

TONY RICE CENTER, INC.

FINANCIAL STATEMENTS

JUNE 30, 2020

**JOE OSTERFELD, CPA
CERTIFIED PUBLIC ACCOUNTANT
214 WEST FIFTH STREET – SUITE B
PO BOX 807
COLUMBIA, TN 38402-0807**

**TONY RICE CENTER, INC.
FINANCIAL STATEMENTS
JUNE 30, 2020**

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Joe Osterfeld, CPA

Certified Public Accountant

214 West Fifth Street ~ Suite B ~ PO Box 710 ~ Columbia, TN 38402-0807

Telephone: 931-388-7144 ~ E-mail: joeosterfeldcpa@att.net

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Tony Rice Center, Inc.
Shelbyville, Tennessee

Report on the Financial Statements

We have audited the accompanying financial statements of Tony Rice Center, Inc. (a Tennessee nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Tony Rice Center, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Tony Rice Center, Inc. The accompanying schedules of expenditures of federal awards and state financial assistance and roster of board members and executive director, as required by the State of Tennessee, are presented for purposes of additional analysis and are 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 October 27, 2020, on our consideration of Tony Rice Center, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tony Rice Center, Inc.'s internal control over financial reporting and compliance.

Joe Osterfeld, CPA
Columbia, Tennessee
October 27, 2020

TONY RICE CENTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

ASSETS

CURRENT ASSETS:	
Cash and cash equivalents	\$ 441,472
Grants receivable	14,174
Prepaid expenses	17,789
	473,435
PROPERTY AND EQUIPMENT:	
Land, building, and equipment	2,229,393
Less: Accumulated depreciation	1,253,056
	976,337
OTHER ASSETS:	
Utility deposit	5,200
	\$ 1,454,972

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:	
Accrued vacation pay	\$ 15,835
Deferred revenue-fundraising	2,500
Current portion of long-term debt	66,851
	85,186
TOTAL CURRENT LIABILITIES	
LONG-TERM LIABILITIES:	
PPP loan payable	100,000
Bank note payable	28,447
Less: Current portion	(66,851)
	61,596
TOTAL LONG-TERM LIABILITIES	
	146,782
TOTAL LIABILITIES	
NET ASSETS:	
Without donor restrictions	1,308,190
	1,308,190
TOTAL NET ASSETS	
	\$ 1,454,972

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

**TONY RICE CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

	Without Donor Restrictions	With Donor Restrictions	TOTALS
PUBLIC SUPPORT AND REVENUE:			
Awards	\$ -	\$ 591,660	\$ 591,660
Contributions	15,818	-	15,818
Total public support	15,818	591,660	607,478
Rents from participants	87,768	-	87,768
Board of Parole & Probation	116,258	-	116,258
ADAT fees	5,040	-	5,040
DUI School & Classes	15,430	-	15,430
Miscellaneous income	10,627	-	10,627
Fundraising	3,603	-	3,603
Interest income	590	-	590
Total revenue	255,134	591,660	846,794
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program expense	591,660	(591,660)	-
TOTAL PUBLIC SUPPORT, REVENUES, RECLASSIFICATIO	846,794	-	846,794
EXPENSES			
Program Services: Residential halfway houses	861,659	-	861,659
Support Services: Fundraising expenses	2,809	-	2,809
Total expenses	864,468	-	864,468
CHANGE IN NET ASSETS	(17,674)	-	(17,674)
BEGINNING ASSETS	1,325,864	-	1,325,864
ENDING NET ASSETS	\$ 1,308,190	\$ -	\$ 1,308,190

See accompanying notes and accountant's report.

TONY RICE CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>PROGRAM SERVICES</u>	<u>FUNDRAISING</u>	<u>TOTAL EXPENSES</u>
Salaries and wages	\$ 492,387	\$ -	\$ 492,387
Payroll taxes	37,683	-	37,683
Fringe benefits	1,273	-	1,273
Advertising	531	-	531
Insurance	36,145	-	36,145
Food and groceries	78,045	-	78,045
Fundraising	-	2,809	2,809
Depreciation	65,122	-	65,122
Dues and subscriptions	304	-	304
License, fees and bonds	3,980	-	3,980
Professional expenses	6,750	-	6,750
Repair and maintenance	25,410	-	25,410
Supplies	30,890	-	30,890
Telephone	8,048	-	8,048
Utilities	49,609	-	49,609
Staff training	1,704	-	1,704
Interest	2,673	-	2,673
Medical testing	153	-	153
Miscellaneous	1,087	-	1,087
Vehicle	8,265	-	8,265
Contract labor	11,600	-	11,600
	<u>\$ 861,659</u>	<u>\$ 2,809</u>	<u>\$ 864,468</u>

