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Frank Edelblut
Commissioner

Paul K. Leather
Deputy Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
101 Pleasant Street
Concord, N.H. 03301
TEL. (603) 271-3495
FAX (603) 271-1953

March 6, 2017

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire Department of Education to amend a **Sole Source** contract (PO# 1029957) with Granite State Independent Living, Concord, NH (Vendor Code 155330), by increasing the price limitation by \$43,800.00 from \$73,000.00 to \$116,800.00 and extending the completion date from June 30, 2017 to June 30, 2018 to continue to develop and provide training and technical assistance to one local education agency in their region under the State Personnel Development Grant (SPDG) & provide sustainability activities related to Next Steps NH. This contract will be in effect upon Governor and Council approval through June 30, 2018. Original item approved by Governor and Council on March 9, 2016 (Item # 99) 100% Federal funds.

Funds to support this request are anticipated to be available in account titled State Program Implementation as follows, contingent upon legislative approval of the next biennial budget:

FY 2018

06-56-56-562510-41070000-102-500731 Contracts for Program Services \$43,800.00

EXPLANATION

The New Hampshire Department of Education received a \$3.85 million (\$770,000.00 per year for 5 years) State Personnel Development Grant from the U.S. Department of Education, Office of Special Education Programs, through September 30, 2017. The Office of Special Education Programs approved a no-cost extension through September 30, 2018 to continue the work of the grant and promote full implementation and project sustainability. This request is **sole source** because New Hampshire applied for and was awarded this grant with the provision that highly qualified partners be identified in our proposal. These partners were required to be highly qualified entities already engaged in professional development in the grant areas and in agreement to expand these services.

The OSEP required partners and their services as detailed in the grant include: Evergreen Evaluation and Consulting Inc., Strafford Learning Center, Monadnock Developmental Services (MDS), Granite State Independent Living (GSIL), Parent Information Center (PIC), Keene State College (KSC), Institute on Disability, and QED. As a result of the SPDG application requirements, a competitive bid process was not established.

Granite State Independent Living is a nonprofit organization whose mission is to promote life with independence for people with disabilities through advocacy, information, education and support. Granite State Independent Living provides some extended learning opportunity training to LEAs in their region so it made sense to include

His Excellency, Governor Christopher T. Sununu
and the Honorable Council

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March 6, 2017

them as a partner under the SPDG. Therefore, Granite State Independent Living, as a SPDG partner will bring to this grant the research, knowledge and expertise to conduct the required grant activities.

The SPDG proposal is targeted to increase the number of students with disabilities graduating from high school who are college and career ready, through the implementation of evidence-based transition practices. Our ambitious proposal targets four strategies to achieve this goal: (1) increasing student competency through increased use of Extended Learning Opportunities (ELOs), (2) enhanced transition planning and increased transition planning opportunities/practices, (3) greater family – school engagement, and (4) sustaining practices through our state Institutions of Higher Education (IHEs), regional education intermediaries, a transition Community of Practice, and the use of technology. These strategies are aimed at school districts, parents, regional professional development intermediaries, Vocational Rehabilitation, IHEs, and other community members.

The Office of Special Education Programs requires a comprehensive evaluation detailed within the grant that measures the short-term, intermediate and long-term outcomes and impacts of the grant initiatives. The Evaluation assesses the degree to which the NH SPDG meets its goals and objectives, as well as the established federal performance goals and objectives. The evaluation will be ongoing and formative to provide for data-based decision making and planning mid-course corrections.

In the event that the Federal funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Frank Edelblut.
Commissioner of Education

**AMENDMENT TO
PROFESSIONAL SERVICES CONTRACT**

Now come the New Hampshire Department of Education, Commissioner's Office, hereinafter "the Agency," and Granite State Independent Living of Concord, NH hereinafter "the Contractor", and, pursuant to an agreement between the parties that was approved by Governor and Council on March 9, 2016 (item #99) hereby agree to modify same as follows:

1. Amendment of contract by modifying 1.7 Completion Date to June 30, 2018.
2. Amendment of contract by modifying 1.8 Price Limitation to \$116,800.00
3. Modify Exhibit B, by increasing the budget by \$43,800.00 with the contract price limitation becoming \$116,800.00

Line Items	Original Approved Budget	Requested Action	Amended Budget
Personnel	\$48,000.00	\$26,800.00	\$74,800.00
Fringe Benefit	\$12,400.00	\$7,800.00	\$20,200.00
Travel	\$3,000.00	\$2,600.00	\$5600.00
Total Personnel	\$63,400.00	\$37,200.00	\$100,600.00
Other			
Occupancy Expenses	\$3,500.00	\$2,500.00	\$6,000.00
Supplies Expenses	\$100.00	\$300.00	\$400.00
Computer Expenses	\$300.00	\$480.00	\$780.00
Telephone Expenses	\$300.00	\$120.00	\$420.00
Total Other	\$4,200.00	\$3,400.00	\$7,600.00
Total Direct Costs	\$67,600.00	\$40,600.00	\$108,200.00
Indirect costs 8.0% of total direct costs	\$5400.00	\$3,200.00	\$8,600.00
Total Contract	\$73,000.00	\$43,800.00	\$116,800.00

Limitation of Price: This contract will not exceed \$116,800.00

4. All other provisions of the contract shall remain in effect.
5. This modification shall be effective on the date of approval by Governor and Council.

This modification of an existing agreement is hereby incorporated by reference to the existing agreement by the parties and must be attached to the said agreement.

IN WITNESS WHEREOF, the parties, hereto have set their hands as of the day and year first above written.

THE STATE OF NEW HAMPSHIRE
Department of Education
(Agency)

Division of Commissioner's Office

By:  3-30-17
Commissioner of Education Date

Granite State Independent Living

By:  2/20/17
Signature, Title Date
Clyde Terry, CEO

STATE OF New Hampshire

County of Merrimack

On this the 28th day of February, 2017 before me, Casey Strickulis, the undersigned officer, personally appeared Clydel Terry known to me (or satisfactory proven) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same for the purposes therein contained.

In witness whereof, I hereto set my hand and official seal.

Casey N Strickulis
Notary Public/Justice of the Peace

CASEY N. STRICKULIS, Notary Public
State of New Hampshire
My Commission Expires November 4, 2020

Commission Expires

Approved as to form, substance and execution by the Attorney General this 7th day of April, 2017.

[Signature]
Division of Attorney General Office

Approved by the Governor and Council this _____ day of _____, 2017

By: _____

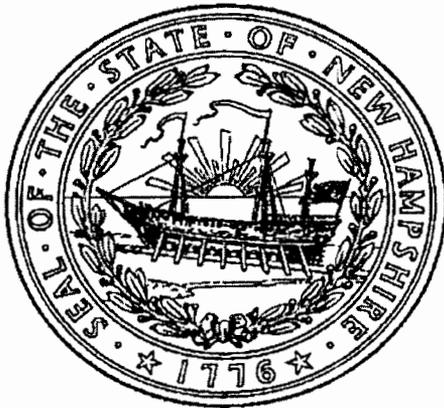
State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that GRANITE STATE INDEPENDENT LIVING is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on January 29, 1980. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 63257



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire.
this 23rd day of January A.D. 2017.

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State



Granite State Independent Living

Resolutions of the Board of Directors

Whereas: Granite State Independent Living, (herein after GSIL,) is interested in obtaining funds through contracts, grants or other means to promote its mission of supporting persons with disabilities obtain independent living services, and

Whereas: The State of New Hampshire, Department of Education; has made available funds for a NH State Personnel Development Grant (SPDG), funds for such independent living purposes, and

Whereas: GSIL has been recognized for its expertise with its Earn and Learn Program, and offering transition services to students with disabilities; and

Whereas: The New Hampshire Department of Education: SPDG recognizing GSIL’s expertise, seeks to enter into a contract amendment for \$116,800.00 with GSIL, a \$43,800.00 increase with an extended completion date of June 30, 2018 for such services identified in the contracts scope of services;

Now therefore be it RESOLVED: The Board of Directors of GSIL accepts such funds and enters into a contract with the Department of Education: SPDG, effective upon Governor and Council approval; and

Be it further RESOLVED: Clyde E. Terry, as Chief Executive Officer, is hereby authorized on behalf of Granite State Independent Living, to enter into said contracts with the State and to execute any and all documents, agreements, and other instruments, and any amendments, revisions, or modifications thereto, as may be deemed necessary, desirable or appropriate.

The foregoing resolutions have not been revoked, annulled or amended in any manner whatsoever, and remain in full force and effect as of the date hereof; and the following person has been duly elected and now occupy the office indicated below.

Certificate of Vote

The undersigned, being the Secretary of Granite State Independent Living., a New Hampshire voluntary corporation (“Corporation”), does hereby certify that the Board of Directors of the Corporation did approve the resolutions set forth above, at a duly called vote of said Board of Directors held on February 15, 2017.

DATED: February 28th 2017

Liza Colby
Liza Colby, Secretary

My Commission Expires:

Casey N Strickulis
Notary Public



2016-2017 BOARD OF DIRECTORS

Chair

Lorna D. Greer (2019-2)

1st Vice Chair

L. Eric Schleppehorst, MD (2019-2)

2nd Vice Chair

Terry Scott (2019-1)

Treasurer

Brad Kulacz (2017-1)

Secretary

Liza Colby (2017-1)

Laura Clark (2019-1)

Dan Hebert (2017-2)

Ron Hoy (2019-2)

Paul Perry (2019-2)

Philip Spurr (2019-2)

Ken Traum (2019-1)

Deborah Ritcey (2020-1)

Theo Vougias (2019-1)

Board members receive no salaries

Principal Staff

Peter Darling, Project Director, Annual Part-time Salary: \$44,554

Maureen O'Donnell, Regional PD Intermediary Trainer/Coach, Annual Salary: \$61,211

Marybeth Hammond, Regional PD Intermediary Trainer/Coach, Annual Salary: \$51,012

Granite State Independent Living
Financial Statements
For the Year Ended September 30, 2016
(With Independent Auditors' Report Thereon)

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Independent Auditors' Report

To the Board of Directors
Granite State Independent Living

Report on the Financial Statements

We have audited the accompanying financial statements of Granite State Independent Living, which comprise the statement of financial position as of September 30, 2016, 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 Granite State Independent Living as of September 30, 2016, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the financial statements of Granite State Independent Living for the year ended September 30, 2015, which were audited by another auditor who expressed an unmodified opinion on those statements in their report dated January 21, 2016.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2017 on our consideration of the Granite State Independent Living's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Granite State Independent Living's internal control over financial reporting and compliance.

