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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2019

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WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of The Family Tree Information, Education and Counseling Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019, 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Family Tree Information, Education and Counseling Center, Inc. as of December 31, 2019 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements 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 26, 2020, on our consideration of The Family Tree'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'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'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 26, 2020

FINANCIAL STATEMENTS

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

STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

CURRENT ASSETS	
Cash	$ 486,694
Accounts Receivable:	
Grants and Contracts	161,501
Other Receivables	3,212
Prepaid Expenses	75,687
Total Current Assets	727,094
PROPERTY AND EQUIPMENT	
Property and Equipment, Net	18,953
OTHER ASSETS	
Deposits	5,000
TOTAL ASSETS	$ 751,047

LIABILITIES

Accounts Payable	$ 56,535
Accrued Liabilities	70,202
Total Current Liabilities	126,737
Deferred Revenue	62,327
TOTAL LIABILITIES	189,064

NET ASSETS

Net Assets Without Donor Restrictions	561,983
TOTAL NET ASSETS	561,983
TOTAL LIABILITIES AND NET ASSETS	$ 751,047

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, 2019

NET ASSETS WITHOUT DONOR RESTRICTIONS	
REVENUES, GAINS AND PUBLIC SUPPORT	
Public Support:	
Grants and Contracts	$ 1,473,407
United Way	12,500
Public Support Donations	27,888
Fundraising	33,385
Total Public Support	1,547,180
Program Income, Net	180,935
Contract Revenue	20,880
Other Income	5,372
Total Revenues, Gains and Public Support	1,754,367
EXPENSES AND LOSSES	
Program Services	1,497,033
Supporting Services:	
Management and General	139,820
Fundraising	18,354
Total Expenses and Losses	1,655,207
CHANGE IN NET ASSETS	99,160
NET ASSETS AT BEGINNING OF YEAR	462,823
NET ASSETS AT END OF YEAR	$ 561,983

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, 2019

	PROGRAM SERVICES	SUPPORTING SERVICES: MANAGEMENT AND GENERAL	SUPPORTING SERVICES: FUNDRAISING	TOTAL
Compensation and Related Expenses				
Salaries	$ 822,513	$ 94,534	$ -	$ 917,047
Payroll Taxes	66,981	7,759	-	74,740
Employee Benefits	78,292	2,695	-	80,987
	967,786	104,988	-	1,072,774
Advertising and Marketing	25,556	223	356	26,135
Bank Charges	2,775	1,544	-	4,319
Conferences and Meetings	3,249	254	-	3,503
Contract Labor	71,772	3,000	-	74,772
Equipment Lease and Maintenace	4,235	-	-	4,235
Facility Rental	-	-	2,490	2,490
Insurance	7,546	2,778	-	10,324
Membership Dues	3,660	1,503	-	5,163
Office Supplies	68,982	3,662	7,368	80,012
Postage	1,020	987	550	2,557
Professional Fees	136,838	4,932	7,590	149,360
Rent	81,119	13,333	-	94,452
Telecommunications	21,387	1,653	-	23,040
Training and Development	15,806	490	-	16,296
Travel	80,631	473	-	81,104
	1,492,362	139,820	18,354	1,650,536
Depreciation	4,671	-	-	4,671
Totals	$ 1,497,033	$ 139,820	$ 18,354	$ 1,655,207

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, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ 99,160
Adjustments to Reconcile Change in Net Assets to Net Cash Provided By Operating Activities:	
Depreciation	4,671
Changes in Assets and Liabilities:	
Accounts Receivable	(79,521)
Other Receivables	186
Prepaid Expenses	(24,525)
Accounts Payable	26,583
Accrued Liabilities	7,577
Deferred Revenue	(10,151)
Total Adjustments	(75,180)
Net Cash Provided By Operating Activities	23,980
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Capital Assets	(19,005)
Net Cash (Used In) Investing Activities	(19,005)
NET CHANGE IN CASH	4,975
CASH AT BEGINNING OF YEAR	481,719
CASH AT END OF YEAR	$ 486,694

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, 2019

(A) ORGANIZATION AND NATURE OF OPERATIONS

The Family Tree Information, Education and Counseling Center, Inc. (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. Management believes all accounts are collectible and that no allowance is necessary at December 31, 2019. Management also believes that any write-offs would be immaterial to the financial statements.

