

Hively

Financial Statements
and Single Audit Reports and Schedules
and State Childcare Development Reports

June 30, 2021
(With Comparative Totals for 2020)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Hively
Pleasanton, California

We have audited the accompanying financial statements of Hively (a California nonprofit corporation) (the "Agency"), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Hively as of June 30, 2021, 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.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Agency adopted ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), effective July 1, 2020. Our opinion is not modified with respect to that matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information, such as the *Schedule of Expenditures of Federal and State Awards*, as required by *Uniform Grants Guidance, Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Subpart F, and the additional supplementary information on pages 30 - 68 required by the *Audit Guide* issued by the California Department of Education and the California Department of Social Services, 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 15, 2021, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Hively's 2020 financial statements, and our report dated February 15, 2021 expressed an unmodified opinion on those audited financial statements. As part of our audit of the 2021 financial statements, we also audited the adjustments to the 2020 financial statements to apply the change in accounting principle discussed above. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, adjusted for the change in accounting principle discussed above, is consistent, in all material respects, with the audited financial statements from which it has been derived. Also, in our opinion, such adjustments are appropriate and have been properly applied.



Armanino^{LLP}
San Francisco, California

December 15, 2021

Hively
Statement of Financial Position
June 30, 2021
(With Comparative Totals for 2020)

	<u>2021</u>	<u>2020</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 3,555,429	\$ 4,279,777
Restricted cash	28,404	28,279
Grants receivable	2,352,742	1,631,378
Other accounts receivable	-	11,550
Contributions receivable	36,480	36,480
Prepaid expenses	135,399	74,942
Total current assets	<u>6,108,454</u>	<u>6,062,406</u>
Noncurrent assets		
Contributions receivable, net of current portion	437,760	474,240
Property and equipment, net	33,875	51,191
Deposits	43,785	38,613
Total noncurrent assets	<u>515,420</u>	<u>564,044</u>
Total assets	<u>\$ 6,623,874</u>	<u>\$ 6,626,450</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 1,652,011	\$ 1,542,649
Accrued expenses	527,402	457,073
Contract advances	274,806	475,846
CDE reserve	28,304	28,279
Note payable - PPP	-	403,894
Total current liabilities	<u>2,482,523</u>	<u>2,907,741</u>
Long-term liabilities		
Deferred rent	7,565	21,279
Contract advance	1,400,000	1,400,000
Total long-term liabilities	<u>1,407,565</u>	<u>1,421,279</u>
Total liabilities	<u>3,890,088</u>	<u>4,329,020</u>
Net assets		
Without donor restrictions	1,932,679	1,248,589
With donor restrictions	801,107	1,048,841
Total net assets	<u>2,733,786</u>	<u>2,297,430</u>
Total liabilities and net assets	<u>\$ 6,623,874</u>	<u>\$ 6,626,450</u>

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

Hively
Statement of Activities
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Support and revenue				
Contract revenue	\$ 20,108,344	\$ -	\$ 20,108,344	\$ 19,340,659
Parent fees	1,076,134	-	1,076,134	250,766
Contributions	185,625	-	185,625	187,739
In-kind contributions	925,166	-	925,166	809,388
Program service fees	25,015	-	25,015	35,170
Interest income	6,687	-	6,687	8,399
Other income	693,866	-	693,866	38,156
Gain from acquisition	-	-	-	391,757
Net assets released from restriction	247,734	(247,734)	-	-
Total support and revenue	<u>23,268,571</u>	<u>(247,734)</u>	<u>23,020,837</u>	<u>21,062,034</u>
Functional expenses				
Program services				
Child care subsidies	18,748,434	-	18,748,434	16,619,016
Resource and referral	427,997	-	427,997	191,531
General and others	1,466,476	-	1,466,476	947,031
Mental health	353,614	-	353,614	382,123
Total program services	<u>20,996,521</u>	<u>-</u>	<u>20,996,521</u>	<u>18,139,701</u>
Support services				
Management and general	1,587,960	-	1,587,960	1,774,433
Total support services	<u>1,587,960</u>	<u>-</u>	<u>1,587,960</u>	<u>1,774,433</u>
Total functional expenses	<u>22,584,481</u>	<u>-</u>	<u>22,584,481</u>	<u>19,914,134</u>
Change in net assets	684,090	(247,734)	436,356	1,147,900
Net assets, beginning of year	<u>1,248,589</u>	<u>1,048,841</u>	<u>2,297,430</u>	<u>1,149,530</u>
Net assets, end of year	<u>\$ 1,932,679</u>	<u>\$ 801,107</u>	<u>\$ 2,733,786</u>	<u>\$ 2,297,430</u>

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

Hively
Statement of Functional Expenses
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	Program Services						2021	2020
	Child Care Subsidies	Resource and Referral	General and Others	Mental Health	Total Program Services	Management and General	Total	Total
Personnel expenses								
Salaries and wages	\$ 994,953	\$ 101,334	\$ 201,161	\$ 252,826	\$ 1,550,274	\$ 962,533	\$ 2,512,807	\$ 2,310,032
Payroll taxes	71,837	14,976	15,137	14,601	116,551	67,981	184,532	165,204
Employee benefits	189,335	39,472	39,896	2,400	271,103	143,389	414,492	432,561
Total personnel expenses	1,256,125	155,782	256,194	269,827	1,937,928	1,173,903	3,111,831	2,907,797
Provider payments	15,868,691	-	-	-	15,868,691	-	15,868,691	14,672,709
Rent	267,025	33,842	3,127	36,982	340,976	61,805	402,781	603,241
Professional and contract services	149,671	2,295	5,897	47	157,910	178,278	336,188	304,039
In-kind expenses	925,166	-	-	-	925,166	-	925,166	262,188
Supplies	143,528	210,104	1,146,597	14,522	1,514,751	72,201	1,586,952	807,398
Staff development and training	229	-	37,735	-	37,964	27,178	65,142	112,731
Depreciation and amortization	455	-	-	3,191	3,646	13,670	17,316	33,624
Other expenses	18,984	8,162	7,116	9,588	43,850	34,734	78,584	64,250
Telephone	48,529	12,178	91	8,247	69,045	18,723	87,768	49,075
Postage	6,829	619	2,613	950	11,011	445	11,456	9,540
Insurance	27,034	247	-	375	27,656	-	27,656	24,626
Travel	4,058	4,768	1,332	129	10,287	5,531	15,818	17,393
Repairs and maintenance	32,110	-	-	9,756	41,866	1,492	43,358	27,781
Provider training and reimbursement	-	-	5,774	-	5,774	-	5,774	17,562
Printing and duplication	-	-	-	-	-	-	-	180
	<u>\$ 18,748,434</u>	<u>\$ 427,997</u>	<u>\$ 1,466,476</u>	<u>\$ 353,614</u>	<u>\$ 20,996,521</u>	<u>\$ 1,587,960</u>	<u>\$ 22,584,481</u>	<u>\$ 19,914,134</u>