Melanson Heath

February 1, 2017

GRANITE STATE INDEPENDENT LIVING

Statement of Financial Position

September 30, 2016

(with comparative totals as of September 30, 2015)

<u>ASSETS</u>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
Current Assets:					
Cash and cash equivalents	\$ 4,321,529	\$ 32,666	\$ -	\$ 4,354,195	\$ 3,745,652
Restricted cash	32,320	-	-	32,320	-
Accounts receivable:					
Medicaid, net of allowance of \$54,063	1,134,985	-	-	1,134,985	832,641
Title VII, net of allowance of \$483	15,610	-	-	15,610	16,948
Other, net of allowance of \$12,423	372,973	-	-	372,973	830,199
Prepaid expenses	499,941	-	-	499,941	371,938
Workers' compensation collateral	<u>243,459</u>	<u>-</u>	<u>-</u>	<u>243,459</u>	<u>2,610</u>
Total Current Assets	6,620,817	32,666	-	6,653,483	5,799,988
Investments	505,023	-	164,228	669,251	-
Property and equipment, net	<u>1,082,688</u>	<u>-</u>	<u>-</u>	<u>1,082,688</u>	<u>964,830</u>
TOTAL ASSETS	<u>\$ 8,208,528</u>	<u>\$ 32,666</u>	<u>\$ 164,228</u>	<u>\$ 8,405,422</u>	<u>\$ 6,764,818</u>
 <u>LIABILITIES AND NET ASSETS</u>					
Current Liabilities:					
Accounts payable	\$ 141,094	\$ -	\$ -	\$ 141,094	\$ 98,801
Accrued payroll and related liabilities	937,663	-	-	937,663	842,813
Accrued expenses	174,694	-	-	174,694	241,927
Deferred revenue	818,413	-	-	818,413	28,085
Due to State	-	-	-	-	25,000
Current portion of contracts payable	<u>7,950</u>	<u>-</u>	<u>-</u>	<u>7,950</u>	<u>-</u>
Total Current Liabilities	2,079,814	-	-	2,079,814	1,236,626
Long Term Liabilities:					
Contracts payable, net of current portion	<u>31,138</u>	<u>-</u>	<u>-</u>	<u>31,138</u>	<u>-</u>
Total Liabilities	2,110,952	-	-	2,110,952	1,236,626
Net Assets:					
Unrestricted	6,097,576	-	-	6,097,576	5,360,767
Temporarily restricted	-	32,666	-	32,666	78,443
Permanently restricted	<u>-</u>	<u>-</u>	<u>164,228</u>	<u>164,228</u>	<u>88,982</u>
Total Net Assets	<u>6,097,576</u>	<u>32,666</u>	<u>164,228</u>	<u>6,294,470</u>	<u>5,528,192</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 8,208,528</u>	<u>\$ 32,666</u>	<u>\$ 164,228</u>	<u>\$ 8,405,422</u>	<u>\$ 6,764,818</u>

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

GRANITE STATE INDEPENDENT LIVING

Statement of Activities

For the Year Ended September 30, 2016

(with comparative totals for the year ended September 30, 2015)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2016 Total</u>	<u>2015 Total</u>
Support and Revenue:					
Support:					
Grants	\$ 1,845,315	\$ 69,561	\$ -	\$ 1,914,876	\$ 1,515,547
Public support	85,707	-	75,100	160,807	58,266
Special events, net	67,342	-	-	67,342	39,633
Revenue:					
Program fees, net	16,545,736	-	-	16,545,736	15,577,540
Interest	2,471	-	-	2,471	6,624
Miscellaneous	3,174	-	-	3,174	43,396
Investment income:					
Interest and dividends	1,569	-	558	2,127	-
Unrealized gains (losses)	4,769	-	316	5,085	-
Net assets released from restriction	<u>115,338</u>	<u>(115,338)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Support and Revenue	18,671,421	(45,777)	75,974	18,701,618	17,241,006
Expenses:					
Long-term care	13,296,255	-	-	13,296,255	12,619,471
Community economic development	2,784,436	-	-	2,784,436	2,422,184
General and administrative	1,609,410	-	728	1,610,138	1,498,828
Fundraising	<u>244,511</u>	<u>-</u>	<u>-</u>	<u>244,511</u>	<u>146,352</u>
Total Expenses	<u>17,934,612</u>	<u>-</u>	<u>728</u>	<u>17,935,340</u>	<u>16,686,835</u>
Change in net assets	736,809	(45,777)	75,246	766,278	554,171
Net Assets, Beginning of Year	<u>5,360,767</u>	<u>78,443</u>	<u>88,982</u>	<u>5,528,192</u>	<u>4,974,021</u>
Net Assets, End of Year	<u>\$ 6,097,576</u>	<u>\$ 32,666</u>	<u>\$ 164,228</u>	<u>\$ 6,294,470</u>	<u>\$ 5,528,192</u>

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

GRANITE STATE INDEPENDENT LIVING

Statement of Functional Expenses

For the Year Ended September 30, 2016

(with comparative totals for the year ended September 30, 2015)

	Long-Term Care	Community Economic Development	Total Program	General and Administrative	Fundraising	2016 Total	2015 Total
Personnel expense:							
Salaries and wages	\$ 10,199,057	\$ 1,613,240	\$ 11,812,297	\$ 1,041,151	\$ 150,098	\$ 13,003,546	\$ 12,138,924
Employee benefits	1,439,676	379,261	1,818,937	166,275	47,771	2,032,983	1,023,053
Payroll taxes	861,019	127,592	988,611	83,943	11,563	1,084,117	1,878,451
Advertising	45,754	7,036	52,790	32,837	4,592	90,219	59,213
Provision for bad debts	79,639	383	80,022	-	-	80,022	41,132
Board of Directors	-	-	-	14,725	-	14,725	33,598
Building occupancy	113,279	118,770	232,049	57,219	-	289,268	282,854
Computer	100,347	26,866	127,213	14,640	1,654	143,507	105,960
Consultants	-	31,921	31,921	21,395	-	53,316	11,900
Depreciation	77,407	40,291	117,698	11,773	-	129,471	130,912
Dues and subscriptions	12,013	1,989	14,002	4,453	793	19,248	9,162
Equipment lease and maintenance	26,986	11,996	38,982	3,897	-	42,879	39,586
Grants	1,704	141,718	143,422	-	-	143,422	172,292
Insurance	54,860	11,346	66,206	7,875	-	74,081	65,318
Interpreter	330	9,411	9,741	-	-	9,741	4,650
Meals and entertainment	86	1,103	1,189	76	-	1,265	1,223
Miscellaneous	55,356	5,150	60,506	27,573	9,135	97,214	89,032
Posting and shipping	30,452	3,662	34,114	13,406	6,517	54,037	52,655
Printing	11,060	4,753	15,813	6,972	9,589	32,374	38,353
Professional development	5,166	9,502	14,668	8,447	110	23,225	24,222
Professional fees	-	2,690	2,690	53,429	-	56,119	138,302
Supplies	27,069	20,348	47,417	29,960	637	78,014	38,118
Telephone	53,669	20,339	74,008	3,876	653	78,537	67,638
Transportation	5,706	100,079	105,785	47	394	106,226	81,408
Travel	95,620	94,990	190,610	6,169	1,005	197,784	158,879
Total Functional Expenses	\$ 13,296,255	\$ 2,784,436	\$ 16,080,691	\$ 1,610,138	\$ 244,511	\$ 17,935,340	\$ 16,686,835

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

GRANITE STATE INDEPENDENT LIVING

Statement of Cash Flows

For the Year Ended September 30, 2016

(with comparative totals for the year ended September 30, 2015)

	<u>2016</u>	<u>2015</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 766,278	\$ 554,171
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	129,471	130,912
Gain on disposal of asset	(59)	-
Unrealized (gain) loss	(5,085)	-
Provision for bad debt	80,022	41,132
Donated equipment	(12,000)	-
Restricted contributions	(75,100)	-
Changes in operating assets and liabilities:		
Accounts receivable	76,198	(280,788)
Prepaid expenses	(128,003)	(248,596)
Workers' compensation collateral	(240,849)	219,090
Accounts payable	42,293	9,932
Accrued payroll and related liabilities	94,850	113,593
Accrued expenses	(67,233)	75,905
Deferred revenue	790,328	20,679
Due to State	<u>(25,000)</u>	<u>(7,085)</u>
Net Cash Provided By Operating Activities	1,426,111	628,945
Cash Flows From Investing Activities:		
Purchases of investments	(664,106)	-
Purchase of property and equipment	<u>(235,330)</u>	<u>(75,806)</u>
Net Cash Used By Investing Activities	(899,436)	(75,806)
Cash Flows From Financing Activities:		
Proceeds from restricted contributions	75,100	-
Proceeds of contracts payable	39,750	-
Payments of contracts payable	<u>(662)</u>	<u>-</u>
Net Cash Provided By Financing Activities	<u>114,188</u>	<u>-</u>
Net Change in Cash, Cash Equivalents, and Restricted Cash	640,863	553,139
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>3,745,652</u>	<u>3,192,513</u>
Cash, Cash Equivalents, and Restricted Cash, End of Year	\$ <u><u>4,386,515</u></u>	\$ <u><u>3,745,652</u></u>

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

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements For the Year Ended September 30, 2016

1. Description of Organization

Granite State Independent Living (the Organization), is a New Hampshire nonprofit corporation providing a wide range of services to improve the quality of life for individuals with disabilities in New Hampshire. This is accomplished through ensuring the availability of a broad range of services, advocacy efforts, and the establishment of social support. The Organization impacts lives through two primary service areas:

- *Long-Term Care Program.* The Organization offers a variety of personal care service programs based on eligibility. Personal care attendants provide non-medical, hands-on assistance with activities of daily living for seniors and adults living with disabilities. A personal care worker helps individuals bathe, dress, eat, and navigate a range of other daily tasks. In addition to providing assistance with activities of daily living, personal care workers can assist with housekeeping chores, meal preparation, and medication management. Personal care services can be delivered in either a private home, residential care setting, or an individual's place of employment. The Organization also provides nursing facility transition services.
- *Community Economic Development Program.* The Organization is committed to assisting seniors and consumers with disabilities so they can function well within their community and pursue personal goals, whether through employment or earning academic credit through youth transition programs. Options are discussed through a call to the Information & Referral Program Service Coordinators, who help individuals set their goals. Services provided can include benefit planning, transportation, ASL referral, peer support, and access modification. Additional services offered may include placement, job coaching, and employment through the Ticket to Work Program.

General and administrative activities include the functions necessary to provide support the Organization's program activities. General and administrative activities include those that provide governance (Board of Directors), oversight, business management, financial recordkeeping, budgeting, human resource management, information technology, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; maintaining donor lists; conducting special fundraising events; and other activities involved with soliciting contributions from corporations, foundations, individuals, and others.

2. Significant Accounting Policies

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with Accounting Principles Generally Accepted in the United States of America (GAAP). Accordingly, such information should be read in conjunction with the audited financial statements for the year ended September 30, 2015, from which the summarized information was derived.

Cash Equivalents

All cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, are considered to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to building projects, permanent endowment, or other long-term purposes are excluded from this definition.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

Receivables

Accounts receivable consist primarily of noninterest-bearing amounts due for services and programs. The allowance for uncollectable accounts receivable is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable.