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, 2019 totaled $4,671.

Donor Restricted Funds - All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restricted support. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Center reports the support as net assets without donor restrictions.

(B) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

Donor Restricted Funds - continued - Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the Center has adopted a policy of implying a time restriction on contributions of such assets that expires over the assets' useful lives; consequently, contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as unrestricted support.

Grant Revenue - Proceeds from grants made for the purchase of specific items are recognized as revenue when the organization is reimbursed for those purchases by the donor. Proceeds from operational grants with no specified purchase requirements are recognized when funds are available.

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.

As of December 31, 2019, the 2016 through 2018 tax years remain subject to examination by taxing authorities.

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 $26,135 for the year ended December 31, 2019.

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, 2019, deferred revenues were $62,327.

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.

(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 $230,785 at December 31, 2019. 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	33,120
Total	46,581
Less: Accumulated Depreciation	(27,628)
Net Property and Equipment	$ 18,953

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

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

(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, 2019:

Purpose	Amount
Salary and Related Expenses	$ 107,295
Benefits-insurance	$ 5,588
Vehicle Allowance	$ 4,800
Travel	$ 501

(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 4.25 percent per annum, currently 6.25 percent, maturing January 8, 2020. The balance at December 31, 2019 was $-0-.

(G) LEASE COMMITMENT

On August 28, 2017, The Family Tree 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 September 26, 2018, the lease was amended to add additional office space for a nine-month period commencing October 1, 2018. The monthly payments are $2,222.

On August 23, 2019, the Center signed a three-year lease for office space. The monthly payments are $3,167.

Rental expense for December 31, 2019 was $94,452.

The future minimum lease payments are as follows:

2020	$ 83,803
2021	38,000
2022	25,333
Total Minimum Lease Payments	$ 147,1376

(H) COMPENSATED ABSENCES

Full time employees will become eligible for vacation benefits after their ninety (90) days probationary period. Upon separation, employees will be compensated for any unused vacation generated in the current year. Sick leave with pay is earned at a rate of 40 hours per calendar year, commencing 90 days after employment. Sick leave may be accumulated only for use in an extended illness. No sick leave or extended illness leave is payable to an employee upon separation. As of December 31, 2019, the total amount of accrued compensated absences was $15,028 and is reflected in accrued liabilities.

(I) FINANCIAL INSTRUMENTS

Financial instruments that potentially subject the Center to concentrations of credit risk consist principally of temporary cash investments. The Center places its temporary cash investments with one high-quality financial institution. At times, amounts may be in excess of the FDIC insurance limit of $250,000. As of December 31, 2019, the Center has cash balances in excess of these limits by $230,785.

The fair values of the Center's financial instruments are as follows:

Cash and short-term investments – The carrying amount approximates fair value because of the short maturities of those investments.

(J) NEW ACCOUNTING PRONOUNCEMENT

In May 2014, the Financial Accounting Standards Board ("FASB") issued ASU 2014-09, *Revenue from Contracts with Customers*, or Accounting Standards Codification Topic 606 ("ASC 606"), which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition* ("ASC 605"). This literature is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The accounting guidance also requires additional disclosure regarding the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts including significant judgments and changes in judgments, as well as assets recognized from costs incurred to obtain or fulfill a contract. On January 1, 2019, the Center adopted ASC 606.

(K) REVENUE RECOGNITION

We have analyzed the provisions of the FASB's ASC Topic 606, *Revenue from Contracts with Customers*, and have concluded that no changes are necessary to conform with the new standard. Revenue from a contract with a customer is recognized when 1) an agreement has been signed, 2) the services have been rendered 3) an invoice has been generated.

The following table presents the Center's net revenue disaggregated based on the revenue source:

Contract Revenue	$ 20,880

(L) LIQUIDITY AND AVAILABILITY

The Center has $651,407 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of $486,694, and receivables of $164,713. 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.

(M) SUBSEQUENT EVENTS

Subsequent events were evaluated through June 26, 2020, which is the date the financial statements were available to be issued.