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

Hively
Statement of Cash Flows
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 436,356	\$ 1,147,900
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	17,316	33,624
Paycheck Protection Program loan forgiveness	(403,894)	-
Changes in operating assets and liabilities		
Contributions and grants receivable	(684,884)	(318,285)
Other accounts receivable	11,550	41,084
Prepaid expenses	(60,457)	24,836
Deposits	(5,172)	11,887
Accounts payable	109,362	95,901
Accrued expenses	70,329	220,808
Contract advances	(201,040)	(949,397)
CDE reserve	25	3,294
Deferred rent	(13,714)	-
Net cash provided by (used in) operating activities	<u>(724,223)</u>	<u>311,652</u>
Cash flows from investing activities		
Purchase of property and equipment	-	(33,625)
Net cash provided by (used in) investing activities	<u>-</u>	<u>(33,625)</u>
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loan	-	403,894
Proceeds from contract advance	-	1,400,000
Net cash provided by financing activities	<u>-</u>	<u>1,803,894</u>
Net increase (decrease) in cash	(724,223)	2,081,921
Cash, cash equivalents and restricted cash, beginning of year	<u>4,308,056</u>	<u>2,226,135</u>
Cash, cash equivalents and restricted cash, end of year	<u><u>\$ 3,583,833</u></u>	<u><u>\$ 4,308,056</u></u>
Cash, cash equivalents and restricted cash consisted of the following:		
Cash and cash equivalents	\$ 3,555,429	\$ 4,279,777
Restricted cash	<u>28,404</u>	<u>28,279</u>
	<u><u>\$ 3,583,833</u></u>	<u><u>\$ 4,308,056</u></u>

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

Hively
Notes to Financial Statements
June 30, 2021

1. NATURE OF OPERATIONS

Hively (the "Agency") is a nonprofit public benefit corporation established in 1976 under the laws of California. The Agency was originally incorporated as Freis and Miller Educational Child Care Programs, Inc. In June 2019, the Agency changed its name from Child Care Links to Hively. The Agency receives primarily all support from government agencies. Hively offers the following services to residents of Alameda County:

- A coordinating agency for services that strengthen and support children and their families.
- An advocate for quality child care.
- A consultant to government and business to plan child care programs.

The Agency has the following programs:

- *Child Care Subsidies* - These programs provide child care subsidies for parents who qualify for services under terms of Agency agreements with the California Department of Education ("CDE") and Alameda County Social Services Agency California Work Opportunity Responsibility to Kids Program ("CalWORKs"). The Agency determines program eligibility, provides support services, collects parent fees and processes payments to child care providers. The CalWORKs program provides child care subsidies to employed parents and/or parents enrolled in job training programs whose eligibility may be determined by the related public agency. The CDE programs provide child care subsidies to low-income parents who are employed, looking for work or pursuing educational goals.
- *Resource and Referral* - These programs provide child care referrals, information and assistance on choosing child care, and access to community resources for parents/guardians. Technical assistance and free professional development opportunities are available for child care providers on topics such as, social-emotional development, health and safety, curriculum and environment planning and inclusion.

Support for these programs are provided through contracts with CDE, Alameda County First Five Commission, private sources, and the cities of Pleasanton and Dublin. The city contracts and First 5 Alameda County funds the development and documentation of child care data and training for local Child Care Providers and parents/guardians.

- *Behavioral Health Care Programs* - The Agency offers a variety of behavioral health care services and supports, including individual, family and group therapy; parent education and support groups; trauma-informed care training for mental health professionals, child care providers and other educators; and, family strengthening resources.

Hively
Notes to Financial Statements
June 30, 2021

1. NATURE OF OPERATIONS (continued)

- *General and other programs* - The Agency offers various other programs that promote development of healthy, happy children and strong, well-resourced families. The Agency provides training, technical assistance and support to child care providers including assistance for paying licensing related fees, support to address barriers faced by children with special needs and assisting child care sites improve their quality in the areas of health and safety, learning opportunities for children, program structure, and relationships with children, families and staff. In addition, the Agency actively seeks support and grants to support the operation of a community closet; making gently used clothing and household goods available to needy families, as well as a diaper pantry that distributes approximately 5,000 diapers a week to underserved families in Alameda County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The financial statements of the Agency have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to non-profit organizations. Accordingly, net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Net assets and changes therein are classified as follows:

- *Net assets without donor restrictions* - net assets available for use in general operations and not subject to donor-imposed stipulations.
- *Net assets with donor restrictions* - net assets subject to donor-imposed stipulations that may or will be met by the actions of the Agency and/or the passage of time and those net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the Agency.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purposes has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Hively
Notes to Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting principle

In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ASU 2014-09, Revenue from Contracts with Customers (Topic 606). The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity is expected to be entitled for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, it is possible more judgment and estimates may be required within the revenue recognition process than required under existing U.S. GAAP, including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each performance obligation. Revenue from contributions and investment income are not impacted by this new standard.

The Agency adopted ASU 2014-09 with a date of the initial application of July 1, 2020, using the modified prospective method. The Agency has evaluated the new guidance and determined that the adoption of ASU 2014-09 did not have a material impact on its financial statements.

Cash and cash equivalents

The Agency considers all highly liquid investments with original maturities of three months or less to be cash equivalents. At June 30, 2021, the Agency did not have any cash equivalents. The Agency places its cash and temporary investments with high credit quality institutions. Periodically, such investments may be in excess of federally insured limits.

Restricted cash

Restricted cash as of June 30, 2021 amounted to \$28,404 and mainly consists of those funds held in reserve until they are either appropriately spent on a child development program or returned to the California Department of Education.

Grants and other accounts receivables

Grants and other accounts receivables represent billed and uncollected service revenues provided under government and private company contracts. Receivables are stated at the amount management expects to collect from outstanding balances. Management has established an allowance for doubtful receivables based on prior collection experience and aging status of outstanding receivables. At June 30, 2021, there was no allowance for doubtful receivables.

Hively
Notes to Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment purchased by the Agency are recorded at cost. Contributions of property and equipment are recorded at their estimated fair value. Property and equipment purchased in connection with certain restricted grant funds are expensed during the grant period, as required by the funding terms and conditions. The Agency capitalizes all acquisitions of property and equipment with a cost or value in excess of \$5,000 and an estimated useful life in excess of one year. Depreciation and amortization is provided on a straight-line basis over the lesser of the estimated useful lives of the respective assets, ranging from three to five years, or their applicable lease term.

The Agency reviews long-lived tangible assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable. Impairment is recognized if the fair value of the asset is less than the carrying value. When an impairment loss is recognized, the asset's carrying value is reduced to its estimated fair value. There were no impairments at June 30, 2021.

Accrued vacation

Accrued vacation represents vacation earned, but not taken as of June 30, 2021, and is included in accrued expenses in the accompanying statement of financial position. The accrued vacation balance as of June 30, 2021 was \$190,784.

Contract advance

The Agency recognizes advance payments from its contracts as a contract advance. The contract advance balance of \$1,400,000 at June 30, 2021 represents an advance payment of \$1,400,000 received in July 2019 from a government funding agency to provide working funds. The funds are to be returned to the funding agency not later than 51 days after the end of the 36-month contract term ending June 30, 2022.

Revenue recognition

The Agency receives its support from government grants and contracts administered through the U.S. Department of Health and Human Services, the State of California Department of Education, Child Development Division, and the County of Alameda, and from donor contributions, parent fees, and other income.