Property and Equipment

Property and equipment is reported in the Statement of Financial Position at cost, if purchased, and at fair value at the date of donation, if donated. Property and equipment is capitalized if it has a cost of \$1,000 or more and a useful life when acquired of more than one year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings and improvements	40 years
Furniture, fixtures, and equipment	3 – 5 years
Vehicles	3 – 6 years

Property and equipment is reviewed for impairment when a significant change in the asset's use or another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

Endowment Investments

Endowment investments consist of investments purchased with the following resources:

- Donor-restricted permanent endowments, which are contributions restricted by donors to investment in perpetuity with only investment income and appreciation being used to support the Organization's activities.
- Donor-restricted term endowments, which are contributions restricted by donors to investment for the term specified by the donor. During that term, the donor may either require investment income and appreciation to be reinvested in the fund, or may permit the Organization to spend those amounts in accordance with the donor's restrictions on use.
- Board-designated endowments, which are resources set aside by the Board of Directors for an indeterminate period to operate in a manner similar to a donor-restricted permanent endowment. Because a board-designated endowment results from an internal designation, it can be spent upon action of the Board of Directors.

Endowment investments also include investments purchased with unspent investment income and net gains on these resources. Endowment investments are reported at fair value.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Unrestricted Net Assets – Net assets available for use in general operations. Unrestricted board-designated net assets consist of net assets designated by the Board of Directors for operating reserve and board-designated endowment.

Temporarily Restricted Net Assets – Net assets subject to donor restrictions that may or will be met by expenditures or actions and/or the passage of time. Contributions are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Permanently Restricted Net Assets – Net assets whose use is limited by donor-imposed restrictions that neither expire by the passage of time nor can be fulfilled or otherwise removed. The restrictions stipulate that resources be maintained permanently, but permit expending of the income generated in accordance with the provisions of the agreements.

Revenue Recognition

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively.

Accounting for Contributions

Contributions are recognized when received. All contributions are reported as increases in unrestricted net assets unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in either temporarily restricted or permanently restricted net assets, consistent with the nature of the restriction. Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due and, therefore, are reported as temporarily restricted until the payment is due unless the contribution is clearly intended to support activities of the current fiscal year or is received with permanent restrictions. Conditional promises, such as matching grants, are not recognized until they

become unconditional, that is, until all conditions on which they depend are substantially met.

Gifts-in-Kind Contributions

The Organization periodically receives contributions in a form other than cash or investments. Contributed property and equipment is recognized as an asset at its estimated fair value at the date of gift, provided that the value of the asset and its estimated useful life meets the Organization's capitalization policy. Donated use of facilities is reported as contributions and as expenses at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the contribution is reported as a contribution and an unconditional promise to give at the date of gift, and the expense is reported over the term of use. Donated supplies are recorded as contributions at the date of gift and as expenses when the donated items are placed into service or distributed.

The Organization benefits from personal services provided by a substantial number of volunteers. Those volunteers have donated significant amounts of time and services in the Organization's program operations and in its fundraising campaigns. However, the majority of the contributed services do not meet the criteria for recognition in financial statements. Generally Accepted Accounting Principles allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets or (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills.

Grant Revenue

Grant revenue is recognized when the qualifying costs are incurred for cost-reimbursement grants or contracts or when a unit of service is provided for performance grants. Grant revenue from federal agencies is subject to independent audit under the Office of Management and Budget's, *Uniform Grant Guidance*, and review by grantor agencies. The review could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, the Organization's management believes that costs ultimately disallowed, if any, would not materially affect the financial position of the Organization.

Advertising Costs

Advertising costs are expensed as incurred and are reported in the Statement of Activities and Statement of Functional Expenses.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expensed as incurred, even though they may result in contributions received in future years.

Income Taxes

Granite State Independent Living is exempt from federal income tax under Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3). The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions.

The Organization follows FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. FASB ASC 740-10 did not have a material impact on the Organization's financial statements.

The Organization's Federal Form 990 (Return of Organization Exempt From Income Tax) is subject to examination by the IRS, generally for three years after filing.

The Organization recognizes interest related to unrecognized tax benefits in interest expense and penalties that are included within reported expenses. During the year ended September 30, 2016, the Organization had no interest or penalties accrued related to unrecognized tax benefits.

Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash and money market accounts with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, no losses have been experienced in any of these accounts. Credit risk associated with receivables is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from governmental agencies supportive of the Organization's mission. Investments are made by diversified investment managers whose performance is monitored by the Fiscal Committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Fiscal Committee believes that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

Fair Value Measurements

Certain assets and liabilities are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. However, Level 1 inputs are not available for many of the assets and liabilities that the Organization is required to measure at fair value (for example, unconditional contributions receivable and in-kind contributions).

The primary uses of fair value measures in the Organization's financial statements are:

- initial measurement of noncash gifts, including gifts of investment assets and unconditional contributions receivable.
- recurring measurement of endowment investments (note 5).
- recurring measurement of contracts payable (note 9).

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities, deferred revenue, and line of credit payable approximate fair value due to the short-term nature of the items, and are considered to fall within Level 1 of the fair value hierarchy. The carrying amount of contributions receivable due in more than one year is based on the discounted net present value of the expected future cash receipts, and approximates fair value.

3. Restricted Cash

In fiscal year 2016, the Organization became the fiscal sponsor for Transport NH, an advocacy organization currently seeking exempt status as an organization described in Section 501(c)(3).

4. Workers' Compensation Collateral

The Organization self-funds its workers' compensation benefits. At September 30, 2016 and 2015, the Organization had accrued estimated losses on incurred but not reported claims of \$132,930 and \$206,229, respectively, included in accrued expenses in the Statement of Financial Position. At September 30, 2016 and 2015, the Organization reported \$243,459 and \$2,610, respectively, as workers' compensation collateral related to cash held by an insurance company on behalf of the Organization.

5. Investments

Investments consist of the following at September 30, 2016:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>
Mutual funds	\$ 98,503	\$ 100,586	\$ -	\$ 100,586
U.S. Treasury obligations	160,059	159,729	-	159,729
U.S. Corporate bonds	289,371	289,398	-	289,398
U.S. Common stocks	<u>116,579</u>	<u>119,538</u>	<u>119,538</u>	<u>-</u>
Total investments	<u>\$ 664,512</u>	<u>\$ 669,251</u>	<u>\$ 119,538</u>	<u>\$ 549,713</u>

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Organization's investments to interest rate fluctuations is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>				<u>N/A</u>
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>	
Mutual funds	\$ 100,586	\$ -	\$ -	\$ -	\$ -	\$ 100,586
U.S. Treasury obligations	159,729	-	75,045	84,684	-	-
U.S. Corporate bonds	289,398	25,136	170,443	93,819	-	-
U.S. Common stocks	<u>119,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,538</u>
Total	<u>\$ 669,251</u>	<u>\$ 25,136</u>	<u>\$ 245,488</u>	<u>\$ 178,503</u>	<u>\$ -</u>	<u>\$ 220,124</u>

The Organization's policy states that not more than 10% (at cost) of the investment portfolio may be invested in the securities of any one issue, with the exception of the U.S. Government or its agencies. The maximum amount invested in the securities of issuers in the same industry shall not be more than 25% (at cost) of the portfolio. At September 30, 2016, the Organization invested \$134,680 in Freddie Mac U.S. Treasury obligations, which accounted for 20% of total investments.

As discussed in Note 2 to these financial statements, the Organization is required to report its fair value measurements in one of three levels, which are based on the ability to observe in the marketplace the inputs to the Organization's valuation techniques. Level 1, the most observable level of inputs, is for investments measured at quoted prices in active markets for identical investments as of the September 30, 2016. Level 2 is for investments measured using inputs such as quoted prices for similar assets, quoted prices for the identical asset in inactive markets, and for investments measured at net asset value that can be redeemed in the near term. Level 3

is for investments measured using inputs that are unobservable, and is used in situations for which there is little, if any, market activity for the investment.

6. Property, Equipment and Depreciation

A summary of the major components of property and equipment is presented below:

	<u>2016</u>	<u>2015</u>
Land	\$ 69,198	\$ 69,198
Buildings and improvements	1,352,868	1,311,071
Furniture, fixtures, and equipment	994,277	788,745
Vehicles	<u>410,157</u>	<u>410,157</u>
Subtotal	2,826,500	2,579,171
Less: accumulated depreciation	<u>(1,743,812)</u>	<u>(1,614,341)</u>
Total	<u>\$ 1,082,688</u>	<u>\$ 964,830</u>

7. Deferred Revenue

Deferred revenue consists of grant funds received in advance, primarily related to the IMPACCT program. IMPACCT is a partnership of the Organization, New Hampshire Vocational Rehabilitation, community colleges, and high schools throughout New Hampshire. The program is dedicated to helping students with disabilities become part of the local workforce as they navigate from high school to employment, post-secondary education, or training that leads towards a career.

8. Line of Credit

At September 30, 2016, the Organization had a \$1,000,000 revolving line of credit with a bank, secured by all assets. Borrowings under the line bear interest at the bank's LIBOR Advantage rate plus 3.50%, or a floor of 5.00%, adjusted monthly. Interest only payments are required monthly with the principal payable on demand. At September 30, 2016, the entire amount was available.

9. Contracts Payable

In fiscal year 2016, the Organization entered into a lease agreement for a new Nashua office location. The Organization was required to make leasehold improvements which were paid in full by the lessor. As part of the terms of the agreement, the Organization is required to pay the lessor \$663 monthly, in addition to the base rent, for the improvements performed by the

lessor. At September 30, 2016, the outstanding balance was \$39,088. The following is a summary of future payments:

<u>Fiscal Year</u>	<u>Amount</u>
2017	\$ 7,950
2018	7,950
2019	7,950
2020	7,950
2021	<u>7,288</u>
Total	\$ <u><u>39,088</u></u>

As discussed in Note 2 to these financial statements, the Organization is required to report its fair value measurements in one of three levels, which are based on the ability to observe in the marketplace the inputs to the Organization's valuation techniques. Level 3 is for liabilities measured using inputs that are unobservable, and is used in situations for which there is little, if any, market activity for the liability. The estimated fair value of contracts payable at September 30, 2016 was \$39,088. The following is a summary of the contracts payable Level 3 activity:

	<u>Fair Value Measurements Using Significant Unobservable Inputs Level 3</u>
	<u>Contracts Payable</u>
Beginning Balance, October 1, 2015	\$ -
Additions	39,750
Reductions	(662)
Transfers in to Level 3	<u>-</u>
Ending Balance, September 30, 2016	\$ <u><u>39,088</u></u>

10. Endowments

The Organization's endowment (the Endowment) consists of several individual funds established by donors to provide annual funding for specific activities and general operations. Its Endowment includes both donor-restricted funds and funds designated by the Board of Directors to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the New Hampshire Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, unless there are explicit donor stipulations to the contrary. At September 30, 2016, there were no such donor stipulations. As a result of this interpretation, permanently restricted net assets are classified as (a) the original value of gifts donated to the Endowment, (b) the original value of subsequent gifts donated to the Endowment (including contributions receivable net of discount and allowance for doubtful accounts, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added. The remaining portion of the donor-restricted endowment is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA. The following factors were considered in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

As of September 30, 2016, endowment net asset composition by type of fund was as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Donor-restricted endowment funds	\$ -	\$ -	\$ 164,228	\$ 164,228
Unrestricted investment funds	<u>505,023</u>	<u>-</u>	<u>-</u>	<u>505,023</u>
Total funds	<u>\$ 505,023</u>	<u>\$ -</u>	<u>\$ 164,228</u>	<u>\$ 669,251</u>

Investment and Spending Policies

The Organization has adopted investment and spending policies for the investment funds that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the investment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the investment assets, to

provide the necessary capital to fund the spending policy, and to cover the costs of managing the investment funds. The target minimum rate of return is the Consumer Price Index plus 5% on an annual basis. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time or unless the Organization needs to access for immediate need, with Board approval.