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

TONY RICE CENTER, INC.
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED JUNE 30, 2020

Cash flows from operating activities:	
Increase (Decrease) in net assets	\$ (17,674)
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation	65,122
(Increase) Decrease in grants receivable	(14,174)
(Increase) Decrease in prepaid expenses	(6,724)
(Increase) Decrease in inventories	-
Increase (Decrease) in deferred revenue	(500)
Increase (Decrease) in accrued expenses	(3,831)
Increase (Decrease) in accounts payable	-
Net cash provided (used) by operating activities	<u>22,219</u>
Cash flow from investing activities:	
Purchase of fixed assets	<u>(9,099)</u>
Net cash (used) by investing activities	<u>(9,099)</u>
Cash flow from financing activities:	
Principal payments on notes payable	(65,425)
Proceeds from PPP loan	<u>100,000</u>
Net cash (used) by financing activities	<u>34,575</u>
Net increase (decrease) in cash and equivalents	47,695
Cash and cash equivalents, beginning of year	<u>393,777</u>
Cash and cash equivalents, end of year	<u><u>\$ 441,472</u></u>

Supplemental disclosures of cash flow information:

Cash paid during the year for interest expense	<u><u>\$ 2,673</u></u>
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The accompanying notes are an integral part of the financial statements.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Tony Rice Center, Inc. (the Center) is a nonprofit corporation organized in the State of Tennessee on June 29, 1990 for the purpose of rehabilitation and life transition of individuals recovering from addiction to alcohol and drugs. The Center is located in Shelbyville, Tennessee and provides services for the treatment of alcohol and drug dependency to men and women in the Middle Tennessee area. Supportive services include fund raising expenses. A board of directors governs the Center.

Basis of Accounting

The financial statements of Tony Rice Center, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant accounts receivable, accounts payable, and other liabilities.

Basis of Presentation

Financial Statement presentation follow US generally accepted accounting principles which require the Center to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by action of Tony Rice Center, Inc. and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

Cash includes petty cash and amounts in demand deposits and money market accounts. Cash, in excess of current requirements, is invested in interest-bearing accounts such as certificates of deposits. For purposes of the statements of cash flows, the Board considers cash and investments with an initial maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2020.

Accounts Receivable

Accounts receivable are stated at their net realizable value. It is the opinion of management that all of the receivables at fiscal year-end are collectible.

Compensated Absences

Employees are entitled to paid vacation depending on length of service and other factors. Sick leave is not accrued because it does not accumulate or vest with employees.

Inventories

Inventories of food and supplies are stated at the lower of cost or market using the first in first out method.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Deferred Revenue

Income from fundraising activities is deferred and recognized over the period to which the function relates.

Depreciation

Property and equipment additions in excess of \$1,000 are recorded at their cost or fair market value for donated items and depreciated over their estimated useful lives using the straight-line method.

Donated Assets

Donated assets) such as property and equipment, are recorded as contributions at their estimated fair value at the date of donation.

Functional Allocation of Expenses

The costs of providing the services and other activities of the Center have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Salaries and related employee expenses are allocated to program, fundraising, and support service functions based on estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical, or are allocated based on salaries. Building and occupancy costs are allocated on the basis of square footage. Depreciation is allocated on the basis of usage for furniture and equipment.

Income Taxes

The Tony Rice Center, Inc. is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered a private foundation. The Center's Form 990, Return of Organization Exempt from Income Tax, for the years ending June 30, 2018, 2019 and 2020 are subject to examination by the IRS, generally for 3 years after they are filed. There are no examinations currently in process. Management has concluded that the Corporation has taken no uncertain tax positions as of June 30, 2020. Therefore, no provision for income taxes has been included in the Corporation's financial statements.

Planned Major Maintenance Activities

Costs or fair market value for donated items and services for planned major maintenance in excess of \$1,000 are treated as additions to property and equipment and depreciated over their estimated useful lives using the straight-line method. For the year ended June 30, 2020, there were no planned major maintenance activities.