(M) SUBSEQUENT EVENTS - continued

- In December 2019, COVID-19 emerged and has subsequently spread worldwide. The World Health Organization has declared COVID-19 a pandemic resulting in federal, state and local governments and private entities mandating various restrictions, including travel restrictions, restrictions on public gatherings, stay at home orders and advisories and quarantining of people who may have been exposed to the virus. While the Center does not yet know the full effect of the impact to the global economy as a whole, the effects could have an impact on the Center's business, results of operations, liquidity, and financial condition. Although the Center offers tele-counseling which allows therapists to provide mental health services over the internet, revenue from counseling services have been impacted by this pandemic.

- In January 2020, the Center renewed the line of credit through January 8, 2022. The terms and amount remain the same. See note (F).

- On April 17, 2020, the Center ("the borrower") was granted a loan ("the loan") from Hancock Whitney Bank in the aggregate amount of $189,522, pursuant to the Paycheck Protection Program (the "PPP"). *The Loan, which was in the form of a Note dated April 17, 2020 issued by the* Borrower, matures on April 17, 2022 and bears interest at a rate of 1.0% per annum, payable monthly commencing on November 17, 2020. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties.

  The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes such as payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations incurred before February 15, 2020. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period. The unforgiven portion of the PPP loan is payable over five years at an interest rate of 1%, with a deferral of payments for the first six months.

  The Center intends to use the proceeds for purposes consistent with the PPP. While the Center currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, they cannot be assured that actions that could cause the Center to be ineligible for forgiveness of the loan, in whole or in part, will not occur.

SUPPLEMENTAL INFORMATION

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Program Title		CFDA Number	Grant Number	Federal Expenditures	Subrecipients
U.S. Department of Health and Human Services					
Healthy Start Initiative					
Healthy Start Initiative - Eliminating Racial/Ethnic Disparities	*	93.926	H49MC27810	$ 871,133	$ -
Passed through Tulane Department of Psychiatry and Behavioral Sciences					
Child Care and Development Block Grant					
Tulane Infant and Early Childhood Mental Health Consultation Supports and Services (TIKES)		93.575	TUL-HSC-554597	174,258	-
Passed through Acadiana Area Human Service District					
Block Grants for Prevention and Treatment of Substance Abuse					
Jacob Crouch Suicide Prevention		93.959	N/A	56,979	-
U.S. Department of Justice					
Children of Incarcerated Parents					
Mentoring for Hope		16.831	2017-IG-BX-0017	49,687	23,369
				$ 1,152,057	$ 23,369

* - denotes a major program

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

NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
DECEMBER 31, 2019

(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, 2019. 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, 2019.

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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*

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 statements of financial position as of December 31, 2019, and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 26, 2020.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Family Tree Information, Education and Counseling Center, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC

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

Lafayette, Louisiana
June 26, 2020

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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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

We have audited The Family Tree Information, Education and Counseling Center, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Family Tree Information, Education and Counseling Center, Inc.'s major federal programs for the year ended December 31, 2019. 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.

Management's Responsibility

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

Auditors' Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The Family Tree Information, Education and Counseling Center, Inc.'s compliance.

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, 2019.

Report on Internal Control over Compliance

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

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

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

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

Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC

Certified Public Accountants

Lafayette, Louisiana
June 26, 2020

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2019

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, 2019, and have issued our report thereon dated June 26, 2020. 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, 2019 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	☐ Yes	☑ No
Material Weaknesses	☐ Yes	☑ No

Compliance

Noncompliance Material to Financial Statements	☐ Yes	☑ No

b. *Federal Awards*

Major Programs Identification

The Family Tree at December 31, 2019, had one major program:

- Department of Health and Human Services – Healthy Start Initiative - CFDA No. 93.926

Low-Risk Auditee

The Family Tree is considered a low-risk auditee for the year ended December 31, 2019.

Major Programs - Threshold

The dollar threshold to distinguish between Type A and Type B programs is $750,000 for the year ended December 31, 2019.

Auditors' Report - Major Programs

An unmodified opinion has been issued on The Family Tree's compliance for its major program as of and for the year ended December 31, 2019.

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, 2019

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.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2019

There were no prior year findings.