

**THE FAMILY TREE
INFORMATION, EDUCATION
AND COUNSELING CENTER, INC.**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
DECEMBER 31, 2021**

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT 1-3

FINANCIAL STATEMENTS

 Statement of Financial Position..... 5

 Statement of Activities 6

 Statement of Functional Expenses..... 7

 Statement of Cash Flows 8

 Notes to Financial Statements9-14

SUPPLEMENTAL INFORMATION

 Schedule of Expenditures of Federal Awards.....16-17

 Notes to the Schedule of Expenditures of Federal Awards..... 18

 Independent Auditors' Report on Internal Control Over Financial
 Reporting and on Compliance and Other Matters Based on an
 Audit of Financial Statements Performed in Accordance with
 Government Auditing Standards19-20

 Independent Auditors' Report on Compliance for Each Major
 Program and on Internal Control Over
 Compliance Required by the Uniform Guidance.....21-23

 Schedule of Findings and Questioned Costs.....24-25

 Schedule of Prior Year Audit Findings.....26

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INDEPENDENT AUDITORS' REPORT

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* A PROFESSIONAL CORPORATION
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The Board of Directors
The Family Tree
Information, Education
and Counseling Center, Inc.
Lafayette, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of The Family Tree Information, Education and Counseling Center, Inc. (The Center) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statement of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Family Tree Information, Education and Counseling Center, Inc. as of December 31, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Family Tree Information, Education and Counseling Center, Inc., and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Family Tree Information, Education and Counseling Center, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Family Tree Information, Education and Counseling Center, Inc.'s ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 June 24, 2022, on our consideration of The Family Tree Information, Education and Counseling 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 Family Tree Information, Education and Counseling 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 Family Tree Information, Education and Counseling Center, Inc.'s internal control over financial reporting and compliance.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
June 24, 2022

FINANCIAL STATEMENTS

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021**

ASSETS

CURRENT ASSETS

Cash	\$ 509,472
Accounts Receivable:	
Grants and Contracts	215,460
Other Receivables	659
Prepaid Expenses	<u>43,417</u>
Total Current Assets	<u>769,008</u>

PROPERTY AND EQUIPMENT

Property and Equipment, Net	<u>7,516</u>
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OTHER ASSETS

Deposits	<u>5,000</u>
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TOTAL ASSETS	<u>781,524</u>
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LIABILITIES

Accounts Payable	23,589
Accrued Liabilities	<u>89,816</u>
Total Current Liabilities	<u>113,405</u>

Deferred Revenue	<u>8,179</u>
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TOTAL LIABILITIES	<u>121,584</u>
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NET ASSETS

Net Assets Without Donor Restrictions	<u>659,940</u>
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TOTAL NET ASSETS	<u>659,940</u>
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 781,524</u>
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The accompanying notes are an integral part of this statement.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

NET ASSETS WITHOUT DONOR RESTRICTIONS

PUBLIC SUPPORT

Grants and Contracts	\$ 1,728,575
United Way	9,375
Public Support Donations	64,538
Fundraising	<u>28,813</u>
Total Public Support	<u>1,831,301</u>

REVENUES AND GAINS

Counseling Income, Net	102,609
Medicaid Reimbursements	451,536
Contractual Adjustments	(243,108)
Employee Assistance Program Income	7,700
Investment Income	120
Other Income	<u>2,406</u>
Total Revenues and Gains	<u>321,263</u>

Total Revenues, Gains and Public Support	<u>2,152,564</u>
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EXPENSES AND LOSSES

Program Services	1,955,513
Supporting Services:	
Management and General	195,255
Fundraising	<u>9,007</u>
Total Expenses and Losses	<u>2,159,775</u>