Hively
Notes to Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Contributions and promises to give are reported as net assets without donor restrictions or net assets with donor restrictions. Contributions, including unconditional promises to give, are recognized as revenues in the period the promise is received. Conditional promises to give are not recognized until they become unconditional; that is when the barrier has been overcome and right of release/right of return no longer exists. Contributions that are promised in one year but are not expected to be collected until after the end of that year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of any such discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for doubtful contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution, and current aging of contributions receivable. Contributions receivable at June 30, 2021 amounted to \$474,240 and consists of contributed use of office space. Management did not consider an allowance for doubtful contributions to be necessary at June 30, 2021.

A portion of the Agency's revenue is derived from cost-reimbursable contracts from governmental agencies, which are conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. The revenue generated from these contracts meets the criteria to be classified as conditional contributions under GAAP revenue recognition as they contain barriers related to the incurrence of qualifying expenditures and a right of return or release. Amounts received are recognized as revenues when the Agency has incurred expenditures in compliance with specific contract or grant provisions. The Agency has elected a simultaneous release option to accounts for these grants. Therefore, they are recorded as government grants without donor restriction upon satisfaction of the barriers. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statements of financial position. The Agency has been awarded cost-reimbursable grants of \$23,013,772 that have not been recognized at June 30, 2021 because qualifying expenditures have not yet been incurred, with an advance payment of \$274,806 recognized in the statement of financial position as deferred revenue.

Revenues from parent fees and other income are recognized as services are delivered and at the amounts the Agency expects to be entitled for the delivery of those services.

Advertising costs

The Agency's policy is to expense advertising costs as the costs are incurred. Advertising costs for the year ended June 30, 2021 totaled \$14,779.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Hively
Notes to Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional allocation of expenses (continued)

Direct identification of specific expenses is the Agency's preferred method of charging expenses to various functions. The Agency has a number of expenses which relate to more than one program or supporting activity, or to a combination of programs and supporting activities. Expenses are allocated by management among programs and supporting services based on salary expense, staff time, square footage, direct charges or actual children served by program.

Income tax status

The Agency is exempt from taxation under Internal Revenue Code Section 501(c)(3) and California Revenue and Taxation Code Section 23701(d). Continuance of such exemption is subject to compliance with regulations and review of the activities by taxing authorities. The Agency is not aware of any transactions that would affect its tax-exempt status.

Generally accepted accounting principles provide accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. Management has considered its tax positions and believes that all of the positions taken by the Agency in its federal and state exempt organization tax returns are more likely than not to be sustained upon examination. The Agency's tax returns are subject to examination by federal and state taxing authorities, generally for three and four years, respectively, after they are filed.

The Agency follows the accounting guidance for uncertain tax positions. Management determined that there are no uncertain positions as of June 30, 2021.

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual events and results could differ from those assumptions and estimates.

Use of estimates include, but are not limited to, accounting for allowances for doubtful accounts, depreciation and amortization expenses, and functional allocation of expenses.

Comparative financial information

The financial statements include certain prior-year summarized comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Agency's financial statements for the year ended June 30, 2020, from which the summarized information was derived.

Hively
Notes to Financial Statements
June 30, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Subsequent events

The Agency has evaluated subsequent events through December 15, 2021, the date the financial statements were available to be issued. No subsequent events have occurred that would have a material impact on the presentation of the Agency's financial statements.

3. PROPERTY AND EQUIPMENT, NET

Property and equipment, net consisted of the following:

Office equipment	\$ 199,770
Furniture and fixtures	112,401
Leasehold improvements	83,460
Software	<u>20,280</u>
	415,911
Accumulated depreciation and amortization	<u>(382,036)</u>
	<u><u>\$ 33,875</u></u>

Federal and state grantors retain a reversionary interest in assets purchased with governmental grant or contract funds. The title to such assets vests in the Agency only for the period of time during which the Agency has a contract with these entities.

Depreciation and amortization expense for the year ended June 30, 2021 was \$17,316.

4. CDE RESERVE

Child development contractors with the California Department of Education ("CDE") are allowed to maintain a reserve account from earned but unexpended child development contract funds. The funds can be expended only by direct service child development programs that are funded under contract with the CDE.

In accordance with the stipulations of the Education Code, the Agency maintains its reserve accounts in interest-bearing funds, and all interest earned is recorded in the appropriate reserve funds. Upon termination of all child development contracts between the Agency and the CDE, reserve fund balances must be returned to the CDE and/or the California Department of Social Services.

The balances at June 30, 2021 in the Alternative Payment and Resource and Referral programs were \$22,347 and \$5,957, respectively.

Hively
Notes to Financial Statements
June 30, 2021

5. LINES OF CREDIT

In June 2021, the Agency renewed the line of credit agreement with United Business Bank to borrow up to \$400,000. The line of credit, which expires in March 2023, bears interest at the Wall Street Journal Prime plus 2.0% per annum.

There was no balance outstanding on the line of credit at June 30, 2021.

6. COMMITMENTS AND CONTINGENCIES

Commitments

The Agency leases various facilities and equipment under operating leases with various terms.

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

<u>Year ending June 30,</u>	
2022	\$ 179,966
2023	181,055
2024	26,376
2025	<u>4,396</u>
	<u>\$ 391,793</u>

Rent expense for the year ended June 30, 2021 amounted to \$402,781.

Contingencies

The Agency has determined that it owes FICA payroll taxes for bonuses that were paid during prior years. The Agency has accrued approximately \$118,000 for this liability as of June 30, 2021. The estimate of the accrued FICA payroll taxes does not include any potential penalties as it is uncertain as this time whether any penalties will be levied. Actual settlement amounts may differ from the amount accrued.

7. PENSION PLAN

The Agency sponsors a Simplified Employee Pension Plan (the "Plan"). This defined contribution plan provides for retirement benefits based on the actual value of contributions at the time of retirement. Contributions are discretionary, but when made must be given to all eligible employees at the same percentage of total compensation for the month. During the year ended June 30, 2021, the Agency contributed \$125,273 to the Plan.

Hively
Notes to Financial Statements
June 30, 2021

8. COST ALLOCATION PLAN

The Agency allocates all costs based on a method which best represents the benefits received and/or costs expensed. Accordingly, the Agency uses several standard methods of expense allocation:

Direct Cost Pool

- *Direct Charge* - Not a shared cost. All actual costs are directly identified with and charged to the program.
- *Staff Time* - Shared cost. Actual costs are allocated to each program based upon the total actual staff time spent on each program.
- *Square Footage* - Shared cost. Actual costs are allocated based upon the percentage of total actual square footage used by each program.
- *Number Served* - Shared cost. Actual costs are allocated to each program based upon the percentage of total actual children served by the program.

Alternative Payment Program

Shared costs for the Alternative Payment Program are allocated using the "Staff Time" method of allocation. Actual time spent in the individual contracts is used to allocate each month's shared expenditures such as salaries, shared supplies, and other operating expenses.

Resource and Referral Program

Shared costs for this Program are allocated using the "Staff Time" method of allocation.

