

TONY RICE CENTER, INC.

FINANCIAL STATEMENTS

JUNE 30, 2021

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TONY RICE CENTER, INC.
FINANCIAL STATEMENTS
JUNE 30, 2021

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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 the Tony Rice Center Inc. (a nonprofit organization) 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,

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 opinions 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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tony Rice Center, Inc., as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof 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 opinions on the financial statements that collectively comprise the Tony Rice Center Inc.'s basic financial statements. The schedule 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 is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates to 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 6, 2021, on our consideration of the 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 of the Tony Rice Center Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tony Rice Center, Inc.'s internal control over financial reporting and compliance.

Joe Osterfeld, CPA
Columbia, Tennessee
December 6, 2021

TONY RICE CENTER, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2021

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	\$ 456,554
Grants receivable	31,660
Prepaid expenses	<u>18,176</u>
TOTAL CURRENT ASSETS	<u>506,390</u>
PROPERTY AND EQUIPMENT:	
Land, building, and equipment	2,237,873
Less: Accumulated depreciation	<u>1,320,190</u>
	<u>917,683</u>
OTHER ASSETS:	
Utility deposit	<u>5,200</u>
TOTAL ASSETS	<u><u>\$ 1,429,273</u></u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES:	
Accrued vacation pay	\$ 13,187
Deferred revenue-fundraising	<u>2,500</u>
TOTAL CURRENT LIABILITIES	<u>15,687</u>
TOTAL LIABILITIES:	<u>15,687</u>
NET ASSETS:	
Without donor restrictions	<u>1,413,586</u>
TOTAL NET ASSETS	<u>1,413,586</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 1,429,273</u></u>

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

TONY RICE CENTER, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Without Donor Restrictions	With Donor Restrictions	TOTALS
PUBLIC SUPPORT AND REVENUE:			
Awards	\$ -	\$ 615,861	\$ 615,861
SBA Forgiveness of PPP Loan restricted contribution			
Contributions	14,680	91,975	106,655
	<u>14,680</u>	<u>91,975</u>	<u>106,655</u>
Total public support	<u>14,680</u>	<u>707,836</u>	<u>722,516</u>
Rents from participants	76,965	-	76,965
Board of Parole & Probation	115,957	-	115,957
ADAT fees	-	-	-
DUI School & Classes	4,527	-	4,527
Miscellaneous income	11,000	-	11,000
Interest income	238	-	238
Total revenue	<u>223,367</u>	<u>707,836</u>	<u>931,203</u>
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program expense	<u>707,836</u>	<u>(707,836)</u>	<u>-</u>
TOTAL PUBLIC SUPPORT, REVENUES, RECLASSIFICATIO	931,203	-	931,203
EXPENSES			
Program Services: Residential halfway houses	825,807	-	825,807
Support Services: Fundraising expenses	-	-	-
Total expenses	<u>825,807</u>	<u>-</u>	<u>825,807</u>
CHANGE IN NET ASSETS	105,396	-	105,396
BEGINNING ASSETS	<u>1,308,190</u>	<u>-</u>	<u>1,308,190</u>
ENDING NET ASSETS	<u>\$ 1,413,586</u>	<u>\$ -</u>	<u>\$ 1,413,586</u>

See accompanying notes and accountant's report.

TONY RICE CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	<u>PROGRAM</u> <u>SERVICES</u>	<u>FUNDRAISING</u>	<u>TOTAL</u> <u>EXPENSES</u>
Salaries and wages	\$ 476,715	\$ -	\$ 476,715
Payroll taxes	36,434	-	36,434
Fringe benefits	1,378	-	1,378
Advertising	260	-	260
Insurance	37,442	-	37,442
Food and groceries	67,525	-	67,525
Data processing	1,534	-	1,534
Depreciation	67,134	-	67,134
Dues and subscriptions	262	-	262
License, fees and bonds	3,170	-	3,170
Professional expenses	6,750	-	6,750
Repair and maintenance	26,918	-	26,918
Supplies	23,265	-	23,265
Telephone	8,765	-	8,765
Utilities	50,004	-	50,004
Interest	375	-	375
Medical testing	200	-	200
Miscellaneous	853	-	853
Vehicle	8,010	-	8,010
Contract labor	8,813	-	8,813
	<u>\$ 825,807</u>	<u>\$ -</u>	<u>\$ 825,807</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, 2021