Services and Materials

Donated services of unpaid volunteers in support of the Center's operating activities have not been recognized in the accompanying financial statements. Because of the difficulty in assigning values for such services, these items are not generally recognized in the financial statements. When the value of donated services is ascertainable, the amounts are reflected in the financial statements as revenues and expenses.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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. Actual results could differ from those estimates.

Net Assets With Donor Restrictions

Funds restricted by the donor or grantors are deemed to be earned and reported as revenues when the Center has incurred expenditures in compliance with the specific restrictions. Amounts received but not yet earned are reported as net assets with donor restrictions net assets.

NOTE 2 - CASH AND CREDIT RISK

The Center's cash is deposited in checking and money market accounts at two banks. The Center did not have any funds deposited at either bank that exceeded the FDIC deposit insurance coverage at June 30, 2020.

NOTE 3 - GRANTS RECEIVABLE

Grants and contracts receivable consist of grant receivables from the State of Tennessee.

NOTE 4 - PROPERTY EQUIPMENT

Property and equipment consists of the following:

<u>Category</u>	<u>Useful Life</u>	<u>Cost or Basis</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Land	N/A	\$ 72,640	\$ -	\$ 72,640
Land improvements	10	155,321	110,792	44,529
Buildings	30-40	1,746,884	904,109	842,775
Furniture and equipment	3-7	161,826	150,036	11,790
Vehicles	5	92,721	88,118	4,603
Total		<u>2,229,392</u>	<u>1,253,055</u>	<u>976,337</u>

Depreciation expense for the year ended June 30, 2020 was \$65,122.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 - FINANCIAL DEPENDENCE

The Center is substantially funded by grants from U.S. Department of Health and Human Services and the Tennessee Department of Health. A significant reduction in the level of this support, if this were to occur, may have an adverse effect in the Agency's programs and activities.

In addition, the grants prescribe allowable expenditure guidelines with which Center must comply. The grants are received prospectively, subject to subsequent verification of the incurring of allowable expenditures or provision of qualifying services.

NOTE 6 - FUNDRAISING EXPENSES AND REVENUES

The Center holds fundraising events and other activities to earn additional funds and increase public awareness of the organization. Expenses paid and revenues received for fundraising activities, are recorded in the Statement of Activities and Statement of Functional Expenses.

NOTE 7 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Center's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end	\$	441,472
Less those unavailable for general expenditure within one year due to: NONE		0
Financial assets available to meet cash needs for general expenditures within one year	\$	441,472

NOTE 8 – BANK NOTE PAYABLE

The Bank note payable consists of:

Regions Bank	\$	28,447
Less: Current Portion		28,447
Long Term Portion	\$	-

The future minimum payments on the long-term portion of the bank note payable are as follows:

<u>Fiscal Year End</u>	
6/30/2021	\$ 28,447

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The terms of the bank note payable is as follows:

	Regions Bank
Date of Loan	11/12/2015
Interest Rate	4.10%
Original Balance	\$306,936
Payment	\$5,675
Frequency of Payments	monthly
Number of Payments	60
Loan Due Date	11/12/2020
Secured By	Real Estate

NOTE 9 - PAYCHECK PROTECTION PROGRAM LOAN

Due to the Covid-19 outbreak, the Federal government passed the *Coronavirus Aid, Relief, and Economic Security Act (CARES Act)* that included the Paycheck Protection Program (PPP). The Center applied for and received on May 1, 2020, a \$100,000 loan from the PPP. Interest will accrue at a rate of 1.00% per year, beginning on May 1, 2020. To the extent the loan amount is not forgiven under the PPP (Sections 1102 and 1106) of the CARES Act, borrower must make equal monthly payments of principal and interest, on the 1st day of each month, beginning December 1, 2020, until the maturity date, which is two (2) years from the date of the note. This note may be prepaid in part or in full, at any time, without penalty.

As of June 30, 2020, the amount, if any, that will be forgiven is unknown. Until such time as any loan forgiveness is determined, the Center is treating this PPP loan as though none of the proceeds will be forgiven. This loan is reported as a long-term note payable in the Statement of Financial Position with the current portion reported as a current liability.

Future minimum payments are:

6/30/21	\$	38,404	(Current Portion)
6/30/22		61,596	(Long Term Portion)
		\$ 100,000	

NOTE 10 – COVID 19 OUTBREAK

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of corona virus originating in Wuhan, China (the Covid-19 outbreak) and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the Covid-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The full impact of the Covid-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Center's financial condition, liquidity, and future results of operations in future reporting periods. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the Covid-19 outbreak and the global responses to curb its spread, the Center is not able to fully estimate the effects of the Covid-19 outbreak on its results of operations, financial condition, or liquidity for the fiscal year 2021.

