



CHRISTOPHER T. SUNUNU
GOVERNOR

STATE OF NEW HAMPSHIRE

OFFICE OF STRATEGIC INITIATIVES SEP 2 '20 AM 10:47 DAS

107 Pleasant Street, Johnson Hall

Concord, NH 03301-3834

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DIVISION OF PLANNING

DIVISION OF ENERGY

www.nh.gov/osi

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September 9, 2020

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

REQUESTED ACTION

1) Authorize the Office of Strategic Initiatives (OSI) to enter into a **SOLE SOURCE** contract with Southern New Hampshire Services, Inc., (VC #177198), Manchester, NH, in the amount of \$11,313,780.00 for the Fuel Assistance Program effective October 1, 2020 through September 30, 2021, upon approval of Governor and Executive Council. 100% Federal Funds.

Funds to support this request are anticipated to be available in the following account in FY2021 upon the availability and continued appropriation of funds in the future operating budget:

Office of Strategic Initiatives, Fuel Assistance

01-02-02-024010-77050000

074-500587 Grants for Pub Assist & Relief

FY 2021

\$11,313,780.00

2) Further request authorization to advance Southern New Hampshire Services, Inc. \$1,093,285.00 from the above-referenced contract amount.

EXPLANATION

This contract is **SOLE SOURCE** based on the historical performance of the Community Action Agencies (CAA) in the New Hampshire Fuel Assistance Program (FAP), their outreach and client service capabilities, the synergies that benefit the FAP as a result of the five statewide CAAs' implementation of several other federal assistance programs, and the infrastructure that is already in place to deliver FAP services. OSI proposes to continue to subcontract with the five CAAs who have successfully provided FAP services at the local level for more than three decades. The CAAs work closely with the OSI FAP Administrator in the implementation of the program.

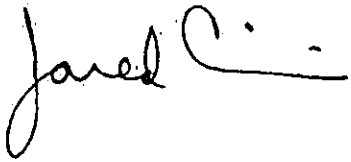
FAP is a statewide program, funded by a Federal Low Income Home Energy Assistance Program (LIHEAP) Block Grant, and works to make home energy more affordable for income-qualified New Hampshire families, including those who are elderly or disabled. Program funds are targeted to low income households with high energy burdens. The current maximum income level is 60% of the State Median Income (SMI), which is \$69,686.00 for a family of four. The average FAP benefit during the last program year was \$890.00.

The LIHEAP program operates on an October 1, 2020 to September 30, 2021 program year, but at this time Congress has not finalized appropriations for the Federal fiscal year 2021. Therefore, the contract amount for

each of the Community Action Agencies is based upon OSI's best estimate of anticipated federal funding, including carryover funds from the prior program year. No funds will be obligated under this contract unless federal monies are available to be expended. The proposed advance of funds will enable the CAAs to operate the program between monthly reimbursements from the State.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jared Chicoine". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jared Chicoine
Director

JC/EPS

Enclosures

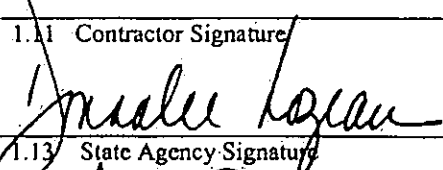
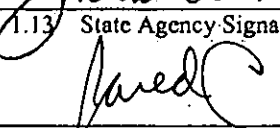

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Office of Strategic Initiatives		1.2 State Agency Address 107 Pleasant Street, Johnson Hall Concord, New Hampshire 03301	
1.3 Contractor Name Southern New Hampshire Services, Inc.		1.4 Contractor Address 40 Pine Street, Manchester, NH	
1.5 Contractor Phone Number (603) 668-8010	1.6 Account Number 01-02-02-024010-77050000- 074-500587 02E21A	1.7 Completion Date September 30, 2021	1.8 Price Limitation \$11,313,780.00
1.9 Contracting Officer for State Agency Eileen Smigowski, Fuel Assistance Program Administrator		1.10 State Agency Telephone Number (603) 271-2155	
1.11 Contractor Signature  Date: 9-4-2020		1.12 Name and Title of Contractor Signatory Donnalee Lozeau, Executive Director	
1.13 State Agency Signature  Date: 9/8/2020		1.14 Name and Title of State Agency Signatory Jared Chicoine, Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 9/11/2020			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

2. 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 B 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, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("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 affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. 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 reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source 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 C 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 applicable 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 employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property 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. The Contractor 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.

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 cured, 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 give the Contractor a written notice specifying the Event of Default and 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 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. 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.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, 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 B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

10.1 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.

10.2 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.

10.3 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.

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.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. 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 continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 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 ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

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. The 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. **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.

17. **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 unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and 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. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

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 or modifying provisions set forth in the attached EXHIBIT A 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 with respect to the subject matter hereof.

EXHIBIT A

SPECIAL PROVISIONS

1. Subparagraph 1.16 of the General Provisions, shall not apply to this agreement.
2. On or before the date set forth in Block 1.7 of the General Provisions, the Contractor shall deliver to the State an independent audit of the Contractor's entire agency by a qualified independent auditor in good standing with the state and federal government.
3. This audit shall be conducted in accordance with the audit requirements of Office of Management and Budget (OMB) Circular 2, CFR 200, Subpart F- Audit Requirements. The Fuel Assistance Program shall be considered a "major program" for purposes of this audit.
4. This audit report shall include a schedule of revenues and expenditures by contract or grant number of all expenditures during the Contractor's fiscal year. The Contractor shall utilize a competitive bidding process to choose a qualified financial auditor at least every four years.
5. The audit report shall include a schedule of prior years' questioned costs along with an Agency response to the current status of the prior years' questioned costs. Copies of all OMB letters written as a result of audits shall be forwarded to OSI. The audit shall be forwarded to OSI within one month of the time of receipt by the Agency, accompanied by an action plan for each finding or questioned cost.
6. Delete the following from paragraph 10 of the General Provisions: "The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in Exhibit A."
7. The costs charged under this contract shall be determined as allowable under the cost principles detailed in 2 CFR 200 Subpart E – Cost Principles.
8. Program and financial records pertaining to this contract shall be retained by the Agency for 3 (three) years from the date of submission of the final expenditure report per 2 CFR 200.333 – Retention Requirements for Records and until all audit findings have been resolved.
9. In accordance with Public Law 103-333, the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995", the following provisions are applicable to this grant award:
 - a) Section 507: "Purchase of American –Made Equipment and Products - It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made."
 - b) Section 508: " When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, all states receiving federal funds, including but not limited to state and local governments and recipients of federal research grants, shall clearly state

(1) the percentage of the total costs of the program or project which will be financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources."

10. CLOSE OUT OF CONTRACT. All final required reports and reimbursement requests shall be submitted to the State within thirty (30) days of the completion date (Agreement Block 1.7).

11. ADVANCES. Advance funds must be used solely for appropriate Fuel Assistance Program expenditures. Advance program funds are to be used only for Fuel Assistance Program vendor payments. All Fuel Assistance Program payments, including Advance program payments, must be transferred from the Community Action Agency's general operating account into a specific Fuel Assistance Program account within 48 hours after being received electronically from the State. CAAs must submit the bank account number of the designated bank account for the advance funds to OSI prior to the electronic submission of the funds to the CAA. Unspent Advance program funds must remain in the FAP dedicated account at all times and cannot be comingled with any other CAA funds. CAAs are required to submit a complete electronic copy of the FAP-dedicated bank account statement to OSI on a monthly basis.

EXHIBIT B

SCOPE OF SERVICES

The Contractor agrees to provide Fuel Assistance Program services to qualified low income individuals, and agrees to perform all such services and other work necessary to operate the Program in accordance with the requirements of this contract, the principles and objectives set forth in the Fuel Assistance Program Procedures Manual, Information Memoranda, and other guidance as determined by OSI.

Fuel Assistance Program (FAP) services will be defined to include the following categories:

1. Outreach, eligibility, determination and certification of FAP applicants.
2. Payments directly to energy vendors:
 - a. Reimbursement for goods and services delivered
 - b. Lines of credit
 - c. Budget plan payments
3. Payments directly to landlords via vouchers for renters who pay their energy costs as undefined portions of their rent.
4. Payments directly to clients only when deemed appropriate and necessary as defined in the Fuel Assistance Procedures Manual.
5. Emergency Assistance in the form of reimbursements for goods or services delivered in accordance with paragraphs 3 and 4 above.

EXHIBIT C

PAYMENT TERMS

In consideration of the satisfactory performance of the services as determined by the State, the State agrees to pay over to the Contractor the sum of \$11,313,780.00 (which hereinafter is referred to as the "Grant").

Upon the State's receipt of the 2021 Low Income Home Energy Assistance Program grant from the US Department of Health and Human Services, the following funds will be authorized:

\$921,495.00 for administration costs, of which \$115,187.00 will be issued as a cash advance;
\$9,780,975.00 for program costs, of which \$978,098.00 will be issued as a cash advance;
\$611,310.00 for Assurance 16.

The dates for this contract are October 1, 2020 through September 30, 2021.

Approval to obligate (Exhibit D) the above-awarded funds will be provided in writing by the Office of Strategic Initiatives to the Contractor as the Federal funds become available. Drawdowns from the balance of funds will be made to the Contractor only after written documentation of cash need is submitted to the State. Disbursement of the Grant shall be in accordance with procedures established by the State as detailed in the Fuel Assistance Program Procedures Manual.

CFDA Title: Low Income Home Energy Assistance Program
CFDA No: 93.568
Award Name: Low Income Home Energy Assistance Program
Federal Agency: Health & Human Services
Administration for Children and Families
Office of Community Services

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT D

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference sub-grantees and sub-contractors) prior to award that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference sub-grantees and sub-contractors) that is a state may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the Agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government-wide suspension or debarment. Contractors using this form should send it to:

Director, New Hampshire Office of Strategic Initiatives,
107 Pleasant Street, Johnson Hall, Concord, NH 03301

- (A) The grantee certifies that it will or will continue to provide a drug-free workplace by:
- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession of or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about
 - (1) the dangers of drug abuse in the workplace;
 - (2) the grantee's policy of maintaining a drug-free workplace;
 - (3) any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - (1) abide by the terms of the statement; and

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS, cont'd**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY**

- (2) notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).
- (B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Southern New Hampshire Services

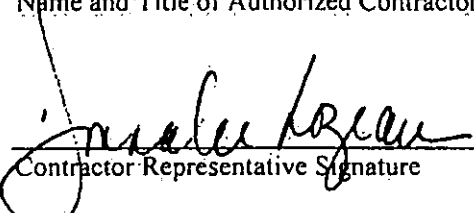
October 1, 2020 to September 30, 2021

Contractor Name

Period covered by this Certification

Donnalee Lozeau, Executive Director

Name and Title of Authorized Contractor Representative


Contractor Representative Signature


Date

P37 Exhibits D thru H

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT E

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

CERTIFICATION REGARDING LOBBYING

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY


Programs (indicate applicable program covered):
LIHEAP

Contract Period: October 1, 2020 to September 30, 2021

The undersigned certifies to the best of his or her knowledge and belief that:

- (1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, attached and identified as Standard Exhibit E-1.
- (3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.


Contractor Representative Signature

Executive Director

Contractor's Representative Title

Southern New Hampshire Services
Contractor Name


Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT F

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

Instructions for Certification

- (1) By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Office of Strategic Initiatives' determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- (3) The certification in this clause is a material representation of fact upon which reliance was placed when OSI determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, OSI may terminate this transaction for cause or default.
- (4) The prospective primary participant shall provide immediate written notice to the OSI agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (5) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
- (6) The prospective primary participant agrees by submitting this proposal (contract) that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by OSI.
- (7) The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by OSI, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, OSI may terminate this transaction for cause or default.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd**

*Certification Regarding Debarment, Suspension, and Other
Responsibility Matters - Primary Covered Transactions*

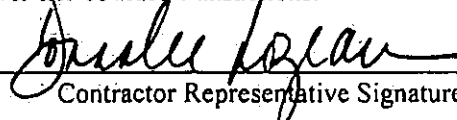
- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or for a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
 - (d) have not within a three-year period preceding this application/proposal had one or more public (federal, state or local) transactions terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

*Certification Regarding Debarment, Suspension, Ineligibility and
Voluntary Exclusion - Lower Tier Covered Transactions
(To Be Supplied to Lower Tier Participants)*

By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- (b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier-covered transactions and in all solicitations for lower tier-covered transactions.



Contractor Representative Signature

Executive Director

Contractor's Representative Title

Southern New Hampshire Services

Contractor Name



Date

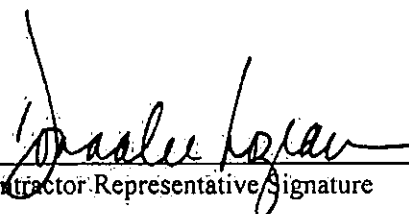
NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT G

CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

By signing and submitting this proposal (contract), the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.