CHANGE IN NET ASSETS	(7,211)
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NET ASSETS AT BEGINNING OF YEAR	<u>667,151</u>
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NET ASSETS AT END OF YEAR	<u>\$ 659,940</u>
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The accompanying notes are an integral part of this statement.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>SUPPORTING SERVICES</u>			<u>TOTAL</u>
	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	
Compensation and Related Expenses				
Salaries	\$ 1,128,333	\$ 140,806	\$ -	\$ 1,269,139
Payroll Taxes	93,684	9,474	-	103,158
Employee Benefits	<u>125,142</u>	<u>13,454</u>	-	<u>138,596</u>
	1,347,159	163,734	-	1,510,893
Advertising and Marketing	11,335	250	2,021	13,606
Bad Debt	-	790	-	790
Bank Charges	2,593	2,150	98	4,841
Conferences and Meetings	1,770	206	-	1,976
Contract Labor	69,493	-	-	69,493
Equipment Lease and Maintenance	5,174	-	-	5,174
Facility Rental	-	-	2,984	2,984
Insurance	13,022	1,816	-	14,838
Membership Dues	3,898	889	-	4,787
Office Supplies	70,697	1,895	1,156	73,748
Postage	302	449	-	751
Professional Fees	233,739	17,347	2,748	253,834
Rent	104,134	3,689	-	107,823
Telecommunications	28,976	-	-	28,976
Training and Development	11,475	2,035	-	13,510
Travel	<u>42,358</u>	<u>5</u>	-	<u>42,363</u>
	1,946,125	195,255	9,007	2,150,387
Depreciation	<u>9,388</u>	-	-	<u>9,388</u>
Totals	<u>\$ 1,955,513</u>	<u>\$ 195,255</u>	<u>\$ 9,007</u>	<u>\$ 2,159,775</u>

The accompanying notes are an integral part of this statement.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

Change in Net Assets	<u>\$ (7,211)</u>
Adjustments to Reconcile Change in Net Assets to Net Cash (Used In) Operating Activities:	
Depreciation	9,388
Changes in Assets and Liabilities:	
Accounts Receivable	(58,602)
Other Receivables	(166)
Prepaid Expenses	20,529
Accounts Payable	9,942
Accrued Liabilities	(9,056)
Deferred Revenue	<u>(28,184)</u>
Total Adjustments	<u>(56,149)</u>
Net Cash (Used In) Operating Activities	<u>(63,360)</u>
NET CHANGE IN CASH	(63,360)
CASH AT BEGINNING OF YEAR	<u>572,832</u>
CASH AT END OF YEAR	<u>\$ 509,472</u>

The accompanying notes are an integral part of this statement.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(A) ORGANIZATION AND NATURE OF OPERATIONS

The Family Tree Information, Education and Counseling Center, Inc. (hereinafter "The Center"), a nonprofit organization, was established in 1979 to support, strengthen and enlighten family life. The Center focuses on providing support through educational programs and counseling services. The Center's services are available to residents of Lafayette, Vermilion, St. Landry, St. Mary, St. Martin, Iberia, Acadia and Evangeline Parishes.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation - The Center is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Basis of Accounting - Assets, liabilities, revenues and expenses are recognized on the accrual basis of accounting in conformity with generally accepted accounting principles.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles of the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets 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.

Accounts Receivable - Trade credit is generally extended on a short-term basis; thus receivables do not bear interest. Trade accounts receivable are periodically evaluated for collectability and are charged against fees allowance or bad debt expense when they are deemed uncollectible. As of December 31, 2021, bad debt expense of \$790 was recognized in the financial statements.

Prepaid Expenses - Insurance and other similar services which extend benefit over more than one accounting period have been recorded as prepaid.

Property and Equipment - Property and equipment are stated at cost less accumulated depreciation. Maintenance and repairs are expensed as incurred. Items valued at \$1,500 or less are expensed as operating supplies.

Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets. Furniture and equipment is depreciated over three to ten years. The balance in the depreciation expense account at December 31, 2021, totaled \$9,388.

Revenue Recognition - Grants and contributions are recognized when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue Recognition – continued

The Center receives support in the form of grants from federal, state, and local governmental agencies, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses.

Amounts received are recognized as revenue when the Center has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the Statement of Financial Position.

Grants and contributions are recorded depending on the existence or nature of any donor restrictions. Support that is restricted by a donor is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities and Changes in Net Assets as net assets released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as revenue without donor restrictions.

Client Service Fees

Client service fees represent the estimated net realizable amounts from clients, third party payers, and others for services rendered. Revenues are recorded during the period the services are provided, based upon the estimated amounts due from payers. Estimates of contractual allowances are based upon the specified payment terms.