Although the Center is not able to estimate the effects of the Covid-19 outbreak, management does believe they did incur some reduction of income for the current fiscal year. The Center did suspend DUI schools/classes, client counseling sessions, and did not earn the full amount authorized for vendor services. The Center also incurred a reduction in food stamp funds received. For the year ended June 30, 2020, the reduction in these funds was not considered material. The effects on future years, if any, has not been determined.

NOTE 11 - DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through October 27, 2020, which is the date the financial statements were available to be issued. No material subsequent events have occurred that need to be disclosed. See note 10 for further information about the COVID 19 outbreak and its potential continued impact on subsequent fiscal years.

TONY RICE CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2020

<u>CFDA Number</u>	<u>State Grant Number</u>	<u>Grantor Agency and Program Name</u>	<u>Balance July 1, 2019</u>	<u>Grant Cash Receipts</u>	<u>Expenditures</u>	<u>Balance June 30, 2020</u>
10.551		<u>U.S. Department of Agriculture</u> Food Stamps	-	65,440	65,440	-
		Total Federal Awards	<u>\$ -</u>	<u>\$ 65,440</u>	<u>\$ 65,440</u>	<u>\$ -</u>
	<u>Program Code</u>	<u>Tennessee Department of Mental Health and Substance Abuse Services</u>				
	DGA 62136-2019-2020-034	Drug & Alcohol Block Grant Adult Continuum of Care	-	524,280	526,220	(1,940) (A)
		Total State Awards	<u>-</u>	<u>524,280</u>	<u>526,220</u>	<u>(1,940)</u>
		Sub-total Federal and State Awards	<u>-</u>	<u>589,720</u>	<u>591,660</u>	<u>(1,940)</u>
		<u>Fee for Services Contracts</u>				
	320275	Alcohol and Drug Treatment (ADAT)	-	5,040	5,040	-
	330010	Community Treatment Collaborative	-	104,024	116,258	(12,234) (A)
		Total State Vendor Contracts	<u>\$ -</u>	<u>\$ 109,064</u>	<u>\$ 121,298</u>	<u>\$ (12,234)</u>
		Total Federal and State Awards & Contracts	<u>\$ -</u>	<u>\$ 698,784</u>	<u>\$ 712,958</u>	<u>\$ (14,174)</u>

(A): Amounts shown in brackets represents money due from the grantor.

This schedule is prepared on the same (accrual) basis of accounting as the financial statements.

The Agency did not elect to use the 10 percent de minimis indirect cost rate.

The Agency has an approved indirect cost allocation plan with the TN Department of Mental Health and Substance Abuse Services.

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

**TONY RICE CENTER, INC.
ROSTER OF BOARD MEMBERS AND EXECUTIVE DIRECTOR
JUNE 30, 2020**

Board Members

Chris Clay - President

Dr. Howard Rupard - Vice President

Lance Bennette - Secretary/Treasurer

Serge Aude - Board Member

Carter Clay - Board Member

Karen Williams- Board Member

Sylvia Pinson – Board Member

Terry Anglin - Board Member

Miguel Gonzalez - Board Member

Jeff Gilley - Board Member

Jimmy Burton - Board Member

Executive Director: Cody Harris

Joe Osterfeld, CPA

Certified Public Accountant

214 West Fifth Street ~ Suite B ~ PO Box 807 ~ Columbia, TN 38402-0807

Telephone: 931-388-7144 ~ E-mail: joeosterfeldcpa@att.net

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 of
Tony Rice Center, Inc.
Shelbyville, Tennessee

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 Tony Rice Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, 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 October 27, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Tony Rice Center, Inc.'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 Tony Rice Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Tony Rice Center, Inc.'s internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Tony Rice Center, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Joe Osterfeld, CPA
Columbia, Tennessee
October 27, 2020

TONY RICE CENTER, INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section I - Summary of Activities

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ___yes X no
- Significant deficiencies identified that are not
 considered to be material weaknesses? ___yes X none reported

Noncompliance material to financial statements noted? ___yes X no

Section II - Financial Statement Findings

Current Year Findings: No matters to report.

TONY RICE CENTER, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020

Financial Statement Findings:

Prior Year Finding Number	Finding Title	Status / Current Year Finding Number
Not Applicable	No prior year findings	