Contractor Representative Signature

Executive Director

Contractor's Representative Title

Southern New Hampshire Services
Contractor Name


Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT H

CERTIFICATION
Public Law 103-227, Part C
ENVIRONMENTAL TOBACCO SMOKE

In accordance with Part C of Public Law 103-227, the "Pro-Children Act of 1994", smoking may not be permitted in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions or facilities used for inpatient drug or alcohol treatment.

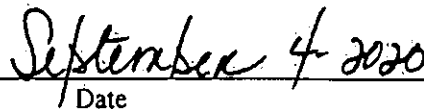
The above language must be included in any subawards that contain provisions for children's services and that all sub-grantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to \$1,000 per day.


Contractor Representative Signature

Executive Director

Contractor's Representative Title

Southern New Hampshire Services
Contractor Name


Date

**EXAMPLE ONLY
APPROVAL TO OBLIGATE
FUEL ASSISTANCE PROGRAM**

STATE

First 7/1/2019 Wood and SEAS Only	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	538,220.00	5,646,370.00	4,582.60	357,200.00	6,546,372.60
EXPECTED BUDGET	0.00	0.00	0.00	0.00	0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	0.00	0.00	0.00	1,165,551.00
TOTAL AVAILABLE TO OBLIGATE	0.00	1,165,551.00	0.00	0.00	1,165,551.00
NOT AUTHORIZED TO OBLIGATE	538,220.00	4,480,819.00	4,582.60	357,200.00	5,380,821.60

BMCA

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	95,663.00	1,003,586.00	1,000.00	69,960.00	1,170,209.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
TOTAL AVAILABLE TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
NOT AUTHORIZED TO OBLIGATE	95,663.00	796,474.00	1,000.00	69,960.00	963,097.00

SNHS

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	163,777.00	1,718,152.00	1,000.00	84,220.00	1,967,149.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	354,578.00	0.00	0.00	354,578.00
TOTAL AVAILABLE TO OBLIGATE	0.00	354,578.00	0.00	0.00	354,578.00
NOT AUTHORIZED TO OBLIGATE	163,777.00	1,363,574.00	1,000.00	84,220.00	1,612,571.00

SCS

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	83,835.00	879,501.00	825.00	64,960.00	1,029,121.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	181,504.00	0.00	0.00	181,504.00
TOTAL AVAILABLE TO OBLIGATE	0.00	181,504.00	0.00	0.00	181,504.00
NOT AUTHORIZED TO OBLIGATE	83,835.00	697,997.00	825.00	64,960.00	847,617.00

CAPSC

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	54,676.00	573,593.00	757.60	55,110.00	684,136.60
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	118,373.00	0.00	0.00	118,373.00
TOTAL AVAILABLE TO OBLIGATE	0.00	118,373.00	0.00	0.00	118,373.00
NOT AUTHORIZED TO OBLIGATE	54,676.00	455,220.00	757.60	55,110.00	565,763.60

TCCA

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	140,269.00	1,471,538.00	1,000.00	82,950.00	1,695,757.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	303,984.00	0.00	0.00	303,984.00
TOTAL AVAILABLE TO OBLIGATE	0.00	303,984.00	0.00	0.00	303,984.00
NOT AUTHORIZED TO OBLIGATE	140,269.00	1,167,554.00	1,000.00	82,950.00	1,391,773.00

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT J

CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements as of the date of the award.


In accordance with 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), the New Hampshire Office of Strategic Initiatives must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

- 1) Name of entity
- 2) Amount of award
- 3) Funding agency
- 4) NAICS code for contracts / CFDA program number for grants
- 5) Program source
- 6) Award title descriptive of the purpose of the funding action
- 7) Location of the entity
- 8) Principal place of performance
- 9) Unique identifier of the entity (DUNS #)
- 10) Total compensation and names of the top five executives if:
 - a. More than 80% of annual gross revenues are from the Federal government and those revenues are greater than \$25M annually, and
 - b. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA-required data by the end of the month plus 30 days in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

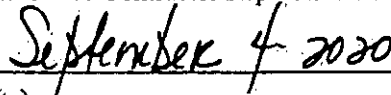
The below named Contractor agrees to provide needed information as outlined above to the New Hampshire Office of Strategic Initiatives and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.


(Contractor Representative Signature)


Donnalee Lozeau, Executive Director

(Authorized Contractor Representative Name & Title)

Southern New Hampshire Services


(Date)

(Contractor Name)

Contractor Initials 
Date 9-4-2020
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LIHEAP21 CFDA#93.568

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT J

FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 088584065

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

 NO

 X YES

If the answer to #2 above is NO, stop here.

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business, or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

 NO

 X YES

If the answer to #3 above is YES, stop here.

If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

Name: Amount:

Name: Amount:

Name: Amount:

Name: Amount:

Name: Amount:

Contractor Initials DL
Date 9-4-2020
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State of New Hampshire

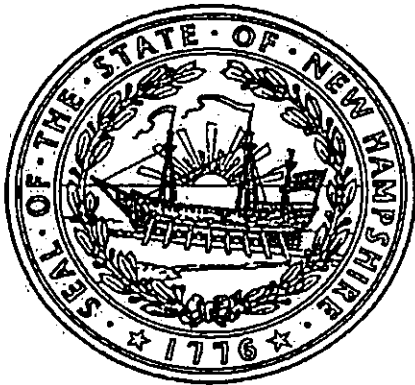
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 1965. 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: 65506

Certificate Number: 0004913065



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 12th day of May A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE
(Corporate Authority)

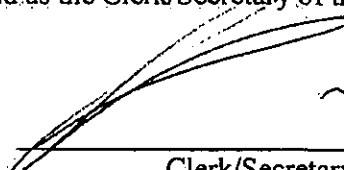
I, Orville Kerr, Clerk/Secretary of Southern New Hampshire Services, Inc. (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that:

- (1) I am that duly elected and acting Clerk/Secretary of the Corporation;
- (2) I maintain and have custody and am familiar with the minute books of the Corporation;
- (3) I am duly authorized to issue certificates with respect to the contents of such books;
- (4) That the Board of Directors of the Corporation have authorized, on September 7, 2019, such authority to be in force and effect until Sept. 30, 2021 the person(s) holding the below listed position(s) to execute and deliver on behalf of the Corporation any contract or other instrument for sale of products and services:

<u>Donnalee Lozeau</u>	<u>Executive Director</u>
<u>Ryan Clouthier</u>	<u>Deputy Director</u>
<u>James Chaisson</u>	<u>Chief Fiscal Officer</u>
<u>Ron Ross</u>	<u>Housing Fiscal Officer</u>

- (5) The meeting of the Board of Directors was held in accordance with New Hampshire law and the by-laws of the Corporation; and
- (6) Said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof. Excerpt of dated minutes or copy of article or/ section of authorizing by-law must be attached.

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the Corporation this 4th day of September, 2020.



Clerk/Secretary

STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

On this the 4th day of September, 2020, before me, Debra Stohrer, the undersigned Officer, personally appeared, Orville Kerr who acknowledged himself to be the Clerk/Secretary of Southern New Hampshire Services, Inc., a corporation, and that he as such Clerk/Secretary being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS THEREOF, I hereunto set my hand and official seal.



Notary Public

My Commission expires: Nov. 18, 2020

DEBRA D. STOHRER
Notary Public - New Hampshire
My Commission Expires November 18, 2020

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

The Community Action Partnership for Hillsborough and Rockingham Counties

Mailing Address: P.O. Box 5040, Manchester, NH 03108

40 Pine Street, Manchester, NH 03103

(603) 668-8010 Fax: (603) 645-6734

(Approved September 7, 2019)

Resolved: The Board of Directors of Southern New Hampshire Services, Inc. authorizes Donnalee Lozeau, Executive Director/Chief Executive Officer; Ryan Clouthier, Deputy Director; James Chaisson, Fiscal Officer; and Ron Ross, Housing Fiscal Officer to sign contracts, checks and other documents on behalf of the Agency with the following:

The State of New Hampshire including the Department of Health and Human Services: Division of Family Assistance for TANF, NHEP, Workplace Success, CSBG, and Homeless Services; Division of Public Health Services for WIC/CSFP; Division for Children, Youth & Families for Child Care Resource and Referral Services; Office of Human Services/Bureau of Homeless and Housing Services for Homeless Programs; Office of Minority Health & Refugee Affairs for Refugee Social Services. The New Hampshire Office of Energy and Planning for the Weatherization Assistance Program, Heating, Repair and Replacement Program, Senior Energy Assistance Services, and the Fuel Assistance Program; the New Hampshire Department of Education for the Child & Adult Care Food Program, Summer Food Service Program, English as a Second Language, Portsmouth Adult Basic Education Program, and Adult Education/College Transitions at Portsmouth; the New Hampshire Department of Resources and Economic Development for the WIOA Adult & Dislocated Worker Programs, and OJT National Emergency Grants; the New Hampshire Department of Safety for Interpretation Services for Non-English Speakers and the Deaf and Hard of Hearing at Specified Meetings.

The U.S. Department of Health and Human Services, Administration for Children and Families for Head Start; U.S. Department of Labor/ETA for the YouthBuild Program; Office of Community Services sponsored programs; the Corporation for National and Community Services for RSVP; United States Department of Housing and Urban Development for Housing and Homeless Program.

The United Way of Greater Nashua; Heritage United Way; Monadnock United Way; United Way of the Greater Seacoast; NH Charitable Foundation for the Western Hillsborough County Family Services Program; Community Action Program Belknap/Merrimack Counties, Inc. for the Emergency Food Assistance Program; (TEFAP), the HOME Investment Partnership Program, and the Senior Community Service Employment Program; New Hampshire utility companies for Neighbor Helping Neighbor, Electric Assistance Program (EAP), and NH Saves Home Energy Solution and Home Energy Assistance Programs; City of Manchester; City of Nashua; City of Nashua-Brownfield Fund; New Hampshire Housing Finance Authority; Manchester Housing and Redevelopment Authority; Nashua Housing Authority for housing and community development programs; New Hampshire Community Action Association; and any and all other Federal, State, Local, Public and Private Agencies seeking to provide services consistent with the Mission of Southern New Hampshire Services, Inc. through contractual relationships with Southern New Hampshire Services, Inc.



SOUTNEW-12

DCOMEAU

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/2/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER License # 1780862 HUB International New England 600 Longwater Drive Norwell, MA 02061-9146	CONTACT NAME: PHONE (A/C, No, Ext): (781) 792-3200 FAX (A/C, No): (781) 792-3400 E-MAIL ADDRESS:	
INSURED Southern New Hampshire Services Inc. 40 Pine Street Manchester, NH 03103	INSURER(S) AFFORDING COVERAGE	NAIC #
	INSURER A: Cincinnati Insurance Company	10677
	INSURER B: Eastern Alliance Insurance Company	10724
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			ETD 041 72 57	12/31/2019	12/31/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPROP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			ETA 041 72 60	12/31/2019	12/31/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ETD 041 72 57	12/31/2019	12/31/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	03-0000112165-02	12/31/2019	12/31/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Professional Liab.			ETD 041 72 57	12/31/2019	12/31/2020	Aggregate \$2,000,000 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Automobile: \$500 Comprehensive Deductible / \$1,000 Collision Deductible

Workers Compensation Covered States (A): NH, ME

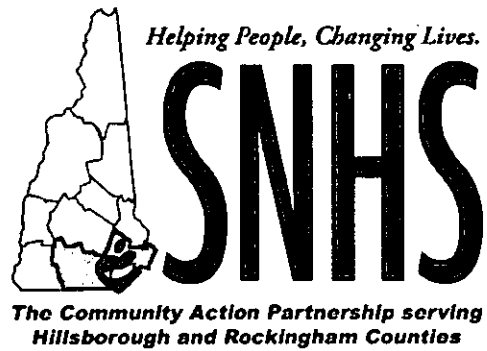
CERTIFICATE HOLDER

CANCELLATION

NH Office of Strategic Initiatives
107 Pleasant Street, Johnson Hall
Concord, NH 03301

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2019

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2019

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OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Mark R. Carrier, C.P.A.
Michael R. Dunn, C.P.A.
Jonathan A. Hussey, C.P.A., M.S.T.
Steven R. Lamontagne, C.P.A.

Gary W. Soucy, C.P.A.
Gary A. Wigant, C.P.A.
C. Joseph Wolverton, Jr., C.P.A.

**Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Southern New Hampshire Services, Inc. (the Organization) and affiliate, which comprise the combined statement of financial position as of July 31, 2019, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated February 12, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern New Hampshire Services, Inc. and affiliate's combined financial statements are free from material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Ouellette & Associates, P.A.
Certified Public Accountants

February 12, 2020
Lewiston, Maine

OUELLETTE & ASSOCIATES, P.A.
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**Independent Auditor's Report on Compliance for Each Major Program and on
Internal Control over Compliance and Schedule of Expenditures of
Federal Awards Required by the Uniform Guidance**

To the Board of Directors
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Southern New Hampshire Services, Inc. (the Organization) and affiliate's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southern New Hampshire Services, Inc. and affiliate's major federal programs for the year ended July 31, 2019. Southern New Hampshire Services, Inc. and affiliate's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southern New Hampshire Services, Inc. and affiliate's compliance.