The investment fund spending-rate formula is used to determine the maximum amount to spend from the investment fund each year. The rate, determined and adjusted from time to time by the Board of Directors, is applied to the average fair value of the investment fund investments for the prior 12 quarters at December 31 of each year to determine the spending amount for the upcoming year. During fiscal year 2016, the spending rate maximum was 4.5%. In establishing this policy, the long-term expected return on the investment fund was considered, the rate set with the objective of maintaining the purchasing power of the investment fund over time.

Changes in the investment fund net assets for the year ended September 30, 2016 are as follows:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets, beginning of year	\$ -	\$ -	\$ 88,982	\$ 88,982
Contributions	500,000	-	75,100	575,100
Investment income	1,569	-	558	2,127
Net appreciation (depreciation)	4,769	-	316	5,085
Investment fees	<u>(1,315)</u>	<u>-</u>	<u>(728)</u>	<u>(2,043)</u>
Endowment net assets, end of year	<u>\$ 505,023</u>	<u>\$ -</u>	<u>\$ 164,228</u>	<u>\$ 669,251</u>

11. Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at September 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Access modification program	\$ 25,876	\$ 55,746
Community economic development program	6,790	21,622
Long-term care program	<u>-</u>	<u>1,075</u>
Temporarily restricted net assets	<u>\$ 32,666</u>	<u>\$ 78,443</u>

Net assets are released from program restrictions by incurring expenses satisfying the restricted purpose or by the passage of time for net assets with time restrictions.

Permanently restricted net assets consist of endowment funds restricted by donors for investment in perpetuity.

12. Retirement Plan

The Organization provides a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. All salaried employees working 30 or more hours a week and are 21 years of age or older may participate in the plan. The Organization matches up to 100% of employee contributions to the plan, to a maximum of 6% of salaries, depending on the years of service. The Organization contributed \$79,375 and \$41,073 for the years ended September 30, 2016 and 2015, respectively.

13. Operating Leases

The Organization leases office space under the terms of non-cancellable lease agreements that are scheduled to expire at various times through 2022. The Organization also rents additional facilities on a month to month basis. Rent expense under these agreements totaled \$159,777 and \$139,506 for the years ended September 30, 2016 and 2015, respectively.

Estimated future minimum lease payments are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2017	\$ 258,492
2018	112,009
2019	102,124
2020	51,132
2021	50,465
Thereafter	<u>9,017</u>
Total future minimum rental payments	<u>\$ 583,239</u>

The Organization also leases office equipment under non-cancellable lease agreements that are scheduled to expire at various times through 2016. Equipment rental expense totaled \$34,627 and \$35,118 for the years ended September 30, 2016 and 2015, respectively.

14. Concentrations of Risk

A material part of the Organization's revenue is dependent upon government sources, the loss of which would have a materially adverse effect on the Organization. During the years ended September 30, 2016 and 2015, Medicaid accounted for 46% and 80%, respectively, of total revenues and 74% and 88%, respectively, of total accounts receivable. The State of New Hampshire contracts with managed care organizations to reimburse the Organization as a provider of services rendered.

15. Supplemental Disclosures of Cash Flow Information

In fiscal year 2016, the Organization early adopted Accounting Standard Update (ASU) No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The amendments in this update require that a Statement of Cash Flows explain the change during the fiscal year to include restricted cash as part of the total of cash and cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Statement of Financial Position that sum to the total of the same such amounts shown in the Statement of Cash Flows.

	<u>2016</u>	<u>2015</u>
Cash and cash equivalents	\$ 4,354,195	\$ 3,745,652
Restricted cash	<u>32,320</u>	<u>-</u>
Total cash, cash equivalents, and restricted cash shown in the Statement of Cash Flows	<u>\$ 4,386,515</u>	<u>\$ 3,745,652</u>

16. Related Party Transactions

On September 30, 2016, the Organization entered into an agreement with a company, where a Board member is an employee, to lease with the option to purchase six modified vans with wheelchair access for its disabled consumers in the amount of \$365,498. In accordance with the contractual agreement, the delivery of the vans and first lease payment occurred in October 2016. The transaction was reviewed and approved by the Board and performed in accordance with conflict of interest guidelines established by the New Hampshire Attorney General's Office.

17. Subsequent Events

Subsequent events have been evaluated through February 1, 2017, the date the financial statements were available to be issued.

18. Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

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Virginia M. Barry, Ph.D.
Commissioner of Education
Tel. 603-271-3144

Paul K. Leather
Deputy Commissioner of Education
Tel. 603-271-3801

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
101 Pleasant Street
Concord, N.H. 03301
FAX 603-271-1953
Citizens Services Line 1-800-339-9900

February 17, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Sole Source

REQUESTED ACTION

Authorize the New Hampshire Department of Education, Bureau of Special Education to enter into a **sole source** contract with Granite State Independent Living, Concord, NH (Vendor Code #155330) in the amount of \$73,000.00 to develop and provide training and technical assistance to local education agencies in their region under the State Personnel Development Grant (SPDG), effective upon Governor and Council approval for the period of July 1, 2016 through June 30, 2017. 100% Federal Funds.

Funding is available in the account titled State Professional Development Improvement Plan Grant, as follows:

		<u>FY2017</u>
06-56-56-562510-41070000-102-500731	Contracts for Program Services	\$73,000.00

EXPLANATION

The New Hampshire Department of Education received a \$3.85 million (\$770,000.00 per year for 5 years) State Personnel Development Grant from the U.S. Department of Education, Office of Special Education Programs (OSEP). This request is **sole source** because New Hampshire was awarded this grant with the provision that the partners identified in our proposal would be funded to assist the Department of Education to meet the goals and objectives of the grant. These partners were required to be highly qualified entities already engaged in professional development in the grant areas and in agreement to expand these services.

The OSEP required partners and their services, as detailed in the grant, include Evergreen Evaluation and Consulting Inc., Strafford Learning Center, Monadnock Developmental Services, North Country Education Services, Granite State Independent Living, Parent Information Center, Keene State College, Institute on Disability, and QED. Therefore, no competitive bid process was established.

The SPDG proposal is targeted to increase the number of students with disabilities graduating from high school who are college and career ready, through the implementation of evidence-based transition practices. Our ambitious proposal targets four strategies to achieve this goal:

(1) increasing student competency through increased use of Extended Learning Opportunities (ELOs), (2) enhanced transition planning and increased transition planning opportunities/practices, (3) greater family – school engagement, and (4) sustaining practices through our state Institutes of Higher Education (IHEs), regional education intermediaries, a transition Community of Practice, and the use of technology. These strategies are aimed at school districts, parents, regional professional development intermediaries, Vocational Rehabilitation, IHEs, and other community members.

The Office of Special Education Programs requires a comprehensive evaluation, detailed within the grant, which measures the short-term, intermediate and long-term outcomes and impacts of the grant initiatives. The Evaluation assesses the degree to which the NH SPDG meets its goals and objectives, as well as the established federal performance goals and objectives. The evaluation will be ongoing and formative to provide for data-based decision making and planning mid-course corrections.

Granite State Independent Living is a nonprofit organization whose mission is to promote life with independence for people with disabilities through advocacy, information, education and support. Granite State Independent Living provides some extended learning opportunity training to LEAs in their region so it made sense to include them as a partner under the SPDG. Therefore, Granite State Independent Living, as a SPDG partner will bring to this grant the research, knowledge and expertise to conduct the following grant activities:

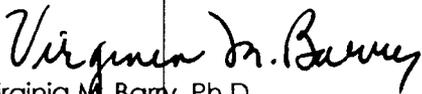
- Increase capacity of regional transition infrastructure for Professional Development (PD)
 - Support the development of local Transition CoP
 - Coordination of PD training and coaching at regional intermediary
- Participate in the NSNH Leadership Team (LT) and relevant Work Group (WG) Meetings
- Assist NSNH LT with the LEA recruitment
- Serve as trainers and coaches for up to 3 LEAs implementing project strategies (with varying degrees of duration and intensity based on school implementation level):
 - Review LEA current transition practices, and develop and implement a PD plan that will impact the local need
 - Meet frequently with LEA transition liaisons to review the LEA PD plans, as well as fostering ongoing contact to stay in close communication
 - Support family engagement training
 - Develop and provide training and coaching on Extended Learning Opportunities (ELOs) and evidenced-based transition practices
- Collect training and coaching implementation data, and intervention fidelity data

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
Page 3 of 3

- Assist the Evaluation WG in the development of fidelity instruments
- Contribute training and coaching materials, evaluation instruments and assessments, and resource materials to be posted on the Transition Resource Portal and the NHDOE Networks
- Participate in training on how to use the Transition Resource Portal and the NHDOE Networks for training and coaching with LEAs

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



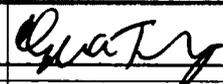
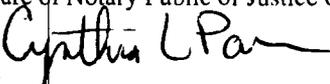
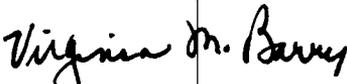
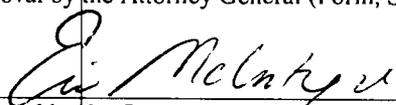
Virginia M. Barry, Ph.D.
Commissioner of Education

Subject: NH SPDG Grant Regional Intermediary to Provide Training and TA to LEAs FORM NUMBER P-37 (version 1/09)

AGREEMENT
The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name <u>Department of Education</u>		1.2 State Agency Address <u>101 Pleasant Street, Concord NH 03301</u>	
1.3 Contractor Name <u>Granite State Independent Living</u>		1.4 Contractor Address <u>21 Chenell Drive, Concord, NH 03301</u>	
1.5 Contractor Phone Number <u>(603) 228-9680</u>	1.6 Account Number <u>See Exhibit B</u>	1.7 Completion Date <u>June 30, 2017</u>	1.8 Price Limitation <u>73,000.00</u>
1.9 Contracting Officer for State Agency <u>Santina Thibedeau, Administrator, Special Education</u>		1.10 State Agency Telephone Number <u>(603) 271-6693</u>	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory <u>Clyde Terry CEO</u>	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Merrimack</u> On <u>10/29/15</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]		CYNTHIA L. PARIS, Notary Public My Commission Expires March 26, 2019	
1.13.2 Name and Title of Notary or Justice of the Peace <u>Cynthia L Paris HR Specialist</u>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory <u>Virginia M. Barry, PH.D., Commissioner of Education</u>	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By:  On: <u>1/27/16</u>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials _____
Date 10/29/15

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination

Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be

Contractor Initials
Date 10/29/15

attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual

intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

EXHIBIT A

Scope of Services

Granite State Independent Living, as a regional intermediary, will develop and provide training and technical assistance to Local Education Agencies (LEAs) in their region under the NH State Personnel Development Grant (SPDG) to accomplish the grant goals, objectives, activities and outcomes over the course of the 5-year grant period.