9. LIQUIDITY AND FUNDS AVAILABLE

As part of the Agency's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To meet liquidity needs, the Agency has cash and cash equivalents, grants receivable and other accounts receivable available.

Hively
Notes to Financial Statements
June 30, 2021

9. LIQUIDITY AND FUNDS AVAILABLE (continued)

The following is a quantitative disclosure which describes assets that are available within one year of June 30, 2021 to fund general expenditures and other obligations when they become due:

Financial assets	
Cash and cash equivalents	\$ 3,555,429
Contributions and grants receivable	2,389,222
Contributions and grants receivable, net of current portion	<u>437,760</u>
	<u>6,382,411</u>
Less: amounts unavailable for general expenditures within one year	
Net assets with donor restrictions	(801,107)
Deposit related to the CalWORKs contract	<u>(1,400,000)</u>
	<u>(2,201,107)</u>
	<u><u>\$ 4,181,304</u></u>

In the event of an unanticipated liquidity need, the Agency may draw upon its \$400,000 available line of credit. See Note 5 for further description of the line of credit.

10. ASSET PURCHASE AGREEMENT

The Agency entered into an Asset Purchase Agreement (the "Agreement") with Family Services of San Leandro ("FSSL"), a California nonprofit corporation, with an effective date of July 1, 2019. As part of the Agreement, the Agency acquired certain assets and assumed certain liabilities of FSSL. The net assets acquired amounted to \$391,757. Pursuant to the Agreement, the assets acquired from FSSL must be used only for the purpose of conducting psychotherapy for families, individuals and couples.

As part of the Agreement, an office lease between FSSL and the City of San Leandro (the "City") was assigned to and assumed by the Agency. The lease calls for annual lease payments of \$100 and expires on June 30, 2034. The Agency determined the fair value of the lease to be \$36,480 per annum and recognized an in-kind contribution of \$547,200 for the remaining term of the lease.

11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Family Services of San Leandro	\$ 326,867
In-kind lease	<u>474,240</u>
	<u><u>\$ 801,107</u></u>

Hively
Notes to Financial Statements
June 30, 2021

11. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions released from restriction during the year were as follows:

Cleaning and Supplies for Childcare Providers	\$ 211,254
In-kind lease	<u>36,480</u>
	<u><u>\$ 247,734</u></u>

12. LOAN PAYABLE - PAYCHECK PROTECTION PROGRAM (PPP)

In April 2020, the Agency received loan proceeds in the amount of \$403,894 from a promissory note issued by United Business Bank, under the Paycheck Protection Program ("PPP"). Established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), the PPP provides for loans to qualifying businesses in amounts up to 2.5 times the business's average monthly payroll expenses. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loans granted under PPP. Such forgiveness will be determined based on the use of the loan proceeds for payroll costs, rent and utility expenses and the maintenance of workforce and compensation levels with certain limitations.

In March 2021, the Agency received notification that the Small Business Administration issued the forgiveness decision to forgive the entire \$403,894 principal loan amount and accrued interest of \$3,408. The gain on PPP loan forgiveness is recognized as part of other income on the Statement of Activities.

13. RISKS AND UNCERTAINTIES

On March 11, 2020, the World Health Organization declared a novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders, including California, where the Agency is headquartered. In response, the U.S. Government enacted the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which includes significant provisions to provide relief and assistance to affected organizations. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders and the ultimate impact of the CARES Act and other governmental initiatives. It is at least reasonably possible that this matter will negatively impact the Agency curtailing the ability to perform in person services required for its operations. However, the financial impact and duration cannot be reasonably estimated at this time.

SINGLE AUDIT REPORTS AND SCHEDULES

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

To the Board of Directors
Hively
Pleasanton, 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 Hively (a California nonprofit corporation) (the "Agency"), which comprise the statement of financial position as of June 30, 2021, 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 15, 2021.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Armanino LLP". The signature is fluid and cursive, with the letters "Armanino" and "LLP" clearly distinguishable.

Armanino^{LLP}
San Francisco, California

December 15, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

To the Board of Directors
Hively
Pleasanton, California

Report on Compliance for Each Major Federal Program

We have audited Hively (a California nonprofit corporation) (the "Agency")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2021. The Agency's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Agency's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on Each Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies.

We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Armanino^{LLP}
San Francisco, California

December 15, 2021

Hively
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
<u>Expenditures of Federal Awards</u>			
U.S. Department of Health and Human Services			
CCDF Cluster			
Child Care and Development Block Grant			
Pass-through program from the State of California:			
Child Care and Development Block Grant, Stage 3	93.575	C3AP-0002	\$ 1,518,735
Child Care and Development Fund Alternative Payment	93.575	CAPP-0004	2,788,609
Child Care and Development Block Grant, Stage 2	93.575	C2AP-0001	372,358
Child Care and Development Block Grant	93.575	CRRP-0002	31,463
Child Care Initiative Project	93.575	CCIP-0001	14,689
Child Care and Development Block Grant Health and Safety Training	93.575	CHST-0001	5,492
Total Child Care and Development Block Grant			<u>4,731,346</u>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund			
Pass-through from the State of California			
Child Care and Development Fund Alternative Payment	93.596	CAPP-0004	2,390,835
Child Care and Development Fund, State 3	93.596	C3AP-0002	137,214
			<u>2,528,049</u>
Pass-through program from the County of Alameda:			
Child Care and Development Fund Alternative Payment	93.596	CAPP-9000	299,739
Total Child Care Mandatory and Matching Funds of the Child Care and Development Fund			<u>2,827,788</u>
Total CCDF Cluster			<u>7,559,134</u>
Temporary Assistance for Needy Families			
Pass-through from the State of California:			
Child Care and Development Fund Alternative Payment	93.558	18418	7,227,682
Pass-through program from:			
Total Temporary Assistance for Needy Families			<u>7,227,682</u>
Child Care Allowance Program	93.658	FCCCAP 2017- 2020	78,347
Total Foster Care _Title IV-E			<u>78,347</u>
Total U.S. Department of Health and Human Services			<u>14,865,163</u>
Total Expenditures of Federal Awards			<u>14,865,163</u>

The accompanying notes to the Schedule of Expenditures of Federal and State Awards
are an integral part of this schedule.

Hively
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Total Expenditures
<u>Expenditures of State Awards</u>			
State of California			
California Department of Education - Child Development			
Alternative payment, State portion		CAPP-0004	1,496,506
Contingency funding, Stage 2		C2AP-0001	600,146
Stipend funding			718,421
Contingency funding, Stage 3		C3AP-0002	1,168,914
Resource and Referral - general, State portion		CRRP-0002	187,630
			<u>4,171,617</u>
Pass-through from the County of Alameda:			
Alternative payment general		CAPP-9000	120,525
		FCCCAP 2017-	
Child Care Allowance Program		2020	78,346
CalWORKs Stage 1, state portion		18418	305,741
			<u>504,612</u>
Pass-through from First 5 Alameda County:			
		PI-ECE-1820-	
Family, Friend and Neighbor (FFN) Pilot Program		223	234,682
			<u>234,682</u>
 Total State of California			 <u>4,910,911</u>
 Total Expenditures of State Awards			 <u>4,910,911</u>
 Total Expenditures of Federal and State Awards			 <u>\$ 19,776,074</u>

The accompanying notes to the Schedule of Expenditures of Federal and State Awards
are an integral part of this schedule.