Cash flows from operating activities:	
Increase (Decrease) in net assets	\$ 105,396
Adjustments to reconcile net income to net cash provided by operating activities:	
SBA Forgiveness of PPP Loan restricted contribution	(91,975)
Depreciation	67,134
(Increase) Decrease in grants receivable	(17,486)
(Increase) Decrease in prepaid expenses	(387)
Increase (Decrease) in deferred revenue	-
Increase (Decrease) in accrued expenses	(2,647)
Net cash provided (used) by operating activities	<u>60,035</u>
 Cash flow from investing activities:	
Purchase of fixed assets	<u>(8,480)</u>
Net cash (used) by investing activities	<u>(8,480)</u>
 Cash flow from financing activities:	
Principal payments on notes payable	(28,448)
Principal payment on SBA PPP loan	<u>(8,025)</u>
Net cash (used) by financing activities	<u>(36,473)</u>
 Net increase (decrease) in cash and equivalents	15,082
 Cash and cash equivalents, beginning of year	<u>441,472</u>
 Cash and cash equivalents, end of year	<u><u>\$ 456,554</u></u>

Supplemental disclosures of cash flow information:

Cash paid during the year for interest expense	<u><u>\$ 375</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, 2021

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.

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.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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, 2019, 2020 and 2021 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, 2021. 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, 2021, 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, 2021

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.

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, 2021.

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	117,920	37,401
Buildings	30-40	1,752,565	959,088	793,477
Furniture and equipment	3-7	164,626	153,432	11,194
Vehicles	5	92,721	89,750	2,971
Total		<u>2,237,873</u>	<u>1,320,190</u>	<u>917,683</u>

Depreciation expense for the year ended June 30, 2021 was \$67,134.

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.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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. Due to Covid restrictions and mandates, the Center was not able to have their fundraising event for the year ended June 30, 2021.

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	\$ 456,554
Less those unavailable for general expenditure within one year due to:	
NONE	<u>0</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 456,554</u>

NOTE 8 - 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, 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. During the year ended June 30, 2021, \$91,975 of the PPP loan was forgiven and the remainder due was paid. No balance is due. The SBA PPP Loan forgiveness of \$91,975 is reported as a restricted contribution in the statement of activities. The restrictions on the use of the loan proceeds were met prior to the loan forgiveness date, so it was reclassified to net assets without donor restrictions.

TONY RICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – 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.

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. 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, 2021, the reduction in these funds was not considered material. The effects on future years, if any, has not been determined.

NOTE 10 - DATE OF MANAGEMENT REVIEW

Management has evaluated subsequent events through December 6, 2021, which is the date the financial statements were available to be issued. No material subsequent events have occurred that need to be disclosed.

TONY RICE CENTER, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2021

CFDA Number	State Grant Number	Grantor Agency and Program Name	Balance July 1, 2020	Grant Cash Receipts	Balance Expenditures June 30, 2021
10.551		<u>U.S. Department of Agriculture</u>			
		Food Stamps	\$ -	\$ 89,637	\$ 89,637 \$ -
		Total Federal Awards	-	\$ 89,637	\$ 89,637 \$ -
		<u>Tennessee Department of Mental Health and Substance Abuse Services</u>			
	DGA 62136-2019-2020-034	Adult Continuum of Care (Adult COC)	(1,940)	1,940	-
	DGA 65804-2020-2021-034	Adult Continuum of Care (Adult COC)	-	504,619	526,224 (21,605)
		Total Adult Continuum of Care (Adult COC)	(1,940)	506,559	526,224 (21,605)
		Total State Awards	(1,940)	506,559	526,224 (21,605)
		Sub-total Federal and State Awards	(1,940)	596,196	615,861 (21,605)
		<u>Tennessee Department of Mental Health and Substance Abuse Services</u>			
		<u>Fee for Services Contracts</u>			
	330010	Community Treatment Collaborative (CTC)	(12,234)	12,234	-
	330010	Community Treatment Collaborative (CTC)	-	105,902	115,957 (10,055)
		Total State Contracts	(12,234)	118,136	115,957 (10,055)
		Total Federal and State Awards & Contracts	\$ (14,174)	\$ 714,332	\$ 731,818 \$ (31,660)