The contractor will:

- Increase capacity of regional transition infrastructure for Professional Development (PD)
 - Support the development of local Transition CoP
 - Coordination of PD training and coaching at regional intermediary
- Participate in the NSNH Leadership Team (LT) and relevant Work Group (WG) Meetings
- Assist NSNH LT with the LEA recruitment
- Serve as trainers and coaches for up to 3 LEAs implementing project strategies (with varying degrees of duration and intensity based on school implementation level):
 - Review LEA current transition practices, and develop and implement a PD plan that will impact the local need
 - Meet frequently with LEA transition liaisons to review the LEA PD plans, as well as fostering ongoing contact to stay in close communication
 - Support family engagement training
 - Develop and provide training and coaching on Extended Learning Opportunities (ELOs) and evidenced-based transition practices
- Collect training and coaching implementation data, and intervention fidelity data
- Assist the Evaluation WG in the development of fidelity instruments
- Contribute training and coaching materials, evaluation instruments and assessments, and resource materials to be posted on the Transition Resource Portal and the NHDOE Networks
- Participate in training on how to use the Transition Resource Portal and the NHDOE Networks for training and coaching with LEAs

Initials: 
Date: 10/29/15

EXHIBIT B

Estimated Budget

Budget (through June 30, 2017)

Account 06-056-56-5625210-41070000-102-500731

FY2017

Personnel

Personnel	\$48,000.00
Fringe Benefit	\$ 12,400.00
Travel	<u>\$ 3,000.00</u>
Total Personnel	\$63,400.00

Contractual

Other

Occupancy Expenses	\$ 3,500.00
Supplies Expenses	\$ 100.00
Computer Expenses	\$ 300.00
Telephone Expenses	<u>\$ 300.00</u>
Total Other	\$ 4,200.00

Total Direct Costs	\$67,600.00
Indirect costs 8.0% of total direct costs	<u>\$ 5,400.00</u>
Total Contract	\$73,000.00

Limitation of Price: This contract will not exceed \$73,000.00

Method of Payment

Payment will be made upon receipt of monthly invoices as described above, which are supported by a summary of activities that have taken place in accordance with the terms of the contract. If otherwise, correct and acceptable, payment will be made for 100% of the expenditures. Line items in this budget may be adjusted, one to the other, within +/- 10% of the indicated amount but in no case can the total budget exceed the price limitation. Invoices with summary of activities will be submitted to:

Penny Duffy
Department of Education
Bureau of Special Education
SPDG
101 Pleasant Street
Concord, NH 03301

Initials: 
Date: 10/29/15

EXHIBIT C
Special Provisions

none

Initials: 
Date: 10/29/15

Principal Staff

Peter Darling, Project Director, Annual Salary: \$83,577.00

Maureen O'Donnell, Regional PD Intermediary Trainer/Coach, Annual Salary: \$52,396.50

Marybeth Hammond, Regional PD Intermediary Trainer/Coach, Annual Salary: \$40,014

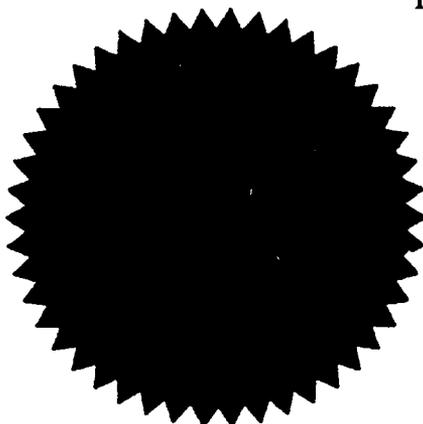
Initials: 

Date: 10/25/15

**State of New Hampshire
Department of State**

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that GRANITE STATE INDEPENDENT LIVING is a New Hampshire nonprofit corporation formed January 29, 1980. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 15th day of July A.D. 2015

**William M. Gardner
Secretary of State**



Granite State Independent Living

Resolutions of the Board of Directors

Whereas: Granite State Independent Living, (herein after GSIL,) is interested in obtaining funds through contracts, grants or other means to promote its mission of supporting persons with disabilities obtain independent living services, and

Whereas: The State of New Hampshire, Department of Education; has made available funds for a NH State Personnel Development Grant (SPDG) through a request for proposal (RFP) process, funds for such independent living purposes, and

Whereas: GSIL submitted an application and such application was approved by the New Hampshire Department of Education, and

Whereas: the New Hampshire Department of Education: SPDG seeks to enter into a contract for \$73,000.00 with GSIL for such services identified in the approved application.

Now therefore be it RESOLVED: The Board of Directors of GSIL accepts such funds and enters into a contract with the Department of Education: SPDG, effective upon Governor and Council approval.

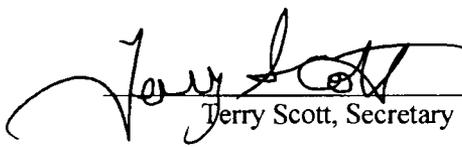
Be it further RESOLVED: Clyde E. Terry, as Chief Executive Officer, is hereby authorized on behalf of Granite State Independent Living, to enter into said contracts with the State and to execute any and all documents, agreements, and other instruments, and any amendments, revisions, or modifications thereto, as may be deemed necessary, desirable or appropriate.

The foregoing resolutions have not been revoked, annulled or amended in any manner whatsoever, and remain in full force and effect as of the date hereof; and the following person has been duly elected and now occupy the office indicated below.

Certificate of Vote

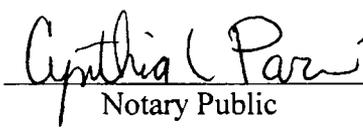
The undersigned, being the Secretary of Granite State Independent Living., a New Hampshire voluntary corporation ("Corporation"), does hereby certify that the Board of Directors of the Corporation did approve the resolutions set forth above, at a duly called vote of the Board of Directors held on October 16, 2015

DATED: 10/29/15



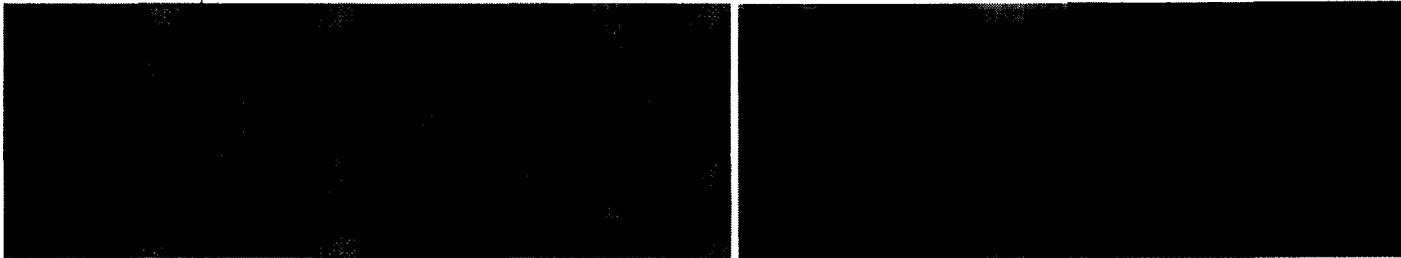
Jerry Scott, Secretary

My Commission Expires:



Cynthia L. Paris
Notary Public

CYNTHIA L. PARIS, Notary Public
My Commission Expires March 26, 2019



FINANCIAL STATEMENTS

September 30, 2014

(With Comparative Totals for 2013)

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
Granite State Independent Living

We have audited the accompanying financial statements of Granite State Independent Living (the Organization), which comprise the statement of financial position as of September 30, 2014, 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 U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of September 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2013 financial statements and, in our report dated February 12, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
January 15, 2015

GRANITE STATE INDEPENDENT LIVING

Statement of Financial Position

**September 30, 2014
(With Comparative Totals for September 30, 2013)**

ASSETS

	<u>2014</u>	<u>2013</u>
Current assets		
Cash and cash equivalents	\$ 3,097,322	\$ 3,316,854
Assets whose use is limited, self-funded worker's compensation collateral funds	221,700	-
Accounts receivable, net of allowance of \$53,046 in 2014 and \$73,794 in 2013	1,440,132	1,401,667
Prepaid expenses and other current assets	<u>115,444</u>	<u>270,548</u>
Total current assets	4,874,598	4,989,069
Assets whose use is limited, permanently restricted cash	95,191	95,191
Property and equipment, net	<u>1,019,936</u>	<u>1,084,806</u>
Total assets	<u>\$ 5,989,725</u>	<u>\$ 6,169,066</u>

LIABILITIES AND NET ASSETS

Current liabilities and total liabilities		
Accounts payable	\$ 88,869	\$ 84,030
Accrued expenses and other current liabilities	165,530	58,588
Accrued salaries and related expenses	729,220	649,557
Due to the State	<u>32,085</u>	<u>421,746</u>
Total current liabilities and total liabilities	<u>1,015,704</u>	<u>1,213,921</u>
Net assets		
Unrestricted	4,788,932	4,805,263
Temporarily restricted	89,898	54,691
Permanently restricted	<u>95,191</u>	<u>95,191</u>
Total net assets	<u>4,974,021</u>	<u>4,955,145</u>
Total liabilities and net assets	<u>\$ 5,989,725</u>	<u>\$ 6,169,066</u>