Hively
Notes to Schedule of Expenditures of Federal and State Awards
June 30, 2021

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state award activity of Hively (the "Agency") under programs of the federal government and State of California for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the California Department of Education. Because the Schedule presents only a selected portion of the operations of the Agency, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Agency.

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 the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COST RATE

The Agency has elected to not use the 10% de minimis indirect cost rate for federal awards. The Agency applies indirect costs in accordance with the specific terms of its federal award agreements.

Hively
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	

<u>Name of Federal Program or Cluster</u>	<u>Assistance Listing Number</u>
Temporary Assistance for Needy Families	93.558
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Hively
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.

Hively
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2021

There were no prior year findings.

SUPPORTING SCHEDULES REQUIRED BY THE CALIFORNIA DEPARTMENT OF EDUCATION
AND THE CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

Hively
General Information
For the Year Ended June 30, 2021

Center Name	Hively
Contract Numbers	CAPP-9002 CAPP-0004 C2AP-0001 C3AP-0002 CHST-0001 CRRP-0002 CCIP-0001
Type of Agency	California Nonprofit Public Benefit Corporation
Address	Agency: 6601 Owens Drive, Suite 100 Pleasanton, CA 94588
Name of Executive Director	Kelly O'Lague Dulka
Audit Period	For the year ended June 30, 2021
Number of Operations Days of Agency	246
Scheduled Daily Hours of Operation	Varies

Hively
Operating Programs - Schedule of Financial Position
June 30, 2021

ASSETS

	<u>Child Care Subsidy Programs</u>		<u>CDE</u>					
	<u>CDE Programs</u>	<u>County of Alameda Programs</u>	<u>Resource and Referral Programs</u>	<u>Other Programs</u>	<u>Mental Health</u>	<u>General Programs</u>	<u>Eliminating Entries</u>	<u>Total</u>
Current assets								
Cash and cash equivalents	\$ 1,563,916	\$ 2,406,338	\$ 135,271	\$ 504,604	\$ 200,836	\$ (1,255,536)	\$ -	\$ 3,555,429
Restricted cash	22,347	-	5,957	-	-	100	-	28,404
Accounts receivable								
Grant	349,475	1,397,583	187,031	334,872	95,944	(12,163)	-	2,352,742
Contributions	-	-	-	-	36,480	-	-	36,480
Interfund receivables	8,280,292	949,345	29,199	125,922	103,753	4,509,194	(13,997,705)	-
Prepaid expenses	-	-	-	-	-	135,399	-	135,399
Total current assets	<u>10,216,030</u>	<u>4,753,266</u>	<u>357,458</u>	<u>965,398</u>	<u>437,013</u>	<u>3,376,994</u>	<u>(13,997,705)</u>	<u>6,108,454</u>
Contributions receivable	-	-	-	-	437,760	-	-	437,760
Property and equipment, net	1,855	21,678	1,000	-	9,342	-	-	33,875
Deposits	-	-	-	-	-	43,785	-	43,785
Total	<u>1,855</u>	<u>21,678</u>	<u>1,000</u>	<u>-</u>	<u>447,102</u>	<u>43,785</u>	<u>-</u>	<u>515,420</u>
 Total assets	 <u>\$ 10,217,885</u>	 <u>\$ 4,774,944</u>	 <u>\$ 358,458</u>	 <u>\$ 965,398</u>	 <u>\$ 884,115</u>	 <u>\$ 3,420,779</u>	 <u>\$ (13,997,705)</u>	 <u>\$ 6,623,874</u>

LIABILITIES AND NET ASSETS

Current liabilities								
Accounts payable	\$ 1,069,876	\$ 483,606	\$ 6,580	\$ 26,532	\$ 2,118	\$ 63,299	\$ -	\$ 1,652,011
Accrued expenses	375,291	299,495	40,385	27,314	54,498	(269,581)	-	527,402
Interfund payables	8,690,270	2,360,262	181,489	811,433	26,392	1,927,859	(13,997,705)	-
Contract advances	66,526	-	122,824	85,456	-	-	-	274,806
CDE reserve	22,347	-	5,957	-	-	-	-	28,304
Total current liabilities	<u>10,224,310</u>	<u>3,143,363</u>	<u>357,235</u>	<u>950,735</u>	<u>83,008</u>	<u>1,721,577</u>	<u>(13,997,705)</u>	<u>2,482,523</u>
Deferred rent	-	-	-	-	-	7,565	-	7,565
Contract advance	-	1,400,000	-	-	-	-	-	1,400,000
Total liabilities	<u>10,224,310</u>	<u>4,543,363</u>	<u>357,235</u>	<u>950,735</u>	<u>83,008</u>	<u>1,729,142</u>	<u>(13,997,705)</u>	<u>3,890,088</u>
Total net assets - operations	<u>(6,425)</u>	<u>231,581</u>	<u>1,223</u>	<u>14,663</u>	<u>801,107</u>	<u>1,691,637</u>	<u>-</u>	<u>2,733,786</u>
 Total liabilities and net assets	 <u>\$ 10,217,885</u>	 <u>\$ 4,774,944</u>	 <u>\$ 358,458</u>	 <u>\$ 965,398</u>	 <u>\$ 884,115</u>	 <u>\$ 3,420,779</u>	 <u>\$ (13,997,705)</u>	 <u>\$ 6,623,874</u>

Hively
Operating Programs - Schedule of Activities and Changes in Net Assets
For the Year Ended June 30, 2021

	CDE Programs	County of Alameda	CDE Resource and Referral Programs	Other Programs	Mental Health	General Programs	Total
Support and revenue							
Contract revenue	\$10,473,317	\$ 8,110,380	\$ 244,280	\$ 917,472	\$ 307,895	\$ 55,000	\$ 20,108,344
Parent fees	662,864	11,688	-	-	-	401,582	1,076,134
Contributions	-	-	-	-	-	185,625	185,625
In-kind revenue	-	-	-	-	-	925,166	925,166
Program service fees	-	-	-	-	25,015	-	25,015
Interest	3,115	1,929	83	-	34	1,526	6,687
Other revenue	(55)	-	39	362,144	50,700	281,038	693,866
Total support and revenue	<u>11,139,241</u>	<u>8,123,997</u>	<u>244,402</u>	<u>1,279,616</u>	<u>383,644</u>	<u>1,849,937</u>	<u>23,020,837</u>
Expenditures							
Provider payments	9,469,155	6,395,017	-	-	-	4,519	15,868,691
Certified salaries	378,111	583,792	109,764	185,111	252,826	52,484	1,562,088
Classified salaries	561,918	352,034	-	-	28,259	8,507	950,718
Employee benefits	201,085	269,812	29,498	43,537	52,831	2,262	599,025
Books and supplies	116,587	65,891	26,694	1,190,477	15,472	159,406	1,574,527
Service and other operating expense	412,385	457,451	78,446	62,760	67,544	8,364	1,086,950
In kind expenses	-	-	-	-	-	925,166	925,166
Depreciation	-	-	-	-	3,191	14,125	17,316
Total expenditures	<u>11,139,241</u>	<u>8,123,997</u>	<u>244,402</u>	<u>1,481,885</u>	<u>420,123</u>	<u>1,174,833</u>	<u>22,584,481</u>
Changes in net assets	-	-	-	(202,269)	(36,479)	675,104	436,356
Net assets, beginning of year	<u>(6,425)</u>	<u>231,581</u>	<u>1,223</u>	<u>216,932</u>	<u>837,586</u>	<u>1,016,533</u>	<u>2,297,430</u>
Net assets, end of year	<u><u>\$ (6,425)</u></u>	<u><u>\$ 231,581</u></u>	<u><u>\$ 1,223</u></u>	<u><u>\$ 14,663</u></u>	<u><u>\$ 801,107</u></u>	<u><u>\$ 1,691,637</u></u>	<u><u>\$ 2,733,786</u></u>