Laws and regulations governing the Medicaid program are complex and subject to interpretation. The estimated reimbursement amounts are made on a payer-specific basis and are recorded based on the best information available regarding management's interpretation of the applicable laws, regulations, and contract terms. Management continually reviews the contractual estimation process to consider and incorporate updates to laws and regulations and the frequent changes in managed care contractual terms resulting from contract renegotiations and renewals. Due to the complexities involved in the classification and documentation of services authorized and provided, the estimation of revenues earned and the related reimbursement are often subject to interpretations that could result in payments that are different from the Center's estimates.

The Center provides discounts from gross charges to uninsured clients who do not qualify for Medicaid. These discounts are like those provided to many local managed care plans. After the discounts are applied, if the Center is still unable to collect a significant portion of uninsured clients' accounts, it records bad debt using the direct write-off method. The Center also receives grant funding from the Louisiana Children's Trust Fund and the Office of Juvenile Justice to assist with the cost of counseling for uninsured clients.

The Center receives payments for client services from the federal government under the Medicaid program, state governments under their respective Medicaid or similar programs, and directly from patients.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Revenue Recognition – continued

The laws and regulations governing the Center's operations, along with the terms of participation in various government programs, regulate how the Center does business, the services offered and its interactions with clients and the public. These laws and regulations, and their interpretations, are subject to frequent change.

Changes in existing laws or regulations, or their interpretations, or the enactment of new laws or regulations could materially and adversely affect the Center's operations and financial condition. The Center is subject to various routine and non-routine governmental reviews, audits and investigations. Violation of the laws governing the Center's operations, or changes in the interpretation of those laws, could result in the imposition of fines, civil or criminal penalties, and/or termination of the Center's rights to participate in federal and state-sponsored programs and suspension or revocation of the Center's licenses. The Center believes that it is in material compliance with all applicable laws and regulations.

Income Taxes - The Family Tree Information, Education and Counseling Center, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes. In addition, the Center has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509 (a) of the Code.

Cash and Cash Equivalents - For the purposes of the statement of cash flows, the organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Advertising Costs - Advertising costs, except for costs associated with direct-response advertising, are charged to operations when incurred. The costs of direct-response advertising are capitalized and amortized over the period during which future benefits are expected to be received. The total cost of advertising charged to expense was \$13,606 for the year ended December 31, 2021.

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. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Deferred Revenue - Deferred revenues represent funding received for which the related expenses have not yet been incurred by the Center. At December 31, 2021, deferred revenues were \$8,179.

Federal Financial Awards - Revenues for direct and indirect federal contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis, and based on the units of service for those contracts which are on a fee for service basis. In the Statement of Activities, these revenues are referred to as 'Grants and Contracts'. Related contract receivables are referred to as "Accounts Receivable - Grants and Contracts" in the Statement of Financial Position.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Fair Value Considerations - Fair value is used to measure financial and certain nonfinancial assets and liabilities measured or disclosed at fair value on a recurring basis (at least annually). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value hierarchy established and prioritized fair value measurements into three levels based on the nature of the inputs. The hierarchy gives the highest priority to inputs based on market data from independent sources (observable inputs – Level 1) and the lowest priority to a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs – Level 3).

The fair value option allows entities to choose, at specified election dates, to measure eligible financial assets and financial liabilities at fair value that are not otherwise required to be measured at fair value. If an entity elects the fair value option for an eligible item, changes in that item's fair value in subsequent reporting periods must be recognized in current earnings. The fair value option was not elected for the measurements of any eligible assets or liabilities.

The estimated fair values of each entity's short-term financial instruments (primarily cash and cash equivalents, receivables, accounts payables, accrued expenses, short-term debt and lines of credit) approximate their individual carrying amounts due to the relatively short period between their origination and expected realization or payment. Based on market rates for similar loans, the fair value of long-term debt approximates their carrying value.

(C) CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Center to concentrations of credit risk consists of cash. The Center maintains its cash in one financial institution. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Center has cash balances in a bank in excess of amounts federally insured. The uninsured balances totaled \$90,807 on December 31, 2021. The Center believes it is not exposed to any significant credit risk on its cash balances.

The majority of the Center's revenues and accounts receivable are from contracts which are funded primarily by federal government grants. If federal funding levels for the programs are reduced, or if the contracts are not renewed, the impact on the Center could be severe.