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

GRANITE STATE INDEPENDENT LIVING

Statement of Activities

**Year Ended September 30, 2014
(With Comparative Totals for Year Ended September 30, 2013)**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>2014</u>	<u>2013</u>
Support and revenue					
Program fees	\$14,142,753	\$ -	\$ -	\$14,142,753	\$13,824,188
Grants	1,472,362	108,642	-	1,581,004	1,545,778
Public support	77,041	-	-	77,041	133,889
Interest	3,028	-	-	3,028	3,725
Miscellaneous	42,987	-	-	42,987	81,190
Net assets released from restrictions	<u>73,435</u>	<u>(73,435)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>15,811,606</u>	<u>35,207</u>	<u>-</u>	<u>15,846,813</u>	<u>15,588,770</u>
Expenses					
Long-Term Care	11,900,592	-	-	11,900,592	11,785,956
Community Economic Development	2,406,177	-	-	2,406,177	2,270,396
General Management	1,409,166	-	-	1,409,166	1,415,502
Fundraising	<u>112,002</u>	<u>-</u>	<u>-</u>	<u>112,002</u>	<u>113,154</u>
Total expenses	<u>15,827,937</u>	<u>-</u>	<u>-</u>	<u>15,827,937</u>	<u>15,585,008</u>
Change in net assets	(16,331)	35,207	-	18,876	3,762
Net assets, beginning of year	<u>4,805,263</u>	<u>54,691</u>	<u>95,191</u>	<u>4,955,145</u>	<u>4,951,383</u>
Net assets, end of year	<u>\$ 4,788,932</u>	<u>\$ 89,898</u>	<u>\$ 95,191</u>	<u>\$ 4,974,021</u>	<u>\$ 4,955,145</u>

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

GRANITE STATE INDEPENDENT LIVING

Statement of Functional Expenses

**Year Ended September 30, 2014
(With Comparative Totals for Year Ended September 30, 2013)**

	Long-Term <u>Care</u>	Community Economic <u>Development</u>	Total <u>Program</u>	General <u>Management</u>	<u>Fundraising</u>	Total <u>2014</u>	Total <u>2013</u>
Personnel expense							
Salaries and wages	\$ 9,579,947	\$ 1,461,152	\$ 11,041,099	\$ 817,704	\$ 71,010	\$ 11,929,813	\$ 11,641,125
Payroll taxes	837,874	121,202	959,076	69,227	5,745	1,034,048	1,012,797
Employee benefits	<u>811,818</u>	<u>346,187</u>	<u>1,158,005</u>	<u>149,997</u>	<u>19,152</u>	<u>1,327,154</u>	<u>1,423,803</u>
	11,229,639	1,928,541	13,158,180	1,036,928	95,907	14,291,015	14,077,725
All other expenses							
Advertising	14,155	10,593	24,748	31,209	4,312	60,269	14,443
Provision for bad debts	33,728	2,437	36,165	5,088	-	41,253	35,078
Board of directors	-	-	-	10,602	-	10,602	8,399
Building occupancy	105,059	83,857	188,916	61,985	-	250,901	232,470
Computer	40,642	8,615	49,257	2,891	-	52,148	67,631
Consultants	-	-	-	19,096	-	19,096	57,801
Depreciation	79,254	44,528	123,782	12,518	-	136,300	144,729
Dues and subscriptions	725	1,253	1,978	5,257	250	7,485	8,902
Equipment lease and maintenance	33,688	6,033	39,721	5,178	-	44,899	42,245
Grants	-	140,302	140,302	-	-	140,302	96,598
Insurance	38,504	6,979	45,483	4,726	-	50,209	53,603
Interest	-	-	-	-	-	-	4,790
Interpreter	-	3,587	3,587	1,419	375	5,381	6,689
Meals and entertainment	163	926	1,089	117	50	1,256	1,289
Miscellaneous	86,316	3,337	89,653	19,118	3,293	112,064	137,470
Postage and shipping	34,381	2,960	37,341	7,627	3,925	48,893	53,884
Printing	9,444	2,204	11,648	3,494	3,097	18,239	23,855
Professional development	2,087	3,191	5,278	3,232	40	8,550	11,748
Professional fees	59,233	3,637	62,870	144,178	-	207,048	158,173
Supplies	9,550	9,436	18,986	23,580	316	42,882	52,148
Telephone	43,895	13,596	57,491	3,681	-	61,172	69,728
Transportation	1,892	74,973	76,865	578	-	77,443	84,297
Travel	<u>78,237</u>	<u>55,192</u>	<u>133,429</u>	<u>6,664</u>	<u>437</u>	<u>140,530</u>	<u>141,313</u>
Total expenses	<u>\$ 11,900,592</u>	<u>\$ 2,406,177</u>	<u>\$ 14,306,769</u>	<u>\$ 1,409,166</u>	<u>\$ 112,002</u>	<u>\$ 15,827,937</u>	<u>\$ 15,585,008</u>

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

GRANITE STATE INDEPENDENT LIVING

Statement of Cash Flows

**Year Ended September 30, 2014
(With Comparative Totals for Year Ended September 30, 2013)**

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ 18,876	\$ 3,762
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	136,300	144,729
Provision for bad debts	41,253	35,078
Contribution revenue for long-term purposes	-	(49,233)
Decrease (increase) in		
Accounts receivable	(79,718)	81,806
Prepaid expenses	155,104	(170,529)
Increase (decrease) in		
Accounts payable	4,839	34,926
Accrued expenses and other liabilities	106,942	40,646
Accrued salaries and related expenses	79,663	(72,245)
Due to the State	<u>(389,661)</u>	<u>421,746</u>
Net cash provided by operating activities	<u>73,598</u>	<u>470,686</u>
Cash flows from investing activities		
Acquisition of equipment	(71,430)	(162,098)
Decrease in assets whose use is limited, mortgage reserve	-	25,298
Increase in assets whose use is limited, self-funded worker's compensation collateral funds	<u>(221,700)</u>	<u>(49,233)</u>
Net cash used by investing activities	<u>(293,130)</u>	<u>(186,033)</u>
Cash flows from financing activities		
Principal payments on note payable	-	(505,902)
Proceeds from contributions for long-term purposes	<u>-</u>	<u>49,233</u>
Net cash used by financing activities	<u>-</u>	<u>(456,669)</u>
Net decrease in cash and cash equivalents	(219,532)	(172,016)
Cash and cash equivalents, beginning of year	<u>3,316,854</u>	<u>3,488,870</u>
Cash and cash equivalents, end of year	<u>\$ 3,097,322</u>	<u>\$ 3,316,854</u>

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

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

September 30, 2014
(With Comparative Totals for September 30, 2013)

Nature of Business

Granite State Independent Living (the Organization) is a New Hampshire nonprofit corporation providing a wide range of services to improve the quality of life for individuals with disabilities in New Hampshire. This is accomplished through ensuring the availability of a broad range of services, advocacy efforts, and the establishment of social support.

1. Summary of Significant Accounting Policies

Comparative Information

The financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's September 30, 2013 financial statements, from which the summarized information was derived.

Use of Estimates

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

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified as follows based on the existence or absence of donor imposed restrictions.

Unrestricted net assets - Net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets - Net assets subject to donor imposed stipulations that may be or will be met by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on related contributions for general or specific purposes. Permanently restricted net assets totaled \$95,191 as of September 30, 2014 and 2013.

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

September 30, 2014
(With Comparative Totals for September 30, 2013)

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 temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

The Organization reports contributions of land, buildings or equipment as unrestricted support, unless a donor places explicit restriction on their use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as temporarily restricted support and reclassified to unrestricted net assets when the assets are acquired and placed in service.

Cash and Cash Equivalents

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed the federally insured limits. Management regularly monitors the financial institutions, together with their respective cash balances, and attempts to maintain the potential risk at a minimum. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant risk on these accounts.

Accounts Receivable

Accounts receivable are stated at the amount that management expects to collect from outstanding balances. As of September 30, 2014 and 2013, management believes that \$53,046 and \$73,794, respectively, in accounts receivable balances may not be collectible and therefore established an allowance for probable uncollectible amounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

For the year ended September 30, 2014, management modified the methodology used to estimate the allowance for doubtful accounts. The allowance is calculated to be 3% of gross receivables for balances that are 90 days or less past due, 35% of Personal Care Service Program gross receivables over 90 days past due, and 50% of all other gross receivables over 90 days past due. For the year ended September 30, 2013, the allowance was calculated to be 3% of gross receivables for balances that are 90 days or less past due, and 50% for any outstanding balances over 90 days.

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

September 30, 2014
(With Comparative Totals for September 30, 2013)

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. Major additions and improvements are capitalized, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 3 to 40 years. Assets not in service are not depreciated.

Functional Expenses

The costs of providing various programs and 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.

Income Taxes

The Organization is a tax-exempt Section 170(b)(1)(A)(vi) public charity as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Accordingly, no provision for income taxes has been reflected in these financial statements.

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of September 30, 2014 and 2013, the Organization determined that it had no tax positions that did not meet the "more-likely-than-not" threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for the last three years.

2. Property and Equipment and Depreciation

Property and equipment consists of:

	<u>2014</u>	<u>2013</u>
Land	\$ 69,198	\$ 69,198
Buildings and improvements	1,300,712	1,303,876
Furniture, fixtures, and equipment	1,106,684	1,254,907
Vehicles	<u>364,683</u>	<u>364,787</u>
	2,841,277	2,992,768
Accumulated depreciation	<u>(1,821,341)</u>	<u>(1,907,962)</u>
Total	<u>\$ 1,019,936</u>	<u>\$ 1,084,806</u>

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

September 30, 2014

(With Comparative Totals for September 30, 2013)

Depreciation expense for the years ended September 30, 2014 and 2013 totaled \$136,300 and \$144,729, respectively.

3. Due to the State

Effective March 2013, the New Hampshire Department of Health and Human Services (DHHS) implemented a new Medicaid Management Information System (MMIS) for administering and managing costs for the New Hampshire Medicaid Program. During the implementation period, Medicaid claims were not accepted by DHHS. DHHS anticipated this transition difficulty and issued the Organization transition payments, based on past claim history, to cover the three-week transition period. As actual claims are processed by DHHS in the MMIS, Medicaid recoupments will be reduced by related payments. As of September 30, 2013, a liability representing \$421,746 of cash advances received by the Organization and not yet applied against remittances had been reported in the statement of financial position. Payments have been fully recouped through remittance withholdings.

As of September 30, 2014, a liability of \$32,085 represented payments due to the State for a legal settlement with DHHS.

4. Line of Credit

The Organization has a revolving line of credit with a bank in the amount of \$1,000,000 payable on demand which requires monthly interest only payments calculated on the outstanding balance from the previous month. Interest accrues at the greater of the bank's LIBOR Advantage plus 3.5% or the minimum interest rate of 5%. As of September 30, 2014 and 2013, the current combination of the bank's LIBOR Advantage plus 3.5% was 5.00% and 3.68%, respectively. At September 30, 2014 and 2013, there was no outstanding balance on the line and there were no borrowings during the year.

5. Temporarily Restricted Net Assets

Temporarily restricted net assets are as follows:

	<u>2014</u>	<u>2013</u>
Accessible modification program	\$ 78,590	\$ 33,331
Other community economic development programs	11,308	7,279
Housing	-	581
Grants	-	13,500
	<u>\$ 89,898</u>	<u>\$ 54,691</u>

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

September 30, 2014

(With Comparative Totals for September 30, 2013)

6. Commitments and Contingencies

Self Insurance

During 2014, the Organization began a self-funded worker's compensation plan. At September 30, 2014, the Organization had accrued estimated losses on incurred but not reported claims of \$85,596 included in accrued expenses and other current liabilities in the statement of financial position.