Opinion on Each Major Federal Program

In our opinion, Southern New Hampshire Services, Inc. and affiliate complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2019.

Report on Internal Control over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the combined financial statements of Southern New Hampshire Services, Inc. and affiliate as of and for the year ended July 31, 2019, and have issued our report thereon dated February 12, 2020, which contained an unmodified opinion on those combined financial statements. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the combined financial statements as a whole.

Ouellette & Associates, P.A.
Certified Public Accountants

February 12, 2020
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2019

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
FEDERAL AWARDS				
<u>U.S. Department of Agriculture:</u>				
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>				
WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	184NH703W1003	\$ -	\$ 1,228,016
	10.557	174NH703W1003		114,692
				<u>1,342,708</u>
<i>Pass-Through Belknap Merrimack Community Action Program</i>				
Commodity Supplemental Food Program	10.565	201818Y800544		100,632
	10.565	201919Y800544		8,609
				<u>109,241</u>
<i>Pass-Through State of New Hampshire Department of Education</i>				
Child and Adult Care Food Program	10.558			1,046,749
Summer Food Service Program for Children	10.559			126,951
				<u>1,173,700</u>
Total U.S. Department of Agriculture			<u>\$ -</u>	<u>\$ 2,625,649</u>
<u>U.S. Department of Housing and Urban Development:</u>				
<i>Direct Program</i>				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249		\$ -	\$ 520,382
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>				
Emergency Solutions Grant Program	14.231	E17-DC-33-0001		93,004
<i>Pass-Through Belknap Merrimack Community Action Program</i>				
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900			4,000
				<u>4,000</u>
Total U.S. Department of Housing and Urban Development			<u>\$ -</u>	<u>\$ 617,386</u>
Subtotal			<u>\$ -</u>	<u>\$ 3,243,035</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2019

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
Amount Forward			\$ -	\$ 3,243,035
<u>U.S. Department of Labor:</u>				
<i>Pass-Through State of New Hampshire Department of Resources and Economic Development</i>				
<u>WIOA Cluster</u>				
WIOA Adult Program	17.258	02-6000618	\$ 142,256	\$ 1,131,666
WIOA Dislocated Worker Formula Grants	17.278	02-6000618	135,936	1,379,303
Total WIOA Cluster			278,192	2,510,969
Senior Community Service Employment Program	17.235	02-6000618	34,787	247,158
WIOA Youth Activities	17.259	02-6000618		13,487
WIOA Dislocated Worker National Reserve Demonstration Grants	17.280	02-6000618		459,003
Total U.S. Department of Labor			\$ 312,979	\$ 3,230,617
<u>U.S. Department of Energy:</u>				
<i>Pass-Through State of New Hampshire Governor's Office Office of Strategic Initiatives</i>				
Weatherization Assistance for Low-Income Persons	81.042	EE0007935	\$ -	\$ 529,373
Total U.S. Department of Energy:			\$ -	\$ 529,373
<u>U.S. Department of Education:</u>				
<i>Pass-Through State of New Hampshire Department Of Education</i>				
Adult Education - Basic Grants to States	84.002	67011-ABE	\$ -	\$ 32,099
	84.002	67011-ABE		14,308
	84.002	67011-ABE		19,745
	84.002	67011-ABE		40,555
Total U.S. Department of Education			\$ -	\$ 106,707
<u>Corporation for National and Community Services:</u>				
<i>Direct Program</i>				
Retired and Senior Volunteer Program	94.002	17SRANF002	\$ -	\$ 115,829
Total Corporation for National and Community Services			\$ -	\$ 115,829
Subtotal			\$ 312,979	\$ 7,225,561

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2019

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
Amount Forward			\$ 312,979	\$ 7,225,561
<u>U.S. Department of Health and Human Services:</u>				
<i>Direct Program</i>				
Head Start	93.600	01CH010602-01	\$ -	\$ 6,409,350
	93.600	01HP0009-04		285,097
				6,694,447
<i>Pass-Through State of New Hampshire Office of Strategic Initiatives</i>				
Low-Income Home Energy Assistance	93.568	G-19BINHLIEA		10,052,278
	93.568	G-18BINHLIEA		875,547
	93.568	G-1901NHLIEA		135,676
				11,063,501
<i>Pass-Through State of New Hampshire Department Of Health and Human Services</i>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	18AANHT355		13,957
Temporary Assistance for Needy Families	93.558	2017G996115	847,513	2,867,424
	93.558	2018G996115	69,719	284,041
			917,232	3,151,465
Community Services Block Grant	93.569	G-1901NHCOSR		1,623,853
Community Services Block Grant Discretionary Awards	93.570	G-17BINHCOSR		50,552
<u>CCDF Cluster</u>				
Child Care and Development Block Grant	93.575	2018G996005		1,129,624
Child Care Mandatory and Matching Funds of The Child Care and Development Fund	93.596	2019G999004		1,046,584
Total CCDF Cluster				2,176,208
<i>Pass-Through University of New Hampshire</i>				
Every Student Succeeds Act/Preschool Development Grants	93.434	1H79SM061289		109
Total U.S. Department of Health and Human Services			\$ 917,232	\$ 24,774,092
<u>U.S. Department of Homeland Security:</u>				
<i>Passed-through Regional United Way Agency</i>				
Emergency Food and Shelter National Board Program	97.024		\$ -	\$ 5,750
<i>Pass-Through State of New Hampshire Governor's Office Office of Strategic Initiatives</i>				
Emergency Food and Shelter National Board Program	97.024	592600-007	\$ -	\$ 11,239
Total U.S. Department of Homeland Security			\$ -	\$ 16,989
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 1,230,211	\$ 32,016,642

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JULY 31, 2019

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Southern New Hampshire Services, Inc. and affiliate under programs of the federal government for the year ended July 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southern New Hampshire Services, Inc. and affiliate, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Southern New Hampshire Services, Inc. and affiliate.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

NOTE 3: HEAD START PROGRAMS CFDA #93.600

In accordance with terms of the grant award, the Organization has met its matching requirements during the year ended July 31, 2019.

NOTE 4: INDIRECT COST RATE

Southern New Hampshire Services, Inc. and affiliate has negotiated an indirect cost rate of 9.80% with the Department of Health and Human Services.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2019

Section I Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes ✓ No

Significant deficiency(ies) identified? _____ Yes ✓ None reported

Noncompliance material to financial statements noted? _____ Yes ✓ No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? _____ Yes ✓ No

Significant deficiency(ies) identified? _____ Yes ✓ None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with CFR Section 200.156(a) of the Uniform Guidance? _____ Yes ✓ No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Community Services Block Grant	93.569
WIOA Dislocated Worker National Reserve Demonstration Grants	17.280
Head Start & Early Head Start	93.600
Low-Income Home Energy Assistance	93.568

Dollar threshold used to distinguish between Type A and Type B programs: \$960,500

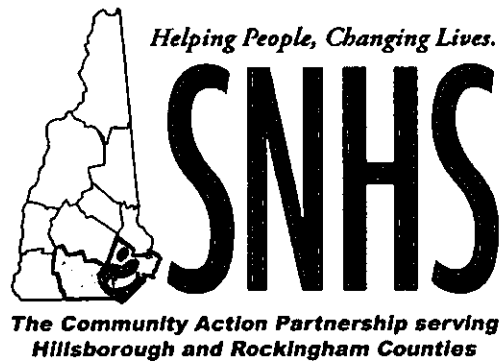
Auditee qualified as low-risk auditee? ✓ Yes _____ No

Section II Financial Statement Findings

No matters are reportable.

Section III Federal Award Findings and Questioned Costs

No matters are reportable.



SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED JULY 31, 2019 AND 2018

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

FINANCIAL STATEMENTS

JULY 31, 2019 AND 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

Report on the Financial Statements

We have audited the accompanying combined financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) and affiliate, which comprise the combined statements of financial position as of July 31, 2019 and 2018, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 the 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 combined financial statements based on our audits. We conducted our audits 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 audits to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined 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 Organization'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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Southern New Hampshire Services, Inc. and affiliate, as of July 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2020, on our consideration of Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and compliance.

Ouellette & Associates, P.A.
Certified Public Accountants

February 12, 2020
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION

JULY 31, 2019 AND 2018

<i>ASSETS</i>		
	<i>2019</i>	<i>2018</i>
CURRENT ASSETS		
Cash	\$ 6,986,538	\$ 5,699,842
Investments	8,405,690	9,085,663
Contracts receivable	3,488,413	4,165,520
Accounts receivable	821,565	836,174
Prepaid expenses	95,197	90,163
Under applied overhead	-	67,750
Total current assets	<u>19,797,403</u>	<u>19,945,112</u>
FIXED ASSETS		
Land	2,697,868	2,571,794
Buildings and improvements	12,530,561	11,610,610
Vehicles and equipment	<u>1,415,271</u>	<u>1,278,185</u>
Total fixed assets	<u>16,643,700</u>	<u>15,460,589</u>
Less - accumulated depreciation	<u>5,237,138</u>	<u>4,964,258</u>
Net fixed assets	<u>11,406,562</u>	<u>10,496,331</u>
OTHER ASSETS		
Restricted cash	<u>411,580</u>	<u>402,738</u>
TOTAL ASSETS	<u>\$ 31,615,545</u>	<u>\$ 30,844,181</u>
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 109,413	\$ 122,582
Accounts payable	657,676	458,388
Accrued payroll and payroll taxes	1,045,805	1,102,712
Accrued compensated absences	359,819	345,967
Accrued other liabilities	227,703	238,012
Refundable advances	1,028,743	1,309,098
Over applied overhead	27,739	-
Tenant security deposits	<u>84,231</u>	<u>81,801</u>
Total current liabilities	<u>3,541,129</u>	<u>3,658,560</u>
LONG-TERM LIABILITIES		
Long-term debt, less current portion	<u>3,036,025</u>	<u>3,134,219</u>
TOTAL LIABILITIES	<u>6,577,154</u>	<u>6,792,779</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>25,038,391</u>	<u>24,051,402</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 31,615,545</u>	<u>\$ 30,844,181</u>

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
REVENUES, GAINS AND OTHER SUPPORT		
Grant and contract revenue	\$ 37,464,614	\$ 36,935,915
Program service fees	907,560	790,570
Local funding	242,894	318,992
Rental income	1,191,372	994,930
Gifts and contributions	208,728	638,712
Interest and dividend income	314,554	271,590
Unrealized gain on investments	12,233	441,314
Miscellaneous	720,124	640,735
TOTAL REVENUES, GAINS AND OTHER SUPPORT	<u>41,062,079</u>	<u>41,032,758</u>
EXPENSES		
Program services:		
Child development	8,589,865	8,424,337
Community services	1,530,674	1,449,210
Economic and workforce development	6,984,684	7,756,926
Energy	13,414,281	12,777,365
Language and literacy	436,073	370,697
Housing and homeless	263,240	238,541
Nutrition and health	2,527,495	2,486,119
Special projects	1,768,326	1,797,358
Volunteer services	125,050	114,704
SNHS Management Corporation	2,396,939	2,017,381
Total program services	<u>38,036,627</u>	<u>37,432,638</u>
Support services:		
Management and general	2,038,463	1,770,202
TOTAL EXPENSES	<u>40,075,090</u>	<u>39,202,840</u>
CHANGE IN NET ASSETS	986,989	1,829,918
NET ASSETS - BEGINNING OF YEAR	<u>24,051,402</u>	<u>22,221,484</u>
NET ASSETS - END OF YEAR	<u><u>\$ 25,038,391</u></u>	<u><u>\$ 24,051,402</u></u>

See independent auditor's report and accompanying notes to the financial statements.

-- SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE --
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2019

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Language and Literacy	Housing and Homeless	Nutrition and Health
EXPENSES							
Payroll	\$ 5,063,755	\$ 958,969	\$ 2,792,330	\$ 1,519,961	\$ 294,501	\$ 104,911	\$ 1,000,035
Payroll taxes	406,991	74,606	220,133	124,867	24,800	8,511	80,427
Fringe benefits	1,350,633	134,639	492,014	389,808	26,683	22,106	222,241
Workers comp. insurance	102,429	8,625	6,948	17,712	736	262	30,682
Retirement benefits	273,637	89,527	182,279	89,727	7,851	6,689	62,967
Consultant and contractual	37,142	70,228	1,595,405	1,770,887	6,505	654	20,695
Travel and transportation	118,863	19,729	78,856	37,134	992	4,110	47,713
Conferences and meetings	-	10,976	-	7,537	225	-	3,471
Occupancy	524,894	58,004	456,078	125,814	28,957	1,020	78,801
Advertising	13,742	25	8,610	1,117	218	-	399
Supplies	243,037	19,254	38,322	57,531	9,422	192	47,201
Equip. rentals and maintenance	12,341	57	13,689	18,308	1,816	-	29,650
Insurance	19,509	24,941	4,905	20,099	-	-	6,966
Telephone	85,487	12,661	27,046	20,468	2,547	385	41,963
Postage	5,522	7	553	30,214	568	58	3,189
Printing and publications	5,268	630	-	-	1,281	-	-
Subscriptions	-	-	446	456	-	-	-
Program support	-	38,256	-	35,312	6,121	-	-
Interest	12,995	-	-	-	-	-	-
Depreciation	64,865	5,920	24,379	10,070	1,045	-	9,920
Assistance to clients	7,800	-	1,066,041	9,156,531	-	114,335	547,988
Other expense	251,015	34,650	19,523	7,118	-	-	299,023
Miscellaneous	35,436	736	1,323	1,813	21,805	7	2,024
In-kind	2,248,292	-	-	-	-	-	-
(Gain) Loss on disposal of assets	-	-	-	125	-	-	-
SUBTOTAL	10,883,653	1,562,440	7,028,880	13,442,609	436,073	263,240	2,535,355
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(2,293,788)	(31,766)	(44,196)	(28,328)	-	-	(7,860)
TOTAL EXPENSES	\$ 8,589,865	\$ 1,530,674	\$ 6,984,684	\$ 13,414,281	\$ 436,073	\$ 263,240	\$ 2,527,495

See independent auditor's report and accompanying notes to the financial statements.

- SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
 FOR THE YEAR ENDED JULY 31, 2019

	Program Services				Support Services	Total Expenses
	Special Projects	Volunteer Services	SNHS Management Corporation	Total Program Services	Management and General	
EXPENSES						
Payroll	\$ 74,200	\$ 73,480	\$ 492,484	\$ 12,374,626	\$ 1,313,585	\$ 13,688,211
Payroll taxes	6,191	6,004	33,947	986,477	99,061	1,085,538
Fringe benefits	11,699	11,872	209,681	2,871,376	181,973	3,053,349
Workers comp. insurance	2,644	184	10,549	180,771	4,483	185,254
Retirement benefits	2,834	2,369	33,859	751,739	110,189	861,928
Consultant and contractual	1,579,582	478	154,356	5,235,932	90,851	5,326,783
Travel and transportation	4,649	6,554	58,681	377,281	14,194	391,475
Conferences and meetings	3,727	220	16,307	42,463	1,675	44,138
Occupancy	18,040	-	600,154	1,891,762	32,663	1,924,425
Advertising	460	2,444	1,050	28,065	75	28,140
Supplies	3,624	6,599	17,685	442,867	40,709	483,576
Equip. rentals and maintenance	4,167	177	21,671	101,876	768	102,644
Insurance	2,007	1,206	40,184	119,817	19,901	139,718
Telephone	2,253	1,453	19,545	213,808	2,167	215,975
Postage	42	535	1,505	42,193	15,912	58,105
Printing and publications	-	175	-	7,354	-	7,354
Subscriptions	-	900	130	1,932	360	2,292
Program support	4,077	-	43,787	127,553	-	127,553
Interest	-	-	59,264	72,259	-	72,259
Depreciation	35,345	-	347,894	499,438	536	499,974
Assistance to clients	1,492	-	88,251	10,982,438	-	10,982,438
Other expense	11,056	1,550	21,821	645,756	13,055	658,811
Miscellaneous	237	8,850	120,753	192,984	1,283	194,267
In-kind	-	-	-	2,248,292	-	2,248,292
(Gain) Loss on disposal of assets	-	-	3,381	3,506	-	3,506
SUBTOTAL	1,768,326	125,050	2,396,939	40,442,565	1,943,440	42,386,005
Over applied indirect costs	-	-	-	-	95,023	95,023
Eliminations	-	-	-	(2,405,938)	-	(2,405,938)
TOTAL EXPENSES	\$ 1,768,326	\$ 125,050	\$ 2,396,939	\$ 38,036,627	\$ 2,038,463	\$ 40,075,090

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2018

EXPENSES	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Language and Literacy	Housing and Homeless	Nutrition and Health
Payroll	\$ 4,957,052	\$ 954,145	\$ 2,665,005	\$ 1,604,803	\$ 260,923	\$ 108,074	\$ 996,641
Payroll taxes	408,351	75,089	211,297	134,215	22,698	8,701	82,048
Fringe benefits	1,165,602	126,449	394,224	368,400	12,404	16,013	205,632
Workers comp. insurance	103,257	9,387	6,542	16,946	651	271	32,119
Retirement benefits	262,948	84,961	173,276	83,274	6,498	6,622	56,860
Consultant and contractual	40,049	26,382	1,534,030	1,575,384	6,614	459	22,816
Travel and transportation	117,346	35,209	64,613	41,310	812	5,490	50,659
Conferences and meetings	-	5,071	-	7,585	65	-	4,786
Occupancy	509,137	57,628	738,328	135,204	24,229	1,020	76,845
Advertising	9,803	-	8,489	1,442	25	-	150
Supplies	374,662	20,349	32,178	65,002	11,743	239	57,054
Equip. rentals and maintenance	21,468	82	39,839	19,776	934	-	23,648
Insurance	19,453	25,393	6,933	19,828	-	-	6,565
Telephone	67,962	22,505	46,995	19,322	2,398	420	44,357
Postage	3,837	201	1,481	34,823	350	82	3,683
Printing and publications	4,679	673	-	304	1,511	275	224
Subscriptions	-	635	-	-	-	-	-
Program support	-	16,178	-	29,907	8,176	-	-
Interest	11,962	-	-	-	-	-	-
Depreciation	54,064	5,920	7,900	13,280	1,144	-	1,468
Assistance to clients	7,800	-	1,826,232	8,613,799	-	90,875	528,940
Other expense	246,533	10,013	32,666	18,899	-	-	294,475
Miscellaneous	83,868	446	11,094	2,190	9,522	-	5,009
In-kind	2,269,028	-	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-	-	-
SUBTOTAL	10,738,861	1,476,716	7,801,122	12,805,693	370,697	238,541	2,493,979
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(2,314,524)	(27,506)	(44,196)	(28,328)	-	-	(7,860)
TOTAL EXPENSES	\$ 8,424,337	\$ 1,449,210	\$ 7,756,926	\$12,777,365	\$ 370,697	\$ 238,541	\$ 2,486,119

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
FOR THE YEAR ENDED JULY 31, 2018

	Program Services				Support Services	Total Expenses
	Special Projects	Volunteer Services	SNHS Management Corporation	Total Program Services	Management and General	
EXPENSES						
Payroll	\$ 63,372	\$ 75,363	\$ 422,932	\$ 12,108,310	\$ 1,258,069	\$ 13,366,379
Payroll taxes	5,433	6,159	42,979	996,970	96,197	1,093,167
Fringe benefits	1,447	13,772	137,202	2,441,145	154,995	2,596,140
Workers comp. insurance	2,427	188	8,844	180,632	4,341	184,973
Retirement benefits	2,305	3,179	44,515	724,438	113,858	838,296
Consultant and contractual	1,630,101	448	171,365	5,007,648	70,685	5,078,333
Travel and transportation	2,655	1,698	55,755	375,547	10,124	385,671
Conferences and meetings	3,706	-	26,557	47,770	770	48,540
Occupancy	13,874	-	470,606	2,026,871	25,489	2,052,360
Advertising	75	25	83	20,092	125	20,217
Supplies	3,181	2,557	9,617	576,582	58,000	634,582
Equip. rentals and maintenance	(23)	79	8,837	114,640	878	115,518
Insurance	1,353	1,226	34,976	115,727	13,745	129,472
Telephone	2,854	1,332	14,613	222,758	3,890	226,648
Postage	-	271	940	45,668	17,288	62,956
Printing and publications	-	38	-	7,704	913	8,617
Subscriptions	-	1,000	551	2,186	-	2,186
Program support	22,782	-	101,335	178,378	-	178,378
Interest	-	-	43,543	55,505	-	55,505
Depreciation	25,062	-	317,695	426,533	536	427,069
Assistance to clients	19,869	-	26,984	11,114,499	-	11,114,499
Other expense	867	2,767	3,836	610,056	6,398	616,454
Miscellaneous	188	4,602	71,187	188,106	1,651	189,757
In-kind	-	-	-	2,269,028	-	2,269,028
Loss on disposal of assets	(4,170)	-	2,429	(1,741)	-	(1,741)
SUBTOTAL	1,797,358	114,704	2,017,381	39,855,052	1,837,952	41,693,004
Over applied indirect costs	-	-	-	-	(67,750)	(67,750)
Eliminations	-	-	-	(2,422,414)	-	(2,422,414)
TOTAL EXPENSES	\$ 1,797,358	\$ 114,704	\$ 2,017,381	\$37,432,638	\$ 1,770,202	\$39,202,840

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ 986,989</u>	<u>\$ 1,829,918</u>
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	499,974	427,069
(Gain) loss on disposal of assets	3,506	(1,741)
Donation of low-income housing projects	-	(283,644)
Unrealized gain on investments	(12,233)	(441,314)
(Increase) decrease in operating assets:		
Contracts receivable	677,107	(374,696)
Accounts receivable	14,609	(245,068)
Prepaid expenses	(5,034)	(11,575)
Under applied overhead	67,750	46,174
Increase (decrease) in operating liabilities:		
Accounts payable	199,288	(38,707)
Accrued payroll and payroll taxes	(56,907)	(227,656)
Accrued compensated absences	13,852	19,686
Accrued other liabilities	(10,309)	(231,349)
Refundable advances	(280,355)	171,410
Over applied overhead	27,739	-
Tenant security deposits	2,430	(3,501)
Total adjustments	<u>1,141,417</u>	<u>(1,194,912)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>2,128,406</u>	<u>635,006</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(1,430,211)	(511,155)
Proceeds from sale of fixed assets	16,500	4,170
Purchase of investments, reinvested dividends, and capital gains	(307,794)	(269,044)
Proceeds from sale of investments	1,000,000	-
Deposit to restricted cash accounts	(8,842)	(191,550)
Cash received on acquisition of housing project	-	256,536
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(730,347)</u>	<u>(711,043)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	<u>(111,363)</u>	<u>(113,517)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	<u>1,286,696</u>	<u>(189,554)</u>
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>5,699,842</u>	<u>5,889,396</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 6,986,538</u></u>	<u><u>\$ 5,699,842</u></u>

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
 COMBINED STATEMENTS OF CASH FLOWS (CONTINUED)
 FOR THE YEARS ENDED JULY 31, 2019 AND 2018

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

	<u>2019</u>	<u>2018</u>
Cash paid during the year for interest	<u>\$ 72,259</u>	<u>\$ 55,505</u>
Noncash investing and financing activities:		
Acquisition of low-income housing projects:		
Other current assets	\$ -	\$ 3,677
Property and equipment	-	1,106,200
Other liabilities	-	(164,006)
Notes payable	-	(918,763)
Equity acquired	-	(283,644)
	<u>-</u>	<u>(256,536)</u>
Cash received on acquisition	<u>-</u>	<u>256,536</u>
	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report and accompanying notes to the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JULY 31, 2019 AND 2018

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Southern New Hampshire Services, Inc. (SNHS) is an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in New Hampshire's Hillsborough County and Rockingham County. The Organization's programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing and homelessness prevention. The Organization is committed to providing respectful support services and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts. Services are provided through Southern New Hampshire Services, Inc. and SNHS Management Corporation.

Basis of Accounting and Presentation

The Organization prepares its combined financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; and accordingly reflect all significant receivables, payables, and other liabilities. The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU 2016-14, net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net Assets with Donor Restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be fulfilled and removed by actions of the Organization pursuant to those stipulations or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

The Organization has no net assets with donor restrictions at July 31, 2019 and 2018.

Combined Financial Statements

All significant intercompany items and transactions have been eliminated from the basic combined financial statements. The combined financial statements include the accounts of SNHS Management Corporation because Southern New Hampshire Services, Inc. controls more than 50% of the voting power.

Use of Estimates

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results may differ from these amounts.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For the purpose of the combined statements of cash flows, the Organization considers all unrestricted highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Current Vulnerabilities Due to Certain Concentrations

The Organization maintains its cash balances at several financial institutions located in New Hampshire and Maine. The balances are insured by the Federal Deposit Insurance Organization (FDIC) up to \$250,000 per financial institution. In addition, on October 2, 2008, the Organization entered into an agreement with its principal banking partner to collateralize deposits in excess of the FDIC insurance limitation on some accounts. The balances, at times, may exceed amounts covered by the FDIC and collateralization agreements. It is the opinion of management that there is no significant risk with respect to these deposits at either July 31, 2019 or 2018.