(D) PROPERTY AND EQUIPMENT

Property and Equipment consist of the following:

Furniture and Fixtures	\$ 13,461
Office Equipment	42,278
Total	<u>55,740</u>
Less: Accumulated Depreciation	<u>(48,224)</u>
Net Property and Equipment	<u>\$ 7,516</u>

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(E) COMPENSATION, BENEFITS AND OTHER PAYMENTS TO EXECUTIVE DIRECTOR

A detail of compensation, benefits, and other payments paid to Marie Collins, Executive Director, for the year ended December 31, 2021:

<u>Purpose</u>	<u>Amount</u>
Salary and Related Expenses	\$ 113,768
Benefits-Insurance	\$ 5,574
Vehicle Allowance	\$ 4,800
Travel	\$ 2,332

(F) LINE OF CREDIT

On November 30, 2017, the Center obtained a line of credit with a bank in the amount of \$50,000 bearing interest at prime plus 4.75 percent per annum, currently 7.125 percent, maturing January 6, 2024. The balance at December 31, 2021, was \$-0-.

(G) LEASE COMMITMENTS

On August 28, 2017, the Center signed a three-year lease for office space. The monthly payments are \$5,000 in the first year, \$5,285 in the second year and \$5,725 in the third year. On October 1, 2020, the lease was extended for 36 months in the amount of \$5,725 per month.

On August 23, 2019, the Center signed a three-year lease for office space. The lease term is September 1, 2019 through August 31, 2022. The monthly payments are \$3,167.

Rental expense for December 31, 2021, was \$107,823.

The future minimum lease payments are as follows:

2022	\$ 94,038
2023	51,529
Total Minimum Lease Payments	<u>\$ 145,567</u>

(H) COMPENSATED ABSENCES

Full time employees will become eligible for vacation benefits after their ninety (90) days probationary period. Probationary period employees accrue vacation leave during the probation period, though are not eligible to use accrued vacation during the probation period. Any employee who does not successfully complete the probationary period and is terminated before the probation period's end will receive no compensation for accrued compensated absences. Upon separation, employees will be compensated for any unused vacation generated in the current year. After successful completion of the probation period, the employee is awarded 10 hours of paid sick leave. Sick leave with pay is earned at a rate of 1.67 hours per payroll thereafter. Sick leave may be accumulated only for use in an extended illness. No sick leave or extended illness leave is payable to an employee after resignation date is given. As of December 31, 2021, the total amount of accrued compensated absences was \$26,528 and is reflected in accrued liabilities.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

(I) LIQUIDITY AND AVAILABILITY

The Center has \$725,591 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$509,742, and receivables of \$216,119. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the balance sheet date.

(J) SUBSEQUENT EVENTS

Subsequent events were evaluated through June 24, 2022, which is the date the financial statements were available to be issued.

During January 2022, the line of credit mentioned at Note F – Line of Credit expired and was renewed through January 2024. The note disclosure reflects the interest rate as of June 2022.

SUPPLEMENTAL INFORMATION

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2021**

Program Title	Assistance Listing Number	Grant Number	Federal Expenditures	Subrecipients
U.S. Department of Health and Human Services				
Advancing System Improvements for Key Issues in Women's Health Choices	93.088	1 ASTWH210104-01-00	\$ 56,313	\$ -
Healthy Start Initiative Healthy Start Initiative - Eliminating Racial/Ethnic Disparities	* 93.926	H49MC27810	1,117,638	-
Assistance Programs for Chronic Disease Prevention and Control Cuttin' the Pressure	93.945	N/A	10,000	-
Passed through: The Board of Supervisors of LSU and Agricultural and Mechanical College				
Emergency Grants to Address Mental and Substance Use Disorders During COVID-19 COVID-19 - Louisiana Emergency COVID-19 Project	93.665	PH-21-158-030	5,000	-
Passed through: Tulane Department of Psychiatry and Behavioral Sciences				
Child Care and Development Block Grant Tulane Infant and Early Childhood Mental Health Consultation Support and Services (TIKES)	93.575	TUL-HSC-554597	359,095	-
Passed through: Acadiana Area Human Services District				
Block Grants for Prevention and Treatment of Substance Abuse Jacob Crouch Suicide Prevention	93.959	N/A	52,948	-
Total U.S. Department of Health and Human Services			<u>\$ 1,600,994</u>	<u>\$ -</u>

(continued)

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2021**

Program Title	Assistance Listing Number	Grant Number	Federal Expenditures	Subrecipients
U.S. Department of Justice				
Crime Victim Assistance				
15th JD Domestic Abuse Program 4	16.575	2019-VA-02/01 5830	\$ 12,228	\$ -
Children of Incarcerated Parents				
Mentoring for Hope	16.831	2017-IG-BX-0017	26,724	294
Total U.S. Department of Justice			38,952	-
Total Federal Awards			<u>\$ 1,639,946</u>	<u>\$ 294</u>

* - denotes a major program

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
DECEMBER 31, 2021**

(A) BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of The Family Tree Information, Education and Counseling Center, Inc. under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Center.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(1) 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 are limited as reimbursements.