Hively
Combining Schedule of Activities - County of Alameda Programs
For the Year Ended June 30, 2021

	Alameda County CAPP-9000	Alameda County FCCCAP	Alameda County CDSS Stage 1	Combining Schedule of County of Alameda Programs
Support and revenue				
State of California	\$ 420,264	\$ -	\$ -	\$ 420,264
County of Alameda	-	156,693	7,533,423	7,690,116
Parent fees	42,832	-	(31,144)	11,688
Interest income	<u>37</u>	<u>-</u>	<u>1,892</u>	<u>1,929</u>
Total support and revenue	<u>463,133</u>	<u>156,693</u>	<u>7,504,171</u>	<u>8,123,997</u>
Expenditures				
Provider payments	405,353	99,149	5,890,515	6,395,017
Certified salaries	21,194	29,658	532,940	583,792
Classified salaries	13,528	11,800	326,706	352,034
Employee benefits	7,801	10,947	251,064	269,812
Books and supplies	2,664	2,277	60,950	65,891
Service and other operating expense	<u>12,593</u>	<u>2,862</u>	<u>441,996</u>	<u>457,451</u>
Total expenditures	<u>463,133</u>	<u>156,693</u>	<u>7,504,171</u>	<u>8,123,997</u>
Change in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hively
Combining Schedule of Activities - Alternative Payment Program
For the Year Ended June 30, 2021

	General CAPP-9002	General CAPP-0004	CalWORKs Stage 2 C2AP-0001	CalWORKs Stage 3 Timing Out C3AP-0002	Total CDE Alternative Payment
Support and revenue					
State of California	\$ 1,698,457	\$ 4,977,493	\$ 972,504	\$ 2,824,863	\$ 10,473,317
Parent fees	124,215	414,537	24,156	99,956	662,864
Interest income	160	1,289	585	1,081	3,115
Other income	<u>(55)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(55)</u>
Total support and revenue	<u>1,822,777</u>	<u>5,393,319</u>	<u>997,245</u>	<u>2,925,900</u>	<u>11,139,241</u>
Expenditures					
Provider payments	1,571,980	4,577,821	816,491	2,502,863	9,469,155
Certified salaries	41,117	183,041	45,462	108,491	378,111
Classified salaries	60,164	301,605	44,549	155,600	561,918
Employee benefits	26,219	90,982	26,980	56,904	201,085
Books and supplies	27,150	58,026	11,967	19,444	116,587
Service and other operating expenses	<u>96,147</u>	<u>181,844</u>	<u>51,796</u>	<u>82,598</u>	<u>412,385</u>
Total expenditures	<u>1,822,777</u>	<u>5,393,319</u>	<u>997,245</u>	<u>2,925,900</u>	<u>11,139,241</u>
Change in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hively
Combining Schedule of Activities - Resource and Referral Program
For the Year Ended June 30, 2021

	Resource and Referral CRRP-0002	CCDBG Child Care Initiative Project CCIP- 0001	CCDBG Health and Safety CHST- 0001	Total CDE Resource and Referral
Support and revenue				
State of California	\$ 219,093	\$ 14,689	\$ 5,492	\$ 239,274
Matching funds	-	5,006	-	5,006
Interest income	80	3	-	83
Other income	39	-	-	39
Total support and revenue	<u>219,212</u>	<u>19,698</u>	<u>5,492</u>	<u>244,402</u>
Expenditures				
Certified salaries	101,333	8,101	330	109,764
Employee benefits	27,258	2,158	82	29,498
Books and supplies	24,953	1,591	150	26,694
Service and other operating expense	65,668	7,848	4,930	78,446
Total expenditures	<u>219,212</u>	<u>19,698</u>	<u>5,492</u>	<u>244,402</u>
Change in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Hively
Combining Schedule of Administrative Costs - CDE Programs
For the Year Ended June 30, 2021

	General Program <u>CAPP-9002</u>	General Program <u>CAPP-0004</u>	CalWORKs Stage 2 <u>C2AP-0001</u>	CalWORKs Stage 3 Timing Out <u>C3AP-0002</u>	Contract through Alameda County <u>CAPP-9000</u>	<u>Total</u>
Administrative costs						
Salaries and wages	\$ 79,011	\$ 282,758	\$ 44,549	\$ 155,600	\$ 13,528	\$ 575,446
Employee benefits	17,454	57,950	11,901	31,833	3,342	122,480
Books and supplies	6,277	23,631	5,755	8,790	1,598	46,051
Operating expenses	<u>71,281</u>	<u>79,198</u>	<u>28,486</u>	<u>43,773</u>	<u>7,605</u>	<u>230,343</u>
Total administrative costs	<u>\$ 174,023</u>	<u>\$ 443,537</u>	<u>\$ 90,691</u>	<u>\$ 239,996</u>	<u>\$ 26,073</u>	<u>\$ 974,320</u>

Hively
Schedule of Reimbursable Equipment Expenditures
For the Years Ended June 30, 2021

Equipment Expenditures:

Unit Cost Under \$5,000 Per Item

None

\$ -

Unit Cost Over \$5,000 Per Item

With Prior Written Approval

None

-

Unit Cost Over \$5,000 Per Item

Without Prior Written Approval

None

-

Total Equipment Expenditures

\$ -

Hively
Schedule of Reimbursable Renovation and Repair Expenditures
For the Years Ended June 30, 2021

Renovations and Repairs:

Unit Cost Under \$10,000 Per Item

None \$ -

Unit Cost Over \$10,000 Per Item
With Prior Written Approval

None -

Unit Cost Over \$10,000 Per Item
Without Prior Written Approval

None -

Total Renovations and Repairs \$ -

California Department of Social Services

Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

A U D 9500AP v2 Page 1 of 4

Fiscal Year End	June 30, 2021
Contract Number	CAPP0004
Vendor Code	01-0B388-00

Full Name of Contractor Hively

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)		424,794	-10,257	414,537
Waived Family Fees for Certified Children (September - June)		7,511		7,511
Family Fees (September - June) - Subtotal		432,305	-10,257	422,048
Interest Earned on Child Development Apportionment Payments		1,309	-20	1,289
Unrestricted Income - Other:				
Total Revenue		426,103	-10,277	415,826