Litigation

In 2012, the Organization notified DHHS of possible Medicaid fraud by a former consumer. As a result, DHHS alleged the Organization owed approximately \$113,000 related to all services provided to the former consumer. As of February 12, 2014, the Organization had resolved the issue and settled with DHHS in the amount of \$55,000. The Organization has agreed to pay 12 equal installments of \$4,583. As of September 30, 2014, the Organization had an outstanding balance of \$32,085, reported as due to State on the statement of financial position.

In July 2010, the Organization was the subject of a review by DHHS that involved an assessment of the Organization's records. DHHS contends the Organization failed to comply with certain documentation requirements related to the services provided and recommended 100% recovery from the 32 items sampled in the approximate amount of \$447,000. The Organization has been negotiating with the State of New Hampshire Attorney General's Office to resolve this matter. As of September 30, 2014 and 2013, no liability has been recorded related to this preliminary report, as the ultimate liability, if any, cannot be reasonably estimated.

The Organization is involved in one other known legal matter arising from the ordinary course of business. This matter has currently been assigned a court appearance. At September 30, 2014, the matter was considered to be in the early stages of proceedings and therefore, no liability has been recorded. In the opinion of management, this matter will not materially affect the Organization's financial position.

Operating Leases

The Organization leases office space under the terms of written lease agreements that are scheduled to expire at various times through 2019. The Organization also rents additional facilities on a month-to-month basis. Rent expense under these agreements totaled \$136,994 and \$134,269 for the years ended September 30, 2014 and 2013, respectively.

The Organization also leases office equipment under non-cancelable lease agreements that are scheduled to expire at various times through 2019. Rental expense under these agreements totaled \$43,720 and \$40,265 for the years ended September 30, 2014 and 2013, respectively.

GRANITE STATE INDEPENDENT LIVING

Notes to Financial Statements

**September 30, 2014
(With Comparative Totals for September 30, 2013)**

Estimated future minimum payments on the above leases are as follows:

2015	\$ 147,450
2016	87,012
2017	52,345
2018	49,696
2019	<u>45,916</u>
	<u>\$ 382,419</u>

7. Concentration of Risk

A material part of the Organization's revenue is dependent upon government sources, the loss of which would have a materially adverse effect on the Organization. During the years ended and as of September 30, 2014 and 2013, Medicaid accounted for 80% and 78%, respectively, of total support and revenues and 77% and 73%, respectively, of gross accounts receivable.

8. Retirement Plan

All salaried employees working 30 or more hours a week and are 21 years of age or older may participate in a voluntary contributory tax sheltered annuity plan. The Organization matches up to 100% of employee contributions to the plan, to a maximum of 3% of salaries in 2013 and 6% of salaries in 2012, depending on the years of service. The Organization contributed \$39,089 and \$40,408 for the years ended September 30, 2014 and 2013, respectively.

9. Subsequent Events

For purposes of the preparation of these financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through January 15, 2015, which was the date that the financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the financial statements.

Granite State Independent Living
 Balance Sheet - SRC: Detail w/GL Codes
 As of 8/31/2015

Current Year

ASSETS

Current Assets

Cash & Cash Equivalents

Citizens Operating Account	1011	2,854,413.04
Segregation Account	1015	2,436.11
Citizens Bank - Payroll	1021	(24,360.13)
Reserve Account - Citizens	1050	95,490.76
TD Bank - Money Market	1060	1,205,966.06
TD Bank - Checking	1061	101.00
Petty Cash	1099	950.00
Cash Clearing Account	1100	<u>(82,307.18)</u>
Total Cash & Cash Equivalents		4,052,689.66

Accounts Receivable - Medicaid

A/R: Medicaid PCA	1210	442,277.40
A/R: Medicaid PCSP	1220	218,603.13
A/R: Medicaid Home Health	1225	<u>69,370.20</u>
Total Accounts Receivable - Medicaid		730,250.73

Accounts Receivable - Title VII

A/R: TVII B	1230	<u>25,324.96</u>
Total Accounts Receivable - Title VII		25,324.96

Accounts Receivable - Other

A/R: Other	1235	138,998.71
A/R: Accruals	1245	<u>571,350.01</u>
Total Accounts Receivable - Other		710,348.72

Allowance for Doubtful Accounts

A/R: Reserve Acct	1236	(103,584.99)
Allowance for WC Claims	1513	<u>(176,081.27)</u>
Total Allowance for Doubtful Accounts		(279,666.26)

Prepaid Expenses

Prepaid Rent	1509	10,492.77
Prepaid Expense	1510	177,197.96
Workers Compensation Collateral	1511	20,257.48
Prepaid Insurance	1512	57,982.70
Deposits	1530	<u>8,960.00</u>
Total Prepaid Expenses		274,890.91

Total Current Assets

5,513,838.72

NonCurrent Offices

Fixed Assets (Net)	<u>933,165.00</u>
--------------------	-------------------

Total ASSETS

6,447,003.72

LIABILITIES & NET ASSETS

Current Liabilities

Accrued Expenses

A/P: Admin	2010	(57,227.94)
A/P: Other	2030	117,777.92
Accountant Fees Liab	2115	23,344.49
Due to State of New Hampshire	2211	29,166.65
Insurance Payable	2219	<u>11,847.00</u>
Total Accrued Expenses		124,908.12

Accrued Payroll

P/R Accrual	2130	385,067.74
P/R Liab: Vacation	2135	177,818.20
P/R Tax Liab: FWT	2140	35,587.35

Granite State Independent Living
Balance Sheet - SRC: Detail w/GL Codes
As of 8/31/2015

		Current Year
P/R Tax Liab: Social Security	2141	57,686.12
P/R Tax Liab: Medicare	2142	13,493.33
Mass State W/H	2143	281.50
Unempl Tax Liab	2145	(9,695.70)
P/R Ded: Sect 125	2150	(3,891.87)
P/R Ded: AFLAC	2155	676.39
P/R Liab: Dental (EE)	2165	95.08
P/R Liab: Dental (ER)	2166	(0.06)
P/R Ded: Garnish	2170	(429.81)
P/R Ded: Vol Life & AD&D	2175	171.19
P/R Ded: GSIL EE Donations	2181	287.93
P/R Liab: S/LTD Ins	2185	(0.04)
P/R Ded: PCA STD	2190	488.44
P/R Liab: HRA - EE	2192	(2,181.86)
P/R Liab: HRA Corp - ER	2193	32,227.21
Credit Card Passthrough Account	2195	(8,262.66)
Cash Advance	2196	(67.15)
Employee Investment Plan	2200	10,731.44
P/R Ded: EIP Loan Payment	2203	278.53
Total Accrued Payroll		690,361.30
Deferred Revenue		
Deferred Income	2210	64,814.70
Earn and Learn Scholarships Payable	2216	2,405.70
Total Deferred Revenue		67,220.40
Due To/From Interfund		
Due From	1920	(150,256,172.60)
Due To	1930	150,256,172.40
Total Due To/From Interfund		(0.20)
Total Current Liabilities		882,489.62
Net Assets		
Beginning Fund Balance		
Net Assets	3010	4,809,732.72
Temp Restrict Net Asset	3030	76,106.91
Perm Restrict Net Asset	3040	88,981.71
Total Beginning Fund Balance		4,974,821.34
YTD Surplus(Deficit)		
Extraordinary Loss	9900	(50,000.00)
Other		639,692.76
Total YTD Surplus(Deficit)		589,692.76
Total Net Assets		5,564,514.10
Total LIABILITIES & NET ASSETS		6,447,003.72

Granite State Independent Living
Statement of Revenues and Expenditures
From 10/1/2014 Through 8/31/2015

		<u>YTD Actual</u>
REVENUE		
Contributions		
Individual Contribution	4010	18,314.56
Corporate Contributions	4030	6,402.06
AMP Contributions	4041	6,624.99
Employee Campaigns	4042	13,703.98
Grant Rev: Other	4170	<u>293,579.27</u>
Total Contributions		338,624.86
Special Events		
Event Fees	4085	<u>51,654.30</u>
Total Special Events		51,654.30
Grants		
Grants: Federal	4150	865,232.41
Grants: State	4160	<u>187,257.16</u>
Total Grants		1,052,489.57
Program Fees		
Fee for Service	4120	954,543.85
GSIL Internal	4121	13,641.58
ICO FFS Revenue	4175	269,077.44
Home Care Private Pay Revenue	4176	404,740.71
Home Health Medicaid Program Fees	4177	1,100,327.74
PCSP Program Fees	4180	4,640,080.06
PCA Program Fees	4190	4,019,420.84
TRANS Medicaid Reimbursements	4192	18,355.13
TRANS CTS Reimbursements	4193	20,567.13
Non-Medical Transportation	4194	176.00
PCA - Meridian	4196	(92.52)
PCA - NH Healthy Families	4197	1,437,413.31
PCA -Well Sense	4198	<u>1,418,673.90</u>
Total Program Fees		14,296,925.17
Interest Income		
Interest	4100	<u>5,360.22</u>
Total Interest Income		5,360.22
Other Income		
In-Kind	4090	4,726.38
Other Reimbursements	4195	<u>70.00</u>
Total Other Income		<u>4,796.38</u>
Total REVENUE		<u>15,749,850.50</u>
EXPENSES		
Compensation		
Wages	5010	7,415,905.00
Salaries	5011	3,503,226.01
Salaries: Awards & Recognition	5012	485.79
On Call Salaries	5014	1,203.71
Wages - Non-Billable	5015	6,900.70
Wages - ACE Training	5016	7,262.57
Wages - Annual Training	5017	16,320.01
Bonuses	5019	27,842.81
Signing - Referral Bonuses	5020	2,210.65
Vacation Liability Expense	5135	15,545.51
P/R Taxes: Social Security	5210	664,138.39
P/R Taxes: Medicare	5211	158,712.01
P/R Taxes: Unemployment	5220	102,932.10

Granite State Independent Living
Statement of Revenues and Expenditures
From 10/1/2014 Through 8/31/2015