Accounts and Contracts Receivable

All accounts and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Receivables are recorded on the accrual basis of accounting primarily based on reimbursable contracts, grants and agreements. Balances outstanding after management has used reasonable collection efforts are written off through a charge to bad debt expense and a credit to the applicable accounts receivable. Management does not believe an allowance for uncollectible accounts receivable is necessary at July 31, 2019 and 2018.

Revenue Recognition

The Organization's revenue is recognized primarily from federal and state grants and contracts generally structured as reimbursed contracts for services and therefore revenue is recognized based on when their individual allowable budgeted expenditures occur. Refundable advances result from unexpended balances from these exchange transactions. Federal and state grant revenue comprised approximately 91% and 90% of total revenue in the fiscal years ended July 31, 2019 and 2018, respectively.

Contributions and In-Kind Donations

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions, if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions. In-kind revenues and expenses represent fair market value of volunteer services and non-paid goods which were donated to the Organization during the current fiscal year. All in-kind revenues in the fiscal year 2019 and 2018 were generated through the Head Start and Economic Workforce Development programs. Since the recognition criteria is not met, no in-kind revenues are recognized as contributions in the combined financial statements and the in-kind expenses have been eliminated.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 combined statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities.

Fixed Assets

Fixed assets acquired by the Organization are capitalized at cost if purchased or fair value if donated. It is the Organization's policy to capitalize expenditures for these items in excess of \$5,000. Major additions and renewals are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line basis over the estimated useful lives of the assets, which range from three to forty years. Depreciation expense for July 31, 2019 and 2018 was \$499,974 and \$427,069, respectively.

Fixed assets purchased with grant funds are owned by the Organization while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the fixed assets purchased with grant funds. The disposition of fixed assets, as well as the ownership of any proceeds is subject to funding source regulations.

Advertising

The Organization uses advertising to promote programs among the people it serves. The production costs of advertising are expensed as incurred.

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated by management based on effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

Management and General - includes all activities related to the Organization's internal management.

Subsequent Events

Management has made an evaluation of subsequent events through February 12, 2020, which represents the date on which the combined financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these combined financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2019 AND 2018

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Adopted Accounting Pronouncements

In August 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three to two – net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about liquidity and availability of resources.

The new standard is effective for the Organization's year ending July 31, 2019 and thereafter and must be applied on a retrospective basis. The Organization adopted the ASU effective August 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements of net assets or changes in net assets.

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and International Financial Reporting Standards. The core principle of the guidance requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The guidance is effective for the Organization's year ending July 31, 2020. Management is currently evaluating the impact of adoption on the Organization's financial statements.

Leases

In February 2016, the FASB released ASU 2016-02, *Leases* (Topic 842), which provides users of the financial statements a more accurate picture of the assets and the long-term financial obligations of organizations that lease. The standard is for a dual-model approach; a lessee will account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both will be reported on the statement of financial condition of the organization for leases with a term exceeding 12 months. Lessors will see changes as well, primarily made to align with the revised model. The guidance is effective for the Organization's year ended July 30, 2022. Management is currently evaluating the impact of adoption on the Organization's financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2019 AND 2018

NOTE 2: RESTRICTED CASH

The Organization, as stipulated in many of the loan agreements associated with the housing projects included in SNHS Management Corporation, is required to maintain separate accounts and make monthly deposits into certain restricted reserves for the replacement of property and other expenditures. In addition, the Organization is required to maintain separate accounts for tenant security deposits and any surplus cash that may result from annual operations. These accounts are also not available for operating purposes and generally need additional approval from oversight agencies before withdrawal and use of these funds can occur.

NOTE 3: FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements*, are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access 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, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2019 and 2018.

Mutual Funds: Valued at the net asset value of shares held on the last trading day of the fiscal year, which is the basis for transactions at that date.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2019 AND 2018

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of July 31, 2019 and 2018:

<u>2019</u>				
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Mutual Funds	<u>\$8,405,690</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$8,405,690</u>

<u>2018</u>				
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Mutual Funds	<u>\$9,085,663</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$9,085,663</u>

NOTE 4: INVESTMENTS

The following is a summary of investments as of July 31:

	<u>2019</u>			<u>2018</u>		
	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gains</u>	<u>Cost</u>	<u>Fair Market Value</u>	<u>Unrealized Gains</u>
Mutual Funds	<u>\$8,313,068</u>	<u>\$8,405,690</u>	<u>\$ 92,622</u>	<u>\$9,005,274</u>	<u>\$9,085,663</u>	<u>\$ 80,389</u>

The activities of the Organization's investment account are summarized as follows:

	<u>2019</u>	<u>2018</u>
Fair Value - Beginning of Year	\$9,085,663	\$8,375,305
Dividends and Capital Gains	307,794	269,044
Sale of Investments	(1,000,000)	-
Unrealized Gains	<u>12,233</u>	<u>441,314</u>
Fair Value - End of Year	<u>\$8,405,690</u>	<u>\$9,085,663</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 5: AVAILABILITY AND LIQUIDITY

The Organization's financial assets available for expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date comprise the following as of July 31, 2019:

Cash and Cash Equivalents	\$ 6,986,538
Investments	8,405,690
Contracts Receivable	3,488,413
Accounts Receivable	<u>821,565</u>
Total financial assets available within one year	<u>19,702,206</u>
Total financial assets available within one year	<u>\$19,702,206</u>

None of the financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the needs of the Organization in the next 12 months. In addition, the Organization maintains several reserve funds for property taxes, insurance expenses, and repair and replacement or emergency needs which are required by financing authorities. These funds may be withdrawn only with the approval of the financing authority and are not considered by the Organization to have donor restrictions.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

NOTE 6: LONG-TERM DEBT

The following is a summary of long-term debt as of July 31:

	<u>2019</u>	<u>2018</u>
<u>SNHS, Inc.</u>		
Mortgage payable to City of Manchester, secured by real estate located in Manchester, NH. A balloon payment of \$11,275 was due on June 30, 2010. Interest is at 0.000%. SNHS, Inc. is currently negotiating with the City of Manchester to write off this debt.	\$ 11,275	\$ 11,275
Mortgage payable to bank, secured by real estate located on Temple St., Nashua, NH, payable in fixed monthly principal installments of \$1,833 plus interest through 2020. Interest is at 4.984% and 4.000% at July 31, 2019 and 2018.	<u>238,669</u>	<u>260,669</u>
<u>Subtotal</u>	<u>\$ 249,944</u>	<u>\$ 271,944</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2019 AND 2018

NOTE 6: LONG-TERM DEBT (Continued)

	<u>2019</u>	<u>2018</u>
<u>Subtotal Carried Forward</u>	<u>\$ 249,944</u>	<u>\$ 271,944</u>
<u>SNHS Management Corporation</u>		
Mortgage payable to New Hampshire Housing Authority secured by real estate located on Pleasant St., Epping, NH, payable in monthly installments of \$1,084 including interest through 2042. Interest is at 3.500%.	200,514	206,400
Mortgage payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	900,000	900,000
Note payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	20,000	20,000
Mortgage payable to New Hampshire Community Loan Fund secured by real estate located on, Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 30 years. Interest is at 10.000%, forgiven annually.	250,000	250,000
Mortgage payable to bank, secured by real estate located on West Pearl St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 40 years. Interest is at 0.000%.	170,000	170,000
Mortgage payable to bank secured by real estate located on Silver St., Manchester, NH, payable in monthly installments of \$2,619 including interest through 2019. Interest is at 3.750%.	-	15,661
Mortgage payable to bank, secured by real estate located on Allds St., Nashua, NH, payable in fixed monthly principal installments of \$2,613 plus interest through 2021. Interest is at 4.980% and 4.832% at July 31, 2019 and 2018.	57,487	88,844
Mortgage payable to MH Parsons and Sons Lumber, secured by real estate located in Derry, NH, payable in monthly installments of \$3,715 including interest through 2031. Interest is at 5.500%.	<u>396,455</u>	<u>418,612</u>
<u>Subtotal</u>	<u>\$2,244,400</u>	<u>\$2,341,461</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 6: LONG-TERM DEBT (Continued)

	<u>2019</u>	<u>2018</u>
<u>Subtotal Carried Forward</u>	<u>\$2,244,400</u>	<u>\$2,341,461</u>
Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH, payable in monthly installments of \$3,327 including interest through 2033. Interest is at 7.000%.	358,114	372,416
Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.000%.	392,924	392,924
Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.000%.	<u>150,000</u>	<u>150,000</u>
	<u>3,145,438</u>	<u>3,256,801</u>
Less: Current Portion	<u>109,413</u>	<u>122,582</u>
Long-term debt, net of current portion	<u>\$3,036,025</u>	<u>\$3,134,219</u>

Principal maturities of long-term debt are as follows:

2020	\$ 109,413
2021	290,223
2022	50,228
2023	53,206
2024	56,366
Thereafter	<u>2,586,002</u>
Total	<u>\$3,145,438</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 7: OPERATING LEASES

The Organization leases various facilities and equipment under several operating leases. Total lease payments for the years ended July 31, 2019 and 2018 equaled \$686,840 and \$708,379, respectively. The leases expire at various times through October 2020. Some of the leases contain renewal options that are contingent upon federal funding and some contain renewal options subject to renegotiation of lease terms.

The following is a schedule of future minimum lease payments for the operating leases as of July 31, 2019:

2020	\$ 319,979
2021	<u>33,189</u>
Total	<u>\$ 353,168</u>

NOTE 8: RETIREMENT BENEFITS

The Organization has an Employer-Sponsored 403(b) plan offering coverage to all of its employees. Participating employees must contribute at least 1% of their wages, while the Organization contributes 10% of their wages. The pension expense for the years ended July 31, 2019 and 2018 was \$861,928 and \$838,296, respectively.

NOTE 9: RISKS AND UNCERTAINTIES

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules, and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES

The Organization receives contract funding from various sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Organization might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not yet been determined.

Cotton Mill Square

In 2015, SNHS Management Corporation entered into a contract as part of the Community Development Investment Tax Credit Program with the Community Development Finance Authority (CDFA) and was awarded \$1,000,000 to provide funding for the development and adaptive reuse of an abandoned historic cotton mill in downtown Nashua, NH. Under this program, the Project (Cotton Mill Square) created 109 units of housing and was required to reserve 55 of these units for low to moderate income households.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES (Continued)

Cotton Mill Square (Continued)

As stipulated by the contract and after a 20% program fee retained by the CDFA, SNHS Management Corporation entered into a subrecipient agreement with the owners of the Project (Cotton Mill Square LLC) to provide a promissory note and mortgage of the remaining award amount of \$800,000. The 20 year note to Cotton Mill Square LLC is non-interest bearing and the principal is forgivable at a rate of 5% each year the Project maintains the required minimum of 55 low to moderate income household units.

The Cotton Mill Square Project was awarded the certificate of occupancy on August 22, 2014 and remains in full compliance with the required regulations as of July 31, 2019 and 2018. SNHS Management Corporation feels that it is extremely unlikely that the Project will fall into noncompliance in future periods. Therefore, SNHS Management Corporation has not recorded any contingent receivable or liability related to this transaction. The note repayment is accelerated if the units fall out of compliance.

In October of 2017, the subrecipient agreement with Cotton Mill Square LLC was amended to cease the annual 5% debt forgiveness. This modification effectively holds the promissory note balance at \$720,000 which will now be forgiven in full at the end of the agreement as long as the Project maintains compliance with the original agreement's terms. This modification did not change the contingent receivable or liability with SNHS Management Corporation.

J. Brown Homestead Property

On July 1, 2011, Rockingham Community Acton (RCA) was acquired by SNHS. As part of this merger, SNHS assumed all the assets, liabilities and obligations of RCA which included the J. Brown Homestead Property.

The J. Brown Homestead Property was conveyed to RCA in 1999 by the Town of Raymond for \$1 and a mortgage lien of \$604,418. The property contains four apartments limited to low-income seniors, office space for the Outreach operations, space for the Food Pantry operation, and a common meeting room for use by Town of Raymond organizations. The Town of Raymond included a requirement that the property be used for a social service center for a period of 20 years, called the benefit period, after which this requirement terminates.

In the event that SNHS sells or otherwise conveys the property within the benefit period, the remaining lien will be either paid from the proceeds of the sale or remain with the land to any subsequent purchaser for the remaining benefit period.

This mortgage lien has no scheduled principal or interest payments and is forgivable at a rate of 5% each year of the benefit period until it is completely forgiven in year 2019. The value of this lien at July 31, 2019 and 2018 is \$30,221 and \$60,442, respectively. SNHS has no plans to sell or transfer this property. Therefore, the contingent mortgage lien liability has not been included in the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2019 AND 2018

NOTE 11: ACQUISITIONS OF LOW-INCOME HOUSING PROJECTS

During 2017, SNHS Management Corporation acquired SNHS Deerfield Elderly Housing Limited Partnership (Sherburne Woods), located in Deerfield, NH. SNHS Management Corporation obtained the project operations and assumed all assets, liabilities, debt and equity for the project at fair market value. The acquisition and allocation of the project was as follows:

Cash	\$ 256,536
Other Current Assets	3,677
Property and Equipment	1,106,200
Current Liabilities	(164,006)
Notes Payable	(918,763)
Equity Acquired (Contribution)	<u>(283,644)</u>
	<u>\$ _____</u>

OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Mark R. Carrier, C.P.A.
Michael R. Dunn, C.P.A.
Jonathan A. Hussey, C.P.A., M.S.T.
Steven R. Lamontagne, C.P.A.

