mental Health Consultation Services	12,101		12,101	18,028.3811
Days of Attendance (including MHCS)	12,096		12,096	N/A
Total Non-Certified Days of Enrollment			0	
Total Non-Certified Days of Enrollment with Mental Health Consultation Services	136		136	258.4000

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	242		242	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	53,545	(1)	53,544
Exceptional Needs/Severely Disabled Service Level Exemption Credit			0
County Maintenance of Effort (EC Section 8260)			0
American Rescue Plan Act (ARPA)			0
Other:			0
Other:			0
TOTAL RESTRICTED INCOME	53,545	(1)	53,544

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	44,400	(42,741)	1,659
Interest Earned on Apportionment Payments			0
Unrestricted Income: Fees for Non-Certified Children	15,911		15,911
Unrestricted Income: Head Start			0
Other:			0

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	410,491		410,491
2000 Classified Salaries	615,735		615,735
3000 Employee Benefits	355,749		355,749
4000 Books and Supplies	150,095		150,095
5000 Services and Other Operating Expenses	206,443		206,443
6100/6200 Other Approved Capital Outlay	230,248	(230,248)	0
6400 New Equipment (program-related)		198,745	198,745
6500 Equipment Replacement (program-related)			0
6600 Lease Assets (used in governmental funds only)			0
Depreciation or Use Allowance	23,710	(15,421)	8,289
Start-up Expenses (service level exemption)			0
Indirect Costs (included in Total Administrative Cost)			0
TOTAL REIMBURSABLE EXPENSES	1,992,471	(46,924)	1,945,547

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)	211,699		211,699
Total Staff Training Cost (included in Reimbursable Expenses)			0
<i>Total Program Closure Only (Management Bulletin 19-05)</i>			
Total Exceptional Needs/Severely Disabled Service Level Exception Credit Expense (included in Reimbursable Expenses)			0

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)	12,101	0	12,101
Days of Operation	242	0	242
Days of Attendance (including MHCS)	12,096	0	12,096
Total Certified Adjusted Days of Enrollment	N/A	N/A	18,028.3811
Total Non-Certified Adjusted Days of Enrollment	N/A	N/A	258.4000
Restricted Program Income	53,545	(1)	53,544
Transfer from Preschool Reserve Account	0	0	0
Family Fees for Certified Children	44,400	(42,741)	1,659
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	1,992,471	(46,924)	1,945,547
Total Administrative Cost	211,699	0	211,699
Total Staff Training Cost	0	0	0
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.

AUDITED RESERVE ACCOUNT ACTIVITY REPORT

Fiscal Year End	June 30, 2025
Reserve Account Type	Center-Based
Vendor Code	W935

Full Name of Contractor **Isla Vista Youth Projects, Inc.**

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2023–24 AUD 9530A Ending Balance)	106,512
2. Plus Transfers to Reserve Account:	Per 2023–24 Post-Audit CDFS 9530
Contract No.	
Total Transferred from 2023–24 Contracts to Reserve	0
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2023-24 Post-Audit CDFS 9530	106,512

Section 2 - Current Year (2024–25) Reserve Account Activity

	Column A CDFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve:	4,349		4,349
6. Less Transfers to Contracts from Reserve:			
Contract No.			0
Total Transferred to Contracts from Reserve Account	0	0	0
7. Ending Balance on June 30, 2025	110,861	0	110,861

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

*Indicates field is required.

Contractor Name: Isla Vista Youth Projects, Inc.

Section 1 – Prior Year Reserve Account Activity

1. Beginning Balance (2023–24 AUD 9530A Ending Balance):	56,962
2. Plus Transfers to Reserve Account:	
2023–24 Contract No.	Per 2023–24 Post-Audit EENFS 9530
Total Transferred from 2023–24 Contracts	0
3. Less Excess Reserve to be Billed:	
4. 2023–24 EENFS 9530 Reserve Balance After Billing:	56,962

Section 2 – Current Year Reserve Account Activity

5. Plus Interest Earned This Year on Reserve:

Description	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
Interest Earned	2,509		2,509

6. Less Transfers to Contracts from Reserve:

2024–25 Contract No.	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
			0
			0
			0
Total Transferred to Contracts	0	0	0

7. Ending Balance:

Description	Column A per CPARIS	Column B Audit Adjustments	Column C Total per Audit
Ending Balance on June 30, 2025	59,471	0	59,471

COMMENTS – If necessary, attach additional sheets to explain adjustments.