		<u>YTD Actual</u>
Fringe: Health Insurance	5310	954,776.48
Fringe: HRA	5315	(40,231.44)
Fringe: Dental Insurance	5320	38,201.84
Fringe: Tuition Reimbursement	5330	5,000.00
Fringe: Disability Ins	5340	30,063.33
Workers' Comp Ins	5410	699,236.21
EIP Match	5510	<u>36,829.94</u>
Total Compensation		13,646,561.62
All Other Expenses		
Liability Ins	5420	59,380.33
Consultants	6010	11,900.00
Accountant	6020	29,718.57
Legal	6030	31,394.52
Outside Services	6040	16,892.64
Interpreter	6050	4,488.21
Grant Exp: Other	6080	17,581.40
Grant Exp: Equipment	6085	143,768.91
Quiet Comfort Expenses	6090	3,146.37
Building Repair/Maintenance	6110	42,654.57
Grounds Maintenance	6120	14,398.99
Janitor	6130	21,425.00
Utilities	6140	53,361.53
Board	6210	8,227.75
Events Expense	6215	13,494.42
Annual Meeting	6220	1,689.10
Meeting Expense	6225	6,552.93
Professional Development	6310	17,394.29
Conference	6320	2,010.00
Meals & Entertainment	6325	1,052.76
Mileage Reimbursement	6331	133,211.65
Airfare	6332	1,396.10
Lodging	6333	902.55
Trans : TRP	6341	14,433.03
Trans: Sub Part B	6342	22,258.80
Trans: Subcontract	6343	6,597.58
Transportation-GSIL Internal	6344	11,566.08
Vehicle Maintenance, Repairs, Licenses	6345	9,892.32
Gasoline	6350	11,148.30
Rent	6410	128,131.95
Equipment	6420	2,138.69
Accommodations	6425	750.00
Equipment Lease	6430	31,860.21
Equipment Maintenance	6431	250.00
Supplies	6440	30,333.54
Kitchen Supplies	6445	4,563.30
Telephone	6450	62,093.14
Copies Expense	6459	16,514.16
Printing	6460	19,602.94
Postage	6470	45,507.82
Shipping & Handling	6476	3,212.47
Marketing	6479	39,399.37
Advertising	6480	11,476.82
Outreach	6485	1,614.77
Computer Misc.	6490	9,739.53
Computer Hardware	6491	3,161.22

Granite State Independent Living
Statement of Revenues and Expenditures
From 10/1/2014 Through 8/31/2015

		<u>YTD Actual</u>
Computer Software	6492	39,856.89
Computer Training	6493	1,082.43
Computer Consulting	6494	617.75
Software Maintenance Fees	6495	36,283.01
Sponsorship	6515	500.00
Membership/Dues	6520	3,351.25
Subscriptions/Publications	6530	2,688.35
Staff Expense	6540	2,157.59
Consumer Expenses	6545	1,200.08
Volunteer Expense	6550	111.20
Fees	6560	15,258.81
Care Attendant - New Hire Fees	6565	40,300.50
Taxes	6570	15,729.75
Depreciation	6610	117,103.38
Bad Debt	6620	60,029.28
In-Kind	6640	4,726.38
Miscellaneous	6650	<u>310.84</u>
Total All Other Expenses		1,463,596.12
Extraordinary Gains/Losses		
Extraordinary Loss	9900	<u>50,000.00</u>
Total Extraordinary Gains/Losses		50,000.00
Total EXPENSES		<u>15,160,157.74</u>
NET SURPLUS (DEFICIT)		<u>589,692.76</u>

2015-2016 BOARD OF DIRECTORS

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Laura Clark (2019-1)

Ron Hoy (2016-1)

Liza Colby (2017-1)

***Paul Perry (2019-2)**

Michael J. Hall (2016-1)

Jennifer Share (2017-1)

***Dan Hebert (2017-2)**

Philip Spurr (2019-2)

GSIL BOARD OF DIRECTORS STAFF SUPPORT

Clyde Terry
CEO

W: (603) 228-9680 X 1107
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COO

W: (603) 228-9680 X 1108
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Chris Purington
VP of Community Economic Development

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VP of Human Resources
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Joy Sabolevski
VP of Long Term Supports
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Kathrine Theisen-Mausser
Director of Finance
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ktheisenmauser@gsil.org

Director of Information Technology
W: (603) 228-9680 1147

Casey Strickulis
Executive Assistant
(Board Liaison and Recorder)
W: (603) 410-6540 – Direct Line

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PETER J. DARLING

EDUCATION

M.ED. in Rehabilitation Counseling

University of South Carolina

Bachelors degree in Sociology

Wofford College

PROFESSIONAL EXPERIENCE

October 2005 - Present

Granite State Independent living

Vice President of Community Economic Development

- Provide direction, leadership and supervision to department staff to meet department goals and objectives.
- Develop and implement the specific goals, objectives and program activities with the Community Economic Development Services Department in support of the organization's strategic plan.
- Manage department budget in accordance with organizational budget guidelines.
- Actively engage in consultation for organizational decision making and leadership in support of GSIL's mission, vision and values.
- Analyze financial and utilization reports and oversee coordination with outside funding sources and customers.
- Identify and participate in developing potential new funding sources to support Employment Services Department programs and services.
- Identify and utilize effective methods to promote the value of the Employment Services department's programs and services to local business and industry.
- Provide on-going performance feedback and conduct annual performance reviews with all direct reports, and review performance feedback and bonus recommendations on all department staff.
- Responsible for providing inter and intra-departmental coordination, cooperation and communication.
- Works with the Human Resources Department to up-to date departmental policies & procedures and communicate them effectively .
- Represent GSIL on relevant external committees and task forces.
- Act as liaison to appropriate Board committees.

October 2001-October 2005

Bancroft, Inc.

President/CEO

- Led the organization in the development of strategic planning as well as the coordination of organizational activities and recourses at a time of significant downsizing.

1995 – October 2001

Bancroft Products, Inc.

Vice President of Bancroft Employment Services

- Led, managed and developed the employment services of Bancroft.

1989-1995

The Work Place

Owner/President

1992-1995
Executive Director

Meeting the Challenge

1987-1989
Vice President of Operations

TEE/Employment Connection Specialist

1973-1987
Assistant Executive Director

William J. Moore Regional Services

PROFESSIONAL MEMBERSHIPS

September 2001 – May 2002

Leadership Greater Concord

Participants share expertise, learn about the inner workings of Concord, and sharpen their own leadership skills.

2001-Present
Governor appointed

NH State Rehabilitation Council

1975- Present
Board Member, Committee Chairs
President (1986 & 1997)

New Hampshire Rehabilitation Association

1997- Present
Board Member and Committee Chairs

Private Provider Network

1994-1997
Board Member
President (1996)

Northeast Rehabilitation Association

1990-2000
Member and Committee Chair (Governor appointed)

NH Statewide Independent Living Council

AWARDS

1994 The Frank J. Loughran- Life Time Achievement Award
"In Recognition of Services to People with Disabilities"

MAUREEN O'DONNELL

EDUCATION

<i>Graduate Studies in School-to-Work Transition</i>	Plymouth State University
<i>Graduate Studies in Psychotherapy & Counseling</i>	Rivier College
<i>Bachelors Degree in Education</i>	Keene State College

PROFESSIONAL EXPERIENCE

2005 -Present

Granite State Independent Living

Educational Services Director

- Manage and Coordinate activities of Earn and Learn Program. Responsibilities include developing curriculum, evaluations, report writing and supervision of staff.
- Represents GSIL in the Next Steps New Hampshire Program and serves as a Regional Intermediary.
- Responsible for supervising program services including intake, assessment, job seeking skills training, job development, placement and on-going support.
- Responsible for supervising staff who are marketing GSIL programs and services to businesses, community agencies, funding sources and participants.
- Providing direct services as appropriate.
- Insuring all written reports and documents are completed in a timely fashion; preparing and monitoring program budgets.
- Responsible for hiring, supervising and evaluating assigned staff including coordinating orientation, on-going training and keeping them informed on all pertinent information.
- Insuring all staff assigned follow client rights procedures.
- Attending all meetings and trainings as assigned.
- Ability to develop an appropriate professional relationship with program participants, community agencies and funding sources.
- Contribute to the achievement of program and fiscal goals.
- Achieve goals and objectives set out in Annual Performance Appraisal.
- Develop innovative initiatives to enhance program services.

1995-2005

Bancroft Products

Program Coordinator

- Managed adult population Projects with Industries Program (PWI) including intake, job development, marketing, job placement and follow-up services.

1989-1995

Employment Connection Specialists, Inc.

Corporate Manager

- Oversaw the daily operations off our projects.
- Marketed services of ECS to private industries.
- Provided customer care follow-up.
- Conducted presentations to community organizations and agencies.
- Trained outside agencies and employees.
- Supported senior management and CEO.

AWARDS

- State Rehabilitation Council Job Developer of the Quarter and Recognition for the success in the Earn and Learn Program, April 2011
- New Hampshire Rehabilitation Association Professional of the Year 1992

MARYBETH HAMMOND

EDUCATION

January 2008

Southern New Hampshire University

Bachelors of Arts, Psychology

- GPA 3.9
- Member of Psi Chi National Honor Society of Psychology and President's List

PROFESSIONAL EXPERIENCE

December 2009- Present

Granite State Independent Living

Transition Support Specialist for Earn and Learn Program

- Design and implement competency based Extended Learning Opportunity (ELO) curriculum for students participating in the Earn and Learn Program enabling them to earn academic credit
- Organize student work experiences in the community where they can develop social, interpersonal and occupational skills while earning academic credit
- Recruit youth with disabilities who have dropped out or are at-risk of dropping out of school and need to legally reengage in the educational system and academic recovery activities for participation in the Earn and Learn Program
- Coordinate all service activities with NHVR and Manchester Schools, incorporating community supports as appropriate to foster interagency collaboration using the guidance of a self-efficacy model of delivery service
- Plan and implement workshops/services for students on topics relevant to developing independent living skills, career readiness and increased understanding of available community resources
- With student as the informant, develop, plan and implement programming that enables increased self-reliance and opportunities to explore life and education/career choices
- Represents GSIL as a Regional Intermediary on the SPDG.

April 2008- December 2009

Antrim Girls Shelter

Residential Counselor/Charge Staff

- Responsible for ensuring the day-to-day emotional and physical safety and security of female residents ranging in age from eleven to seventeen referred for placement by the juvenile court, by structuring, supervising and maintaining daily activities
- Plan and coordinate all activities occurring during the shift; supervise the Residential Counselors assigned to the shift and manage change and/or crisis that may develop while on duty
- Implement a behavioral based psychology program in order to provide effective treatment of residents on a short-term basis
- Complete assigned daily, weekly and monthly paperwork, including documentation of all significant events of the shift, daily behavioral summaries for each girl, maintenance of resident's files and dispensing of medications

VOLUNTEER ACTIVITIES

September 2007- present

Court Appointed Special Advocate (CASA)

Guardian ad Litem for Children

- Effectively advocate for interventions and services designed to ensure the safety of a child who is abused or neglected
- Collaborate with the child, child's family, the Division of Children, Youth, and Families agency and other service providers to identify resources for meeting the needs of the child
- Design and present to the court fact-based recommendations so that appropriate resources can be ordered to meet the needs of the child

OTHER QUALIFICATIONS

- Current Certification CPR, First Aid and Automated External Defibrillation

AWARDS

- Campus Compact for New Hampshire Presidents' Community Partner Award, April 2011