Gary W. Soucy, C.P.A.
Gary A. Wigant, C.P.A.
C. Joseph Wolverton, Jr., C.P.A.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of
Southern New Hampshire Services, Inc. and Affiliate
Manchester, New Hampshire

We have audited the combined financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) and affiliate as of and for the years ended July 31, 2019 and 2018, and our report thereon dated February 12, 2020, which expressed an unmodified opinion on those combined financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole.

The combining information in Schedules A and B (pages 24-25), the schedules of revenues and expenses - by contract (pages 26-30), required by the State of New Hampshire Governor's Office of Strategic Initiatives, and the required schedules and financial information for Whispering Pines II, J.B. Milette Manor, and Sherburne Woods (pages 31-50), required by the New Hampshire Housing Finance Authority are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Ouellette & Associates, P.A.
Certified Public Accountants

February 12, 2020
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2019

	SNHS, Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
ASSETS					
CURRENT ASSETS					
Cash	\$ 138,227	\$ 6,848,311	\$ 6,986,538	\$ -	\$ 6,986,538
Investments	-	8,405,690	8,405,690	-	8,405,690
Contracts receivable	3,485,878	2,535	3,488,413	-	3,488,413
Accounts receivable	-	821,565	821,565	-	821,565
Prepaid/expenses	49,279	45,918	95,197	-	95,197
Due from other corporations	3,576,334	(187,656)	3,388,678	(3,388,678)	-
Total current assets	7,249,718	15,936,363	23,186,081	(3,388,678)	19,797,403
FIXED ASSETS					
Land	266,860	2,431,008	2,697,868	-	2,697,868
Buildings and improvements	1,724,046	10,806,515	12,530,561	-	12,530,561
Vehicles and equipment	1,091,613	323,658	1,415,271	-	1,415,271
Total fixed assets	3,082,519	13,561,181	16,643,700	-	16,643,700
Less - accumulated depreciation	1,371,135	3,866,003	5,237,138	-	5,237,138
Net fixed assets	1,711,384	9,695,178	11,406,562	-	11,406,562
OTHER ASSETS					
Restricted cash	27,603	383,977	411,580	-	411,580
TOTAL ASSETS	\$ 8,988,705	\$ 26,015,518	\$ 35,004,223	\$ (3,388,678)	\$ 31,615,545
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 33,275	\$ 76,138	\$ 109,413	\$ -	\$ 109,413
Accounts payable	556,554	101,122	657,676	-	657,676
Accrued payroll and payroll taxes	160,191	885,614	1,045,805	-	1,045,805
Accrued compensated absences	-	359,819	359,819	-	359,819
Accrued other liabilities	134,613	93,090	227,703	-	227,703
Refundable advances	908,744	119,999	1,028,743	-	1,028,743
Over applied overhead	27,739	-	27,739	-	27,739
Tenant security deposits	26,941	57,290	84,231	-	84,231
Due to other corporations	2,277,364	1,111,314	3,388,678	(3,388,678)	-
Total current liabilities	4,125,421	2,804,386	6,929,807	(3,388,678)	3,541,129
LONG-TERM LIABILITIES					
Long-term debt, less current portion	216,669	2,819,356	3,036,025	-	3,036,025
TOTAL LIABILITIES	4,342,090	5,623,742	9,965,832	(3,388,678)	6,577,154
NET ASSETS WITHOUT DONOR RESTRICTIONS	4,646,615	20,391,776	25,038,391	-	25,038,391
TOTAL LIABILITIES AND NET ASSETS	\$ 8,988,705	\$ 26,015,518	\$ 35,004,223	\$ (3,388,678)	\$ 31,615,545

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2019

	SNHS, Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
REVENUES, GAINS AND OTHER SUPPORT					
Grant/contract revenue	\$ 37,485,052	\$ -	\$ 37,485,052	\$ (20,438)	\$ 37,464,614
Program service fees	55,802	851,758	907,560	-	907,560
Local funding	-	242,894	242,894	-	242,894
Rental income	-	1,191,372	1,191,372	-	1,191,372
Gifts and contributions	192,066	16,662	208,728	-	208,728
Interest Income	169	314,385	314,554	-	314,554
Unrealized gain on investments	-	12,233	12,233	-	12,233
In-kind	2,248,292	-	2,248,292	(2,248,292)	-
Miscellaneous	561,114	296,218	857,332	(137,208)	720,124
TOTAL REVENUES, GAINS AND OTHER SUPPORT	40,542,495	2,925,522	43,468,017	(2,405,938)	41,062,079
EXPENSES					
Program services:					
Child Development	10,883,653	-	10,883,653	(2,293,788)	8,589,865
Community Services	1,562,440	-	1,562,440	(31,766)	1,530,674
Economic and Workforce Dev.	7,028,880	-	7,028,880	(44,196)	6,984,684
Energy	13,442,609	-	13,442,609	(28,328)	13,414,281
Language and Literacy	436,073	-	436,073	-	436,073
Housing and Homeless	263,240	-	263,240	-	263,240
Nutrition and Health	2,535,355	-	2,535,355	(7,860)	2,527,495
Special Projects	1,768,326	-	1,768,326	-	1,768,326
Volunteer Services	125,050	-	125,050	-	125,050
SNHS Management Corporation	-	2,396,939	2,396,939	-	2,396,939
Total program services	38,045,626	2,396,939	40,442,565	(2,405,938)	38,036,627
Support services:					
Management and general	2,038,463	-	2,038,463	-	2,038,463
TOTAL EXPENSES	40,084,089	2,396,939	42,481,028	(2,405,938)	40,075,090
CHANGE IN NET ASSETS	458,406	528,583	986,989	-	986,989
NET ASSETS - BEGINNING OF YEAR	4,188,209	19,863,193	24,051,402	-	24,051,402
NET ASSETS - END OF YEAR	\$ 4,646,615	\$ 20,391,776	\$ 25,038,391	\$ -	\$ 25,038,391

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2019

State of NH Governor's Office of Strategic Initiatives

Headstart Program

For the Period

August 1, 2018 to July 31, 2019

Fund # 305

REVENUES

Program funding	\$ 5,039,103
In-kind	1,814,481
Allocated corporate unrestricted revenue	6,836
Total revenue	<u>6,860,420</u>

EXPENSES

Payroll	2,697,294
Payroll taxes	218,305
Fringe benefits	780,937
Workers comp. insurance	60,479
Retirement benefits	153,904
Consultant and contractual	17,613
Travel and transportation	60,852
Occupancy	287,314
Advertising	2,526
Supplies	152,726
Equip. rentals and maintenance	3,510
Insurance	14,273
Telephone	33,563
Postage	1,974
Printing and publications	4,732
Depreciation	12,114
Assistance to clients	7,800
Other expense	75,688
Miscellaneous	11,663
In-kind	1,814,481
Administrative costs	448,672
Total expenses	<u>6,860,420</u>

Excess of expenses over revenue

\$ -

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2019

State of NH Governor's Office of Strategic Initiatives

LIHEAP Program

For the Period

October 1, 2018 to July 31, 2019

Fund # 630-18

REVENUES

Program funding	\$ 9,747,059
Other revenue	32,647
Allocated corporate unrestricted revenue	<u>2,351</u>
Total revenue	<u>9,782,057</u>

EXPENSES

Payroll	373,879
Payroll taxes	30,932
Fringe benefits	124,779
Workers comp. insurance	1,142
Retirement benefits	20,174
Consultant and contractual	19,965
Travel and transportation	6,194
Conference and meetings	333
Occupancy	44,865
Advertising	213
Supplies	20,929
Equip. rentals and maintenance	2,026
Insurance	982
Telephone	8,025
Postage	17,592
Subscriptions	228
Program support	28,048
Depreciation	5,158
Assistance to clients	9,010,973
Other expense	344
Miscellaneous	830
Administrative costs	<u>64,446</u>
Total expenses	<u>9,782,057</u>

Excess of expenses over revenue

\$ -

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2019

State of NH Governor's Office of Strategic Initiatives

LIHEAP Program

For the Period

August 1, 2018 to September 30, 2018

Fund # 630-17

REVENUES

Program funding	\$ 160,224
Total revenue	<u>160,224</u>

EXPENSES

Payroll	77,917
Payroll taxes	6,149
Fringe benefits	21,229
Workers comp. insurance	241
Retirement benefits	3,615
Consultant and contractual	5,940
Travel and transportation	1,465
Occupancy	10,321
Supplies	4,820
Equip. rentals and maintenance	651
Insurance	711
Telephone	1,467
Postage	786
Program support	6,779
Assistance to clients	3,254
Other expense	1,495
Miscellaneous	257
Administrative costs	<u>13,127</u>
Total expenses	<u>160,224</u>

Excess of expenses over revenue	<u><u>\$ -</u></u>
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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2019

State of NH Governor's Office of Strategic Initiatives

Early Headstart Program

For the Period

August 1, 2018 to July 31, 2019

Fund # 300

REVENUES

Program funding	\$ 1,370,247
In-kind	342,470
Allocated corporate unrestricted revenue	<u>3,013</u>
Total revenue	<u>1,715,730</u>

EXPENSES

Payroll	716,548
Payroll taxes	57,878
Fringe benefits	168,507
Workers comp. insurance	15,925
Retirement benefits	29,603
Consultant and contractual	3,392
Travel and transportation	7,089
Occupancy	112,627
Advertising	876
Supplies	42,113
Equip. rentals and maintenance	1,106
Insurance	2,465
Telephone	22,665
Postage	55
Printing and publications	536
Interest	12,995
Depreciation	25,036
Other expense	30,647
Miscellaneous	2,770
In-kind	342,470
Administrative costs	<u>120,427</u>
Total expenses	<u>1,715,730</u>

Excess of expenses over revenue	<u>\$ -</u>
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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2019

Electric Energy Assistance

For the Period

August 1, 2018 to July 31, 2019

Fund # 665

REVENUES

Other revenue	\$ 716,563
Allocated corporate unrestricted revenue	37,230
Total revenue	<u>753,793</u>

EXPENSES

Payroll	399,246
Payroll taxes	32,852
Fringe benefits	102,830
Workers comp. insurance	1,315
Retirement benefits	17,554
Consultant and contractual	24,257
Travel and transportation	4,788
Conference and meetings	333
Occupancy	54,763
Advertising	138
Supplies	23,231
Equip. rentals and maintenance	2,677
Insurance	1,606
Telephone	9,558
Postage	11,355
Subscriptions	228
Depreciation	600
Other expense	344
Miscellaneous	466
Administrative costs	65,652
Total expenses	<u>753,793</u>

Excess of expenses over revenue	<u>\$ -</u>
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WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2019 AND 2018

<i>ASSETS</i>		
	<i>2019</i>	<i>2018</i>
CURRENT ASSETS		
Cash - Operations	\$ 18,732	28,635
Tenant Accounts Receivable	-	509
Prepaid Expenses	6,035	6,035
Total Current Assets	<u>24,767</u>	<u>35,179</u>
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	<u>13,294</u>	<u>12,708</u>
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	30,028	36,414
Operating Reserve	78,399	76,953
Tax Escrow	23,456	7,270
Insurance Escrow	4,858	4,758
Total Restricted Deposits and Funded Reserves	<u>136,741</u>	<u>125,395</u>
RENTAL PROPERTY		
Land	166,600	166,600
Building and Building Improvements	<u>580,758</u>	<u>569,400</u>
Total Rental Property	<u>747,358</u>	<u>736,000</u>
Less Accumulated Depreciation	<u>43,447</u>	<u>28,068</u>
Net Rental Property	<u>703,911</u>	<u>707,932</u>
TOTAL ASSETS	<u>\$ 878,713</u>	<u>\$ 881,214</u>
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Current Portion of Mortgage Loan Payable	\$ 6,096	\$ 5,886
Accounts Payable	1,734	2,729
Accrued Expenses	944	62
Total Current Liabilities	<u>8,774</u>	<u>8,677</u>
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	<u>13,294</u>	<u>12,708</u>
LONG-TERM LIABILITIES		
Due to Affiliate	32,103	15,947
Mortgage Loan Payable, Net of Current Portion	<u>194,418</u>	<u>200,514</u>
Total Long-Term Liabilities	<u>226,521</u>	<u>216,461</u>
Total Liabilities	<u>248,589</u>	<u>237,846</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>630,124</u>	<u>643,368</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 878,713</u>	<u>\$ 881,214</u>

WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 172,681	\$ 172,715
Laundry Income	2,235	2,215
Other Income	1,470	7,555
Interest Income - Unrestricted	15	30
Interest Income - Restricted	2,490	1,296
Total Income	<u>178,891</u>	<u>183,811</u>
<i>Expenses (See Schedule)</i>		
Administrative	50,777	21,821
Utilities	43,570	33,879
Maintenance	41,670	63,734
Depreciation	15,380	14,316
Interest - NHHFA Mortgage Note	7,130	7,332
General Expenses	33,608	33,966
Total Expenses	<u>192,135</u>	<u>175,048</u>
CHANGE IN NET ASSETS	(13,244)	8,763
NET ASSETS - BEGINNING OF YEAR	<u>643,368</u>	<u>634,605</u>
NET ASSETS - END OF YEAR	<u>\$ 630,124</u>	<u>\$ 643,368</u>

WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2019 AND 2018

EXPENSES:	<u>2019</u>	<u>2018</u>
<u>Administrative</u>		
Advertising	\$ -	\$ 8
Management Fees	14,400	14,400
Salaries and Wages	20,002	2,209
Fringe Benefits	3,415	126
Investment Fee	6,120	-
Legal Expenses	-	69
Telephone	3,128	2,973
Other Administrative Expense	3,712	2,036
TOTAL ADMINISTRATIVE EXPENSE	<u>50,777</u>	<u>21,821</u>
<u>Utilities</u>		
Electricity	19,750	18,406
Fuel	13,124	7,655
Water and Sewer	10,214	7,818
Other Utility Expense	482	-
TOTAL UTILITY EXPENSE	<u>43,570</u>	<u>33,879</u>
<u>Maintenance</u>		
Custodial Supplies	692	320
Trash Removal	2,160	1,260
Snow Removal	10,296	16,710
Grounds/Landscaping	-	1,150
Elevator Repairs and Contract	2,764	2,920
Repairs (Materials)	25,758	17,374
Operation (Contract)	-	24,000
TOTAL MAINTENANCE EXPENSE	<u>41,670</u>	<u>63,734</u>
<u>Depreciation</u>	<u>15,380</u>	<u>14,316</u>
<u>Interest - NHHFA Mortgage Note</u>	<u>7,130</u>	<u>7,332</u>
<u>General Expenses</u>		
Real Estate Taxes	24,293	28,877
Payroll Taxes	1,612	203
Retirement Benefits	1,871	-
Workman's Compensation	1,064	118
Insurance	4,768	4,768
TOTAL GENERAL EXPENSES	<u>33,608</u>	<u>33,966</u>
TOTAL EXPENSES	<u><u>\$ 192,135</u></u>	<u><u>\$ 175,048</u></u>

WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2019

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 153,454
HAP Rent Subsidy	19,736

<u>Total Rental Income</u>	<u>173,190</u>	<u>\$ 173,190</u>
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Service Income	2,235
Interest Income	15
Commercial Income	-
Other Income	1,470

<u>Total Rental Operations Receipts</u>	<u>176,910</u>	
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Expenses

Administrative	49,895
Utilities	43,570
Maintenance	42,665
Interest - NHHFA Mortgage Note	7,130
Interest - Other Notes	-
General	33,608
Other	-

<u>Total Rental Operations Disbursements</u>	<u>(176,868)</u>	
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<u>Cash Provided by Rental Operations</u>	<u>42</u>	
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<u>Amortization of Mortgage</u>	<u>5,886</u>	
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<u>Cash Provided by Rental Operations After Debt Service</u>	<u>(5,844)</u>	
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OTHER RECEIPTS

<u>Due to Management Agent</u>	<u>16,156</u>	
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<u>Owner Advances</u>	<u>-</u>	
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<u>Transfer from Restricted Cash Reserves and Escrows</u>	<u>46,320</u>	
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62,476

OTHER DISBURSEMENTS OR TRANSFERS

<u>Transfers to Restricted Cash Reserves and Escrows</u>	<u>55,176</u>	
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<u>Purchase of Fixed Assets</u>	<u>11,359</u>	
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<u>Repayment of Owner Advances</u>	<u>-</u>	
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<u>Other Partnership Expenses</u>	<u>-</u>	
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<u>Transfers to Tenant Security Deposit Account</u>	<u>-</u>	
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66,535

<u>Net Increase or (Decrease) in Project Account Cash</u>	<u>(9,903)</u>	
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<u>Project Account Cash Balance at Beginning of Year</u>	<u>28,635</u>	
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<u>Project Account Cash Balance at End of Year</u>	<u>18,732</u>	
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<u>Composition of Project Account Cash Balance at End of Year</u>	<u>18,732</u>	
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<u>Petty Cash</u>	<u>-</u>	
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<u>Unrestricted Reserve (if applicable)</u>	<u>-</u>	
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Decorating Reserve	<u>-</u>	
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Operating Reserve	<u>-</u>	
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Other Reserve	<u>-</u>	
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<u>Total Petty Cash and Unrestricted Reserves</u>	<u>-</u>	
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<u>Total Project Account Cash at End of Year</u>	<u>\$ 18,732</u>	
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WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2018

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 153,261
HAP Rent Subsidy	18,975

Total Rental Income \$ 172,236

Service Income	2,215
Interest Income	30
Commercial Income	-
Other Income	7,555

Total Rental Operations Receipts 182,036

Expenses

Administrative	20,657
Utilities	33,879
Maintenance	71,119
Interest - NHHFA Mortgage Note	7,332
Interest - Other Notes	-
General	33,966
Other	-

Total Rental Operations Disbursements (166,953)

Cash Provided by Rental Operations 15,083

Amortization of Mortgage 5,684

Cash Provided by Rental Operations
After Debt Service 9,399

OTHER RECEIPTS

Due to Management Agent (26,475)

Owner Advances -

Transfer from Restricted Cash Reserves
and Escrows -

19,683

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves
and Escrows 38,810

Purchase of Fixed Assets 19,300

Repayment of Owner Advances -

Other Partnership Expenses -

Transfers to Tenant Security Deposit Account -

58,110

Net Increase or (Decrease) in Project Account Cash (29,028)

Project Account Cash Balance at Beginning of Year 57,663

Project Account Cash Balance at End of Year 28,635

Composition of Project Account Cash
Balance at End of Year 28,635

Petty Cash -

Unrestricted Reserve (if applicable)

Decorating Reserve	-
Operating Reserve	-
Other Reserve	-

Total Petty Cash and Unrestricted Reserves -

Total Project Account Cash
at End of Year \$ 28,635

WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS

FOR THE YEAR ENDED JULY 31, 2019

<u>Description of Fund</u>	<u>Balance</u> <u>Beginning of</u> <u>Period</u>	<u>Deposits</u> <u>Transfers</u> <u>From</u> <u>Operations</u> <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> <u>Transfers to</u> <u>Operations</u> <u>Account</u>	<u>Balance</u> <u>End of</u> <u>Period</u>
<u>Restricted Accounts:</u>					
Insurance Escrow	\$ 4,758	\$ 4,800	\$ 67	\$ 4,767	\$ 4,858
Tax Escrow	7,270	40,176	302	24,292	23,456
Replacement Reserve	36,414	10,200	675	17,261	30,028
Operating Reserve	76,953	-	1,446	-	78,399
Total Restricted Cash Reserves and Escrows	\$ 125,395	\$ 55,176	\$ 2,490	\$ 46,320	\$ 136,741

SCHEDULE OF SURPLUS CASH CALCULATION

JULY 31, 2019

NET LOSS	\$ (13,244)
ADD: DEPRECIATION	15,380
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	5,886
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	10,200
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	17,261
SURPLUS CASH (DEFICIT)	\$ 3,311

WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION

FOR THE YEAR ENDED JULY 31, 2019

<u>YEAR</u>	<u>MAXIMUM ALLOWABLE DISTRIBUTION</u>	<u>DISTRIBUTION RECEIVED</u>	<u>BALANCE</u>
12/31/2001	\$ 243,855	\$ -	\$ 243,855
12/31/2002	\$ 243,855	\$ -	\$ 487,710
12/31/2003	\$ 243,855	\$ 5,895	\$ 725,670
12/31/2004	\$ 243,855	\$ 7,200	\$ 962,325
12/31/2005	\$ 243,855	\$ -	\$ 1,206,180
12/31/2006	\$ 243,855	\$ 6,120	\$ 1,443,915
12/31/2007	\$ 243,855	\$ -	\$ 1,687,770
12/31/2008	\$ 243,855	\$ -	\$ 1,931,625
12/31/2009	\$ 243,855	\$ -	\$ 2,175,480
12/31/2010	\$ 243,855	\$ -	\$ 2,419,335
12/31/2011	\$ 243,855	\$ -	\$ 2,663,190
12/31/2012	\$ 243,855	\$ -	\$ 2,907,045
12/31/2013	\$ 243,855	\$ 7,200	\$ 3,143,700
12/31/2014	\$ 243,855	\$ -	\$ 3,387,555
12/31/2015	\$ 243,855	\$ -	\$ 3,631,410
7/31/2016	\$ 142,249	\$ -	\$ 3,773,659
7/31/2017	\$ 243,855	\$ -	\$ 4,017,514
7/31/2018	\$ 243,855	\$ -	\$ 4,261,369
7/31/2019	\$ 243,855	\$ -	\$ 4,505,224

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2019 AND 2018

<i>ASSETS</i>		
	<i>2019</i>	<i>2018</i>
CURRENT ASSETS		
Cash - Operations	\$ 17,001	\$ 37,774
Prepaid Expenses	6,880	8,618
Total Current Assets	23,881	46,392
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	15,764	15,755
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	154,554	138,851
Operating Reserve	96,431	96,364
Tax Escrow	6,543	6,538
Total Restricted Deposits and Funded Reserves	257,528	241,753
RENTAL PROPERTY		
Land	176,000	176,000
Building and Building Improvements	1,071,375	1,071,375
Total Rental Property	1,247,375	1,247,375
Less Accumulated Depreciation	89,879	62,422
Net Rental Property	1,157,496	1,184,953
TOTAL ASSETS	\$ 1,454,669	\$ 1,488,853
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,355	\$ 3,545
Accrued Expenses	430	282
Total Current Liabilities	1,785	3,827
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	15,781	15,772
LONG-TERM LIABILITIES		
Due to Affiliate	45,617	40,657
Mortgage Loan Payable, Net of Current Portion	1,170,000	1,170,000
Total Long-Term Liabilities	1,215,617	1,210,657
Total Liabilities	1,233,183	1,230,256
NET ASSETS WITHOUT DONOR RESTRICTIONS	221,486	258,597
TOTAL LIABILITIES AND NET ASSETS	\$ 1,454,669	\$ 1,488,853

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 208,237	\$ 207,802
Laundry Income	1,274	1,228
Interest Income - Unrestricted	15	33
Interest Income - Restricted	175	142
Total Income	<u>209,701</u>	<u>209,205</u>
<i>Expenses (See Schedule)</i>		
Administrative	71,428	80,209
Utilities	59,196	61,477
Maintenance	59,672	34,774
Depreciation	27,458	27,009
General Expenses	29,058	49,818
Total Expenses	<u>246,812</u>	<u>253,287</u>
CHANGE IN NET ASSETS	(37,111)	(44,082)
NET ASSETS - BEGINNING OF YEAR	<u>258,597</u>	<u>302,679</u>
NET ASSETS - END OF YEAR	<u><u>\$ 221,486</u></u>	<u><u>\$ 258,597</u></u>

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2019 AND 2018

EXPENSES:	<u>2019</u>	<u>2018</u>
<u>Administrative</u>		
Advertising	\$ 350	\$ 50
Management Fees	17,688	17,818
Salaries and Wages	31,953	42,606
Fringe Benefits	10,362	12,930
Audit and Accounting Expense	400	800
Legal Expenses	253	1,173
Telephone	1,431	1,601
Other Administrative Expense	8,991	3,231
TOTAL ADMINISTRATIVE EXPENSE	<u>71,428</u>	<u>80,209</u>
<u>Utilities</u>		
Electricity	33,814	39,427
Fuel	15,853	13,413
Water and Sewer	8,733	7,728
Other Utility Expense	796	909
TOTAL UTILITY EXPENSE	<u>59,196</u>	<u>61,477</u>
<u>Maintenance</u>		
Custodial Supplies	1,726	1,605
Trash Removal	3,615	2,160
Snow Removal	4,242	3,450
Grounds/Landscaping	3,100	2,204
Elevator Repairs and Contract	4,835	5,912
Repairs (Materials)	42,154	19,443
TOTAL MAINTENANCE EXPENSE	<u>59,672</u>	<u>34,774</u>
<u>Depreciation</u>	<u>27,458</u>	<u>27,009</u>
<u>General Expenses</u>		
Real Estate Taxes	17,040	34,599
Payroll Taxes	2,613	3,651
Workman's Compensation	1,102	1,866
Retirement Benefits	-	1,283
Insurance	8,303	8,419
TOTAL GENERAL EXPENSES	<u>29,058</u>	<u>49,818</u>
TOTAL EXPENSES	<u><u>\$ 246,812</u></u>	<u><u>\$ 253,287</u></u>