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		4,386,246	191,575	4,577,821
1000 Certificated Salaries		207,168	-24,127	183,041
2000 Classified Salaries		323,005	-21,400	301,605
3000 Employee Benefits		109,103	-18,121	90,982
4000 Books and Supplies		68,917	-10,891	58,026
5000 Services and Other Operating Expenses		193,882	-12,038	181,844
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		5,288,321	104,998	5,393,319
Total Administrative Cost (included in Section 2 above)		418,504	25,033	443,537
Days of Operation		246		246

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor **Hively****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		432,305	-10,257	422,048
Interest Earned on Child Development Apportionment Payments		1,309	-20	1,289
Direct Payments to Providers		4,386,246	191,575	4,577,821
Total Administrative Cost		418,504	25,033	443,537
Days of Operation		246		246
Total Reimbursable Expenses		5,288,321	104,998	5,393,319

Comments:

California Department of Social Services

Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

A U D 9500AP v2 Page 1 of 4

Fiscal Year End	June 30, 2021
Contract Number	CAPP9002
Vendor Code	01-0B388-00

Full Name of Contractor Hively

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:	55	-55		0
Restricted Income - Subtotal	55	-55		0
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)	69,759	124,215		193,974
Waived Family Fees for Certified Children (September - June)				
Family Fees (September - June) - Subtotal	69,759	124,215		193,974
Interest Earned on Child Development Apportionment Payments	1,907	160		2,067
Unrestricted Income - Other:				
Total Revenue	71,721	124,320		196,041

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers	3,880,414	1,571,980		5,452,394
1000 Certificated Salaries	100,246	41,117		141,363
2000 Classified Salaries	209,443	60,164		269,607
3000 Employee Benefits	71,473	26,219		97,692
4000 Books and Supplies	100,569	27,150		127,719
5000 Services and Other Operating Expenses	279,474	96,147		375,621
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses	4,641,619	1,822,777		6,464,396
Total Administrative Cost (included in Section 2 above)	425,221	174,023		599,244
Days of Operation	246	246		492

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor **Hively****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income	55	-55		0
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)	69,759	124,215		193,974
Interest Earned on Child Development Apportionment Payments	1,907	160		2,067
Direct Payments to Providers	3,880,414	1,571,980		5,452,394
Total Administrative Cost	425,221	174,023		599,244
Days of Operation	246	246		492
Total Reimbursable Expenses	4,641,619	1,822,777		6,464,396

Comments:

California Department of Social Services

Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

A U D 9500AP v2 Page 1 of 4

Fiscal Year End	June 30, 2021
Contract Number	CAPP9000
Vendor Code	01-0B388-00

Full Name of Contractor **Hively - on behalf of Alameda County Department of Social Services**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)		42,832		42,832
Waived Family Fees for Certified Children (September - June)				
Family Fees (September - June) - Subtotal		42,832		42,832
Interest Earned on Child Development Apportionment Payments		37		37
Unrestricted Income - Other:				
Total Revenue		42,869		42,869

Full Name of Contractor **Hively - on behalf of Alameda County Department of Social Services****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		405,353		405,353
1000 Certificated Salaries		21,194		21,194
2000 Classified Salaries		13,528		13,528
3000 Employee Benefits		7,801		7,801
4000 Books and Supplies		2,664		2,664
5000 Services and Other Operating Expenses		12,593		12,593
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		463,133		463,133
Total Administrative Cost (included in Section 2 above)		26,073		26,073
Days of Operation		246		246

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor **Hively - on behalf of Alameda County Department of Social Services****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively - on behalf of Alameda County Department of Social Services

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		42,832		42,832
Interest Earned on Child Development Apportionment Payments		37		37
Direct Payments to Providers		405,353		405,353
Total Administrative Cost		26,073		26,073
Days of Operation		246		246
Total Reimbursable Expenses		463,133		463,133

Comments:

California Department of Social Services

Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

A U D 9500AP v2 Page 1 of 4

Fiscal Year End	June 30, 2021
Contract Number	C2AP0001
Vendor Code	01-0B388-00

Full Name of Contractor Hively

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)		24,156		24,156
Waived Family Fees for Certified Children (September - June)				
Family Fees (September - June) - Subtotal		24,156		24,156
Interest Earned on Child Development Apportionment Payments		585		585
Unrestricted Income - Other:				
Total Revenue		24,741		24,741

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		899,250	-82,759	816,491
1000 Certificated Salaries		44,554	908	45,462
2000 Classified Salaries		44,029	520	44,549
3000 Employee Benefits		26,814	166	26,980
4000 Books and Supplies		12,018	-51	11,967
5000 Services and Other Operating Expenses		49,270	2,526	51,796
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		1,075,935	-78,690	997,245
Total Administrative Cost (included in Section 2 above)		149,227	-58,536	90,691
Days of Operation		246		246

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor **Hively****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		24,156		24,156
Interest Earned on Child Development Apportionment Payments		585		585
Direct Payments to Providers		899,250	-82,759	816,491
Total Administrative Cost		149,227	-58,536	90,691
Days of Operation		246		246
Total Reimbursable Expenses		1,075,935	-78,690	997,245

Comments:

California Department of Social Services

Audited Fiscal Report for CalWORKs, Alternative Payment or Family Child Care Home Programs

A U D 9500AP v2 Page 1 of 4

Fiscal Year End	June 30, 2021
Contract Number	C3AP0002
Vendor Code	01-0B388-00

Full Name of Contractor Hively

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Uncashed Checks to Providers				
Restricted Income - Other:				
Restricted Income - Subtotal				
Transfer from Reserve (alternative payment only)				
Waived Family Fees for Certified Children (July - August)				
Family Fees Collected for Certified Children (September - June)		99,976	-20	99,956
Waived Family Fees for Certified Children (September - June)		9,329		9,329
Family Fees (September - June) - Subtotal		109,305	-20	109,285
Interest Earned on Child Development Apportionment Payments		1,061	20	1,081
Unrestricted Income - Other:				
Total Revenue		101,037	0	101,037

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers		2,458,000	44,863	2,502,863
1000 Certificated Salaries		105,253	3,238	108,491
2000 Classified Salaries		154,219	1,381	155,600
3000 Employee Benefits		56,409	495	56,904
4000 Books and Supplies		18,218	1,226	19,444
5000 Services and Other Operating Expenses		78,960	3,638	82,598
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		2,871,059	54,841	2,925,900
Total Administrative Cost (included in Section 2 above)		234,490	5,506	239,996
Days of Operation		246		246

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor **Hively****Section 3 - Supplemental Revenue**

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers				
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9500AP (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9500AP	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Transfer from Reserve (alternative payment only)				
Family Fees for Certified Children (September - June)		109,305	-20	109,285
Interest Earned on Child Development Apportionment Payments		1,061	20	1,081
Direct Payments to Providers		2,458,000	44,863	2,502,863
Total Administrative Cost		234,490	5,506	239,996
Days of Operation		246		246
Total Reimbursable Expenses		2,871,059	54,841	2,925,900

Comments:

California Department of Social Services

Audited Fiscal Report for

Child Development Support Contracts

A U D 9529 Page 1 of 4

Fiscal Year Ending **June 30, 2021**

Contract Number **CHST0001**

Vendor Code **01-0B388-00**

Full Name of Contractor **Hively**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Match Requirement (CCIP and CLPC only)				
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Other:				
Restricted Income - Subtotal				
Interest Earned on Child Development Apportionment Payments				
Unrestricted Income - Match Requirement (CCIP and CLPC only)				
Unrestricted Income - Other:				
Total Revenue				

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries		330		330
2000 Classified Salaries				
3000 Employee Benefits		82		82
4000 Books and Supplies		150		150
5000 Services and Other Operating Expenses		4,930		4,930
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		5,492		5,492
Total Administrative Cost (included in Section 2 above)				

Approved Indirect Cost Rate: ☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor Hively

Section 3 - Supplemental Revenue

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income				
Restricted Income - Match Requirement (CCIP and CLPC only)				
Unrestricted Income - Match Requirement				
Interest Earned on Child Development Apportionment Payments				
Total Reimbursable Expenses		5,492		5,492
Total Administrative Cost				

Comments:

California Department of Social Services
Audited Fiscal Report for
Resource and Referral Programs
A U D 2507 Page 1 of 4

Fiscal Year Ending **June 30, 2021**

Contract Number **CRRP0002**

Vendor Code **01-0B388-00**

Full Name of Contractor **Hively**

Section 1 - Revenue

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - Other:			
Restricted Income - Subtotal			
Transfer from Reserve (resource & referral only)			
Interest Earned on Child Development Apportionment Payments	55	25	80
Unrestricted Income - Other:	39		39
Total Revenue	94	25	119

Full Name of Contractor

Hively

Section 2 - Reimbursable Expenses

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries	101,333		101,333
2000 Classified Salaries			
3000 Employee Benefits	27,258		27,258
4000 Books and Supplies	24,953		24,953
5000 Services and Other Operating Expenses	65,668		65,668
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable (State use only)			
Total Reimbursable Expenses	219,212		219,212

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor

Hively

Section 3 - Supplemental Revenue

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other:			
Other:			
Total Supplemental Revenue			

Section 4 - Supplemental Expenses

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses			
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs			
Non-Reimbursable Supplemental Expenses			
Total Supplemental Expenses			

Full Name of Contractor

Hively

Section 5 - Summary

	Column A Cumulative CDNFS 2507	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income			
Transfer from Reserve			
Interest Earned on Apportionment Payments	55	25	80
Total Reimbursable Expenses	219,212		219,212

Comments:

California Department of Social Services

Audited Fiscal Report for

Child Development Support Contracts

A U D 9529 Page 1 of 4

Fiscal Year Ending **June 30, 2021**

Contract Number **CCIP0001**

Vendor Code **01-0B388-00**

Full Name of Contractor **Hively**

Section 1 - Revenue

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Match Requirement (CCIP and CLPC only)		5,006		5,006
Restricted Income - County Maintenance of Effort (EC Section 8279)				
Restricted Income - Other:				
Restricted Income - Subtotal		5,006		5,006
Interest Earned on Child Development Apportionment Payments		3		3
Unrestricted Income - Match Requirement (CCIP and CLPC only)				
Unrestricted Income - Other:				
Total Revenue		5,009		5,009

Full Name of Contractor **Hively****Section 2 - Reimbursable Expenses**

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries		8,101		8,101
2000 Classified Salaries				
3000 Employee Benefits		2,158		2,158
4000 Books and Supplies		1,591		1,591
5000 Services and Other Operating Expenses		7,848		7,848
6100/6200 Other Approved Capital Outlay				
6400 New Equipment (program-related)				
6500 Equipment Replacement (program-related)				
Depreciation or Use Allowance				
Indirect Costs (include in Total Administrative Cost)				
Non-Reimbursable (State use only)				
Total Reimbursable Expenses		19,698		19,698
Total Administrative Cost (included in Section 2 above)				

Approved Indirect Cost Rate:

☒ NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 3.

Full Name of Contractor Hively

Section 3 - Supplemental Revenue

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding				
Other:				
Other:				
Total Supplemental Revenue				

Section 4 - Supplemental Expenses

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries				
2000 Classified Salaries				
3000 Employee Benefits				
4000 Books and Supplies				
5000 Services and Other Operating Expenses				
6000 Equipment / Capital Outlay				
Depreciation or Use Allowance				
Indirect Costs				
Non-Reimbursable Supplemental Expenses				
Total Supplemental Expenses				

Full Name of Contractor

Hively

Section 5 - Summary

	Column A1 Cumulative Prior Year AUD 9529 (Multi-Year Contract Only)	Column A2 Cumulative Current Year CDNFS 9529	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Program Income		5,006		5,006
Restricted Income - Match Requirement (CCIP and CLPC only)		5,006		5,006
Unrestricted Income - Match Requirement				
Interest Earned on Child Development Apportionment Payments		3		3
Total Reimbursable Expenses		19,698		19,698
Total Administrative Cost				

Comments:

California Department of Social Services Audited Reserve Account Activity Report

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Fiscal Year End

June 30, 2021

Reserve Account Type

Alternative Payment

Vendor Code

01-0B388-00

Full Name of Contractor **Hively**

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2019-20 AUD 9530A Ending Balance)	22,325
2. Plus Transfers to Reserve Account:	Per 2019-20 Post-Audit CDNFS 9530
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2019-20 Contracts to Reserve	
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2019-20 Post-Audit CDNFS 9530	22,325

Section 2 - Current Year (2020-21) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve	22		22
6. Less Transfers to Contracts from Reserve:			
CSPP General-Contract No.			
CSPP General-Contract No.			
CSPP Professional Development-Contract No.			
CSPP Professional Development-Contract No.			
Subtotal CSPP Transfers			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Subtotal Other Contract Transfers			
Total Transferred to Contracts from Reserve Account			
7. Ending Balance on June 30, 2021	22,347		22,347

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

California Department of Social Services Audited Reserve Account Activity Report

A U D 9530A Page 1 of 1

Fiscal Year End

June 30, 2021

Reserve Account Type

Resource & Referral

Vendor Code

01-0B388-00

Full Name of Contractor **Hively**

Section 1 - Prior Year Reserve Account Activity

1. Beginning Balance (2019-20 AUD 9530A Ending Balance)	5,954
2. Plus Transfers to Reserve Account:	Per 2019-20 Post-Audit CDNFS 9530
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Contract No.	
Total Transferred from 2019-20 Contracts to Reserve	
3. Less Excess Reserve to be Billed	
4. Ending Balance per 2019-20 Post-Audit CDNFS 9530	5,954

Section 2 - Current Year (2020-21) Reserve Account Activity

	Column A CDNFS 9530A	Column B Audit Adjustments	Column C per Audit
5. Plus Interest Earned This Year on Reserve	3		3
6. Less Transfers to Contracts from Reserve:			
CSPP General-Contract No.			
CSPP General-Contract No.			
CSPP Professional Development-Contract No.			
CSPP Professional Development-Contract No.			
Subtotal CSPP Transfers			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Other Contract No.			
Subtotal Other Contract Transfers			
Total Transferred to Contracts from Reserve Account			
7. Ending Balance on June 30, 2021	5,957		5,957

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