(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 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, 2021

Board Members

Chris Clay - President

Dr. Howard Rupard - Vice President

Lance Bennette - Secretary/Treasurer

Carter Clay - Board Member

Tommy Donegan - Board Member

Darrell Cron – Board Member

Terry Anglin - Board Member

Jeff Gilley - Board Member

Jimmy Burton - Board Member

Executive Director: Cody Harris

Joe Osterfeld, CPA

Certified Public Accountant

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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
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 the Tony Rice Center, Inc. (a nonprofit organization), 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 6, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tony Rice Center, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tony Rice Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Joe Osterfeld, CPA
Columbia, TN
December 6, 2021

TONY RICE CENTER, INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

Section I - Summary of Activities

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? ☐ yes ☒ no

Section II - Financial Statement Findings

Current Year Findings: No matters were reported.

Prior Year Findings: No matters were reported.

TONY RICE CENTER, INC.
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021

Financial Statement Findings:

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

10:12 AM

12/15/21

Accrual Basis

Tony Rice Center Inc.
Profit & Loss Budget Overview
 July 2021 through June 2022

	Jul '21 - Jun 22
Ordinary Income/Expense	
Income	
4000 · Individual Contributions	7,500.00
4001 · Corporate Contributions	6,000.00
4003 · Agencies, Churches, Foundations	700.00
4100 · State of Tenn.	526,000.00
4100-A · ADAT	6,000.00
4100-C · BOPP	196,500.00
4101-2 · Fundraiser-Other	5,000.00
4102 · DUI School / Classes and DRI-II	20,000.00
4107 · Food Stamps Received	76,000.00
4108 · Fees & Rents from Clients	81,000.00
4110 · Misc. Income	1,100.00
4111 · Interest Income	881.00
4112 · Vending Machine Income	15,000.00
Total Income	941,681.00
Expense	
5000 · Salaries & Wages	530,500.00
5002 · Payroll Taxes-FICA & Medicare	40,585.00
5003 · Payroll Taxes- SUTA	126.00
5004 · Health Insurance- Group	1,368.00
5005 · Workmen's Comp. Ins.	9,000.00
5006 · Property/Fire & Theft Ins.	14,500.00
5007 · Vehicle Ins.	5,700.00
5008 · General Liability Ins.	5,700.00
5009 · Directors & Officer Insurance	1,942.00
5010 · Food/Groceries	90,000.00
5011 · Depreciation Expense	65,832.00
5012 · Dues/Subscriptions	240.00
5013 · Interest Expense-Land & Bldg.	1,000.00
5014-1 · Professional Fees-Audit	6,500.00
5014-2 · Professional Fees-Other	10,800.00
5015 · Repair and Maintenance	30,000.00
5016 · Supplies-Kitchen	0.00
5016-1 · Supplies-Literature	788.00
5016-2 · Supplies-Office	6,000.00
5016-3 · Supplies-Other	19,500.00
5016-4 · Supplies-Postage	1,200.00
5016-5 · Supplies-DUI Lit. & Materials	6,000.00
5017 · Telephone & Communications	9,000.00
5018 · Utilities-Gas	10,000.00
5018-1 · Utilities-Power, Water, & Sewer	47,000.00
5018-2 · Utilities-Cable	2,520.00
5020 · Staff Training	2,400.00
5021 · Travel Expense	1,200.00
5021-1 · Travel Expense-Administration	0.00
5022 · Misc.	1,980.00
5023 · Licenses, Fees, Bonds	4,080.00
5024 · Vehicle Exp.-gas,rep.,tags, etc	8,420.00
5027 · Fundraising Expense	2,500.00
5031 · Medical Test for Clients/Staff	600.00
5032 · Advertising	200.00
6900 · Data Processing Fees	3,900.00
6999 · Square Processing Fees	600.00
Total Expense	941,681.00
Net Ordinary Income	0.00
Net Income	0.00