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT
FOR THE YEAR ENDED JULY 31, 2019

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 177,824	
HAP Rent Subsidy	30,413	

Total Rental Income \$ 208,237

Service Income	1,274	
Interest Income	15	
Commercial Income	-	
Other Income	-	

Total Rental Operations Receipts 209,526

Expenses

Administrative	69,543	
Utilities	59,196	
Maintenance	61,862	
Interest - NHHFA Mortgage Note	-	
Interest - Other Notes	-	
General	29,058	
Other	-	

Total Rental Operations Disbursements (219,659)

Cash Provided by Rental Operations (10,133)

Amortization of Mortgage

Cash Provided by Rental Operations -

After Debt Service (10,133)

OTHER RECEIPTS

Due to Management Agent 4,960

Owner Advances -

Transfer from Restricted Cash Reserves -

and Escrows -

4,960

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves 15,600

and Escrows -

Purchase of Fixed Assets -

Repayment of Owner Advances -

Other Partnership Expenses -

Transfers to Tenant Security Deposit Account -

15,600

Net Increase or (Decrease) in Project Account Cash (20,773)

Project Account Cash Balance at Beginning of Year 37,774

Project Account Cash Balance at End of Year 17,001

Composition of Project Account Cash

Balance at End of Year 17,001

Petty Cash -

Unrestricted Reserve (if applicable)

Decorating Reserve -

Operating Reserve -

Other Reserve -

Total Petty Cash and Unrestricted Reserves -

Total Project Account Cash

at End of Year \$ 17,001

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT
FOR THE YEAR ENDED JULY 31, 2018

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 177,836	
HAP Rent Subsidy	29,966	

Total Rental Income \$ 207,802

Service Income	1,228	
Interest Income	33	
Commercial Income	-	
Other Income	-	

Total Rental Operations Receipts 209,063

Expenses

Administrative	81,918	
Utilities	61,477	
Maintenance	34,907	
Interest - NHHFA Mortgage Note	-	
Interest - Other Notes	-	
General	49,818	
Other	-	

Total Rental Operations Disbursements (228,120)

Cash Provided by Rental Operations (19,057)

Amortization of Mortgage

Cash Provided by Rental Operations -

After Debt Service (19,057)

OTHER RECEIPTS

Due to Management Agent (22,427)

Owner Advances -

Transfer from Restricted Cash Reserves -

and Escrows -

(22,427)

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves 15,599

and Escrows -

Purchase of Fixed Assets 8,975

Repayment of Owner Advances -

Other Partnership Expenses -

Transfers to Tenant Security Deposit Account (21)

24,553

Net Increase or (Decrease) in Project Account Cash (66,037)

Project Account Cash Balance at Beginning of Year 103,811

Project Account Cash Balance at End of Year 37,774

Composition of Project Account Cash

Balance at End of Year 37,774

Petty Cash -

Unrestricted Reserve (if applicable)

Decorating Reserve -

Operating Reserve -

Other Reserve -

Total Petty Cash and Unrestricted Reserves -

Total Project Account Cash

at End of Year \$ 37,774

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS
FOR THE YEAR ENDED JULY 31, 2019

<u>Description of Fund</u>	<u>Balance</u> <u>Beginning of</u> <u>Period</u>	<u>Deposits</u> <u>Transfers</u> <u>From</u> <u>Operations</u> <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> <u>Transfers to</u> <u>Operations</u> <u>Account</u>	<u>Balance</u> <u>End of</u> <u>Period</u>
<u>Restricted Accounts:</u>					
Tax Escrow	\$ 6,538	\$ -	\$ 5	\$ -	\$ 6,543
Replacement Reserve	138,851	15,600	103	-	154,554
Operating Reserve	96,364	-	67	-	96,431
Total Restricted Cash Reserves and Escrows	\$ 241,753	\$ 15,600	\$ 175	\$ -	\$ 257,528

SCHEDULE OF SURPLUS CASH CALCULATION
JULY 31, 2019

NET LOSS	\$ (37,111)
ADD: DEPRECIATION	27,458
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	-
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	15,600
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	-
SURPLUS CASH (DEFICIT)	\$ (25,253)

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2019 AND 2018

<i>ASSETS</i>		
	<i>2019</i>	<i>2018</i>
CURRENT ASSETS		
Cash - Operations	\$ 91,630	\$ 56,958
Prepaid Expenses	6,318	6,623
Total Current Assets	<u>97,948</u>	<u>63,581</u>
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	<u>15,855</u>	<u>16,600</u>
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	124,871	111,486
Operating Reserve	67,111	65,873
Tax Escrow	11,877	9,311
Insurance Escrow	3,581	3,802
Total Restricted Deposits and Funded Reserves	<u>207,440</u>	<u>190,472</u>
RENTAL PROPERTY		
Land	211,000	211,000
Building and Building Improvements	907,200	895,200
Total Rental Property	<u>1,118,200</u>	<u>1,106,200</u>
Less Accumulated Depreciation	28,775	5,595
Net Rental Property	<u>1,089,425</u>	<u>1,100,605</u>
TOTAL ASSETS	<u>\$ 1,410,668</u>	<u>\$ 1,371,258</u>
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Current Portion of Mortgage Loan Payable	\$ 15,344	\$ 14,309
Accounts Payable	4,240	2,410
Accrued Expenses	194	117
Total Current Liabilities	<u>19,778</u>	<u>16,836</u>
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	<u>15,805</u>	<u>16,600</u>
LONG-TERM LIABILITIES		
Due to Affiliate	131,432	136,698
Mortgage Loan Payable, Net of Current Portion	885,694	901,031
Total Long-Term Liabilities	<u>1,017,126</u>	<u>1,037,729</u>
Total Liabilities	<u>1,052,709</u>	<u>1,071,165</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>357,959</u>	<u>300,093</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,410,668</u>	<u>\$ 1,371,258</u>

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

STATEMENTS OF ACTIVITIES

FOR THE YEAR ENDED JULY 31, 2019 AND THE THREE MONTH PERIOD ENDED JULY 31, 2018

	<u>2019</u>	<u>2018</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 260,808	\$ 66,083
Laundry Income	2,640	670
Donation	-	283,644
Other Income	1,070	582
Interest Income - Unrestricted	56	9
Interest Income - Restricted	3,633	677
Total Income	<u>268,207</u>	<u>351,665</u>
<i>Expenses (See Schedule)</i>		
Administrative	38,625	11,228
Utilities	35,850	6,553
Maintenance	55,722	12,698
Depreciation	23,180	5,595
Interest - NHHFA Mortgage Note	25,616	6,557
General Expenses	31,348	8,941
Total Expenses	<u>210,341</u>	<u>51,572</u>
CHANGE IN NET ASSETS	57,866	300,093
NET ASSETS - BEGINNING OF YEAR	<u>300,093</u>	<u>-</u>
NET ASSETS - END OF YEAR	<u><u>\$ 357,959</u></u>	<u><u>\$ 300,093</u></u>

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

SCHEDULES OF RENTAL OPERATIONS EXPENSES

FOR THE YEAR ENDED JULY 31, 2019 AND THE THREE MONTH PERIOD ENDED JULY 31, 2018

EXPENSES:	<u>2019</u>	<u>2018</u>
<u>Administrative</u>		
Advertising	\$ 125	\$ -
Management Fees	20,872	4,500
Salaries and Wages	8,526	3,417
Fringe Benefits	3,021	1,036
Audit and Accounting Expense	75	925
Telephone	2,291	572
Other Administrative Expense	3,715	778
TOTAL ADMINISTRATIVE EXPENSE	<u>38,625</u>	<u>11,228</u>
<u>Utilities</u>		
Electricity	20,577	4,442
Fuel	8,898	1,334
Water and Sewer	4,597	200
Other Utility Expense	1,778	577
TOTAL UTILITY EXPENSE	<u>35,850</u>	<u>6,553</u>
<u>Maintenance</u>		
Trash Removal	1,523	525
Snow Removal	25,123	-
Grounds/Landscaping	292	431
Repairs (Materials)	28,784	11,742
TOTAL MAINTENANCE EXPENSE	<u>55,722</u>	<u>12,698</u>
<u>Depreciation</u>	<u>23,180</u>	<u>5,595</u>
<u>Interest - NHHFA Mortgage Note</u>	<u>25,616</u>	<u>6,557</u>
<u>General Expenses</u>		
Real Estate Taxes	25,184	6,938
Payroll Taxes	714	287
Workman's Compensation	454	182
Retirement benefits	228	342
Insurance	4,768	1,192
TOTAL GENERAL EXPENSES	<u>31,348</u>	<u>8,941</u>
TOTAL EXPENSES	<u><u>\$ 210,341</u></u>	<u><u>\$ 51,572</u></u>

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2019

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 119,235
HAP Rent Subsidy	141,573

Total Rental Income \$ 260,808

Service Income	2,640
Interest Income	56
Commercial Income	-
Other Income	1,070

Total Rental Operations Receipts 264,574

Expenses

Administrative	38,243
Utilities	35,850
Maintenance	53,892
Interest - NHHFA Mortgage Note	25,616
Interest - Other Notes	-
General	31,348
Other	-

Total Rental Operations Disbursements (184,949)

Cash Provided by Rental Operations 79,625

Amortization of Mortgage 14,302

Cash Provided by Rental Operations
After Debt Service 65,323

OTHER RECEIPTS

Due to Management Agent -

Owner Advances -

Transfer from Restricted Cash Reserves
and Escrows 43,443

43,443

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves
and Escrows 56,778

Purchase of Fixed Assets 12,000

Repayment of Owner Advances 5,266

Other Partnership Expenses 50

Transfers to Tenant Security Deposit Account -

74,094

Net Increase or (Decrease) in Project Account Cash 34,672

Project Account Cash Balance at Beginning of Year 56,958

Project Account Cash Balance at End of Year 91,630

Composition of Project Account Cash
Balance at End of Year 91,630

Petty Cash -

Unrestricted Reserve (if applicable)

Decorating Reserve -

Operating Reserve -

Other Reserve -

Total Petty Cash and Unrestricted Reserves -

Total Project Account Cash
at End of Year \$ 91,630

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PROJECT OPERATING ACCOUNT

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2018

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 31,338
HAP Rent Subsidy	34,745

<u>Total Rental Income</u>		<u>\$ 66,083</u>
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Service Income	670
Interest Income	9
Commercial Income	-
Other Income	582

<u>Total Rental Operations Receipts</u>		<u>67,344</u>
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Expenses

Administrative	14,673
Utilities	6,553
Maintenance	13,836
Interest - NHHFA Mortgage Note	6,557
Interest - Other Notes	-
General	8,941
Other	-

<u>Total Rental Operations Disbursements</u>		<u>(50,560)</u>
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<u>Cash Provided by Rental Operations</u>		<u>16,784</u>
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<u>Amortization of Mortgage</u>	3,423	
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<u>Cash Provided by Rental Operations</u>		
<u>After Debt Service</u>		<u>13,361</u>

OTHER RECEIPTS

<u>Due to Management Agent</u>	(7,046)
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<u>Owner Advances</u>	-
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<u>Transfer from Restricted Cash Reserves</u>	13,910
<u>and Escrows</u>	-

6,864

OTHER DISBURSEMENTS OR TRANSFERS

<u>Transfers to Restricted Cash Reserves</u>	12,881
<u>and Escrows</u>	

<u>Purchase of Fixed Assets</u>	-
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<u>Repayment of Owner Advances</u>	-
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<u>Other Partnership Expenses</u>	-
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<u>Transfers to Tenant Security Deposit Account</u>	-
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12,881

<u>Net Increase or (Decrease) in Project Account Cash</u>	<u>7,344</u>
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<u>Project Account Cash Balance at Beginning of Year</u>	<u>49,614</u>
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<u>Project Account Cash Balance at End of Year</u>	<u>56,958</u>
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<u>Composition of Project Account Cash</u>		
<u>Balance at End of Year</u>		<u>56,958</u>

<u>Petty Cash</u>	-
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Unrestricted Reserve (if applicable)

Decorating Reserve	-
Operating Reserve	-
Other Reserve	-

<u>Total Petty Cash and Unrestricted Reserves</u>		<u>-</u>
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<u>Total Project Account Cash</u>		
<u>at End of Year</u>		<u>\$ 56,958</u>

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS

FOR THE YEAR ENDED JULY 31, 2019

<u>Description of Fund</u>	<u>Balance</u> <u>Beginning of</u> <u>Period</u>	<u>Deposits</u> <u>Transfers</u> <u>From</u> <u>Operations</u> <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> <u>Transfers to</u> <u>Operations</u> <u>Account</u>	<u>Balance</u> <u>End of</u> <u>Period</u>
<u>Restricted Accounts:</u>					
Insurance Escrow	\$ 