(2) Pass-through entity identifying numbers are presented where available.

(C) INDIRECT COST RATE

The Center has elected to use the 10% de minimis indirect cost rate for the year ended December 31, 2021.

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

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To the Board of Directors
The Family Tree
Information, Education
and Counseling Center, Inc.
Lafayette, Louisiana

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 Family Tree Information, Education and Counseling Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 24, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered The Family Tree Information, Education and Counseling 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Family Tree Information, Education and Counseling Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of The Family Tree Information, Education and Counseling 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Family Tree Information, Education and Counseling 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.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
June 24, 2022

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

To the Board of Directors
The Family Tree
Information, Education
and Counseling Center, Inc.
Lafayette, Louisiana

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Family Tree Information, Education and Counseling Center, Inc.'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of The Family Tree Information, Education and Counseling Center, Inc.'s major federal programs for the year ended December 31, 2021. The Family Tree Information, Education and Counseling Center, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Family Tree Information, Education and Counseling Center, Inc. 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 December 31, 2021.

Basis for Opinion on Each Major Federal Program

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* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Family Tree Information, Education and Counseling Center, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of The Family Tree Information, Education and Counseling Center, Inc.'s compliance with the compliance requirements referred to above.

Opinion on Each Major Federal Program

In our opinion, The Family Tree Information, Education and Counseling Center, Inc. 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 December 31, 2021.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to The Family Tree Information, Education and Counseling Center, Inc.'s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on The Family Tree Information, Education and Counseling Center, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about The Family Tree Information, Education and Counseling Center, Inc.'s compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding The Family Tree Information, Education and Counseling Center, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of The Family Tree Information, Education and Counseling Center, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 The Family Tree Information, Education and Counseling Center, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
June 24, 2022

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2021**

We have audited the financial statements of The Family Tree Information, Education and Counseling Center, Inc. as of and for the year ended December 31, 2021, and have issued our report thereon dated June 24, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 2021, resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

a. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control

Significant Deficiencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Noncompliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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b. *Federal Awards*

Major Program Identification

The Family Tree Information, Education and Counseling Center, Inc. at December 31, 2021, had one major program:

Department of Health and Human Services – Healthy Start Initiative – ALN: 93.926

Low-Risk Auditee

The Family Tree Information, Education and Counseling Center, Inc. is considered a low-risk auditee for the year ended December 31, 2021.

Major Programs - Threshold

The dollar threshold to distinguish between Type A and Type B programs is \$750,000 for the year ended December 31, 2021.

Auditors' Report - Major Programs

An unmodified opinion has been issued on Family Tree Information, Education and Counseling Center, Inc.'s compliance for its major program as of and for the year ended December 31, 2021.

Significant Deficiencies - Major Program

There were no significant deficiencies noted during the audit of the major federal programs.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - continued
YEAR ENDED DECEMBER 31, 2021**

Section II - Financial Statement Findings

There were no findings in the current year.

Section III - Federal Awards Findings and Questioned Costs

The audit did not disclose any material noncompliance findings or questioned costs relative to its federal programs.

**THE FAMILY TREE
INFORMATION, EDUCATION AND COUNSELING CENTER, INC.**

**SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2021**

There were no prior year findings.

**The Family Tree Information, Education
and Counseling Center, Inc.**
Lafayette, Louisiana

Independent Accountants' Report
On Applying Agreed-Upon Procedures

Year Ended December 31, 2021

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

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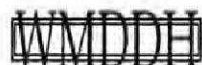
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To the Board of Directors and Management
The Family Tree Information, Education
and Counseling Center, Inc.
Lafayette, Louisiana

We have performed the procedures enumerated below on the control and compliance areas identified in the Louisiana Legislative Auditor's (LLA's) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2021, through December 31, 2021. The Family Tree Information, Education and Counseling Center, Inc.'s management is responsible for those control and compliance areas identified in the SAUPs.

The Family Tree Information, Education and Counseling Center, Inc. has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of evaluating management's assertions about The Family Tree Information, Education and Counseling Center, Inc.'s compliance with certain laws, regulations, and best practices. Additionally, the Legislative Auditor, State of Louisiana, has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1) Obtain the entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the entity does not have any written policies and procedures), as applicable:

a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

The entity does not have written policies and procedures related to budgeting.

b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.

The entity does not have written policies and procedures related to purchasing.

- c) **Disbursements**, including processing, reviewing, and approving

The entity does not have written policies and procedures related to disbursements.

- d) **Receipts**, including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions.

The entity does not have written policies and procedures related to receipts.

- e) **Payroll/Personnel**, including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.

Written policies and procedures were obtained and address the functions noted above.

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process

The entity does not have written policies and procedures related to contracting.

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

The entity does not have written policies and procedures related to credit cards.

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

Written policies and procedures were obtained and address the functions noted above.

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.

This section is not applicable for nonprofit organizations.

- j) **Debt Service**, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

This section is not applicable for nonprofit organizations.

- k) **Information Technology Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.

Written policies and procedures were obtained and address the functions noted above.

- l) **Sexual Harassment**, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Per review of grant documents, the entity is not subject to the sexual harassment law, R.S. 42:342-344.

Board (or Finance Committee, if applicable)

2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:
 - a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

No exceptions were found as a result of this procedure.

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual, at a minimum, on proprietary funds and semi-annual budget to-actual, at a minimum, on all special revenue funds.

This section was not applicable for nonprofit organizations.

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

This section was not applicable for nonprofit organizations.

Bank Reconciliations

3. Obtain a listing of client bank accounts from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:

Obtained a listing of bank accounts and management's representation that the listing is complete.

- a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);

Two of the five accounts tested showed no evidence of being prepared within 2 months of the statement closing date.

- b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and

Two of the five accounts tested showed no evidence of review from management or board members.

- c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

One of the five accounts tested showed no evidence of researching long outstanding items.

Collections

- 4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

Obtained listing of deposits sites and management's representation that the listing is complete.

- 5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:

- a) Employees that are responsible for cash collections do not share cash drawers/registers.

No exceptions were found as a result of this procedure.

- b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.

No exceptions were found as a result of this procedure.

- c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.

No exceptions were found as a result of this procedure.

- d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee/official verifies the reconciliation.

No exceptions were found as a result of this procedure.

6. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was enforced during the fiscal period.

No exceptions were found as a result of this procedure.

7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and:

- a) Observe that receipts are sequentially pre-numbered.

No exceptions were found as a result of this procedure.

- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.

No exceptions were found as a result of this procedure.

- c) Trace the deposit slip total to the actual deposit per the bank statement.

No exceptions were found as a result of this procedure.

- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).

No exceptions were found as a result of this procedure.

- e) Trace the actual deposit per the bank statement to the general ledger.

No exceptions were found as a result of this procedure.

Non-Payroll Disbursements (excluding card purchase/payments, travel reimbursements, and petty cash purchases)

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).

Obtained listing and management's representation that the listing is complete.

9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:

- a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.

No exceptions were found as a result of this procedure.

- b) At least two employees are involved in processing and approving payments to vendors.

No exceptions were found as a result of this procedure.

- c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.

The employee responsible for processing payments is not prohibited from adding/modifying vendor files.

- d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

No exceptions were found as a result of this procedure.

- 10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and:

- a) Observe that the disbursement matched the related original itemized invoice and that supporting documentation indicates that deliverables included on the invoice were received by the entity.

No exceptions were found as a result of this procedure.

- b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

No exceptions were found as a result of this procedure.

Credit Cards/Debit Cards/Fuel Cards/P-Cards

- 11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

Obtained listing and management's representation that the listing is complete.

- 12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]

No exceptions were found as a result of this procedure.

- b) Observe that finance charges and late fees were not assessed on the selected statements.

No exceptions were found as a result of this procedure.

- 13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only).

No exceptions were found as a result of this procedure.

Travel and Expense Reimbursement

- 14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

Obtained a listing and management's representation that the listing is complete.

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov).

No exceptions were found as a result of this procedure.

- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.

No exceptions were found as a result of this procedure.

- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).

No exceptions were found as a result of this procedure.

- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

No exceptions were found as a result of this procedure.

Contracts

15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternately, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:

Obtained listing and management's representation that the listing is complete.

- a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.

No exceptions were found as a result of this procedure.

- b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).

No exceptions were found as a result of this procedure.

- c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms.

No exceptions were found as a result of this procedure.

- d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

No exceptions were found as a result of this procedure.

Payroll and Personnel

16. Obtain a listing of employees and officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.

Obtained listing and management's representation that the listing is complete.

17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:

- a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)

No exceptions were found as a result of this procedure.

- b) Observe that supervisors approved the attendance and leave of the selected employees/officials.

No exceptions were found as a result of this procedure.

- c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.

No exceptions were found as a result of this procedure.

- d) Observe that the rate paid to the employees or officials agree to the authorized salary/pay rate found within the personnel file.

No exceptions were found as a result of this procedure.

- 18. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity policy on termination payments. Agree the hours to the employee or officials' cumulate leave records, agree the pay rates to the employee or officials' authorized pay rates in the employee or officials' personnel files, and agree the termination payment to entity policy.

No exceptions were found as a result of this procedure.

- 19. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

No exceptions were found as a result of this procedure.

Ethics (excluding nonprofits)

- 20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:

- a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.

This section is not applicable for nonprofit organizations.

- b. Observe that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.

This section is not applicable for nonprofit organizations.

Debt Service (excluding nonprofits)

21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.

This section is not applicable for nonprofit organizations.

22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

This section is not applicable for nonprofit organizations.

Fraud Notice

23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.

Management has asserted that the entity did not have any misappropriations of public funds or assets.

24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

No exceptions were found as a result of this procedure.

Information Technology Disaster Recovery/Business Continuity

25. Perform the following procedures, verbally discuss the results with management, and report **"We performed the procedure and discussed the results with management."**

- a. Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if no written documentation, inquire of personnel responsible for backing up critical data) and observe that such backup occurred within the past week. If backups are stored on a physical medium (e.g., tapes, CDs), observe evidence that backups are encrypted before being transported.

We performed the procedure and discussed the results with management.

- b. Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if no written documentation, inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.

We performed the procedure and discussed the results with management.

- c. Obtain a listing of the entity's computers currently in use, and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.

We performed the procedure and discussed the results with management.

Sexual Harassment

26. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year.

Per review of grant documents, the entity is not subject to the sexual harassment law, R.S. 42:342.

27. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).

Per review of grant documents, the entity is not subject to the sexual harassment law, R.S. 42:342.

28. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that it includes the applicable requirements of R.S. 42:344:

Per review of grant documents, the entity is not subject to the sexual harassment law, R.S. 42:344.

- a. Number and percentage of public servants in the agency who have completed the training requirements;
- b. Number of sexual harassment complaints received by the agency;
- c. Number of complaints which resulted in a finding that sexual harassment occurred;
- d. Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and
- e. Amount of time it took to resolve each complaint.

We were engaged by The Family Tree Information, Education and Counseling Center, Inc. to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on management's financial records and compliance with applicable laws and regulations. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Family Tree Information, Education and Counseling Center, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of The Family Tree Information, Education and Counseling Center, Inc. and the Legislative Auditor, State of Louisiana, and is not intended to be and should not be used by anyone other than those specified parties.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

Lafayette, Louisiana
June 13, 2022



THE FAMILY TREE
INFORMATION, EDUCATION & COUNSELING CENTER

June 13, 2022

Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC
P.O. Box 80569
Lafayette, LA 70598

The following is Management's response to the 2021 agreed upon procedures report submitted.

WRITTEN POLICIES AND PROCEDURES

1. a), b), c), d), f), and g) - Management is in the process of reviewing and revising all current policies and procedures and making modifications as determined to be necessary.

BANK RECONCILIATIONS

3. a), b) and c) - Management outsources the accounting function to a 3rd party and was not aware of these requirements. This will be addressed and corrected in current year.

DISBURSEMENTS

9. c) Management will address and determine the necessary mitigating controls for this exception.

If any additional information is needed, please contact me.

Marie Collins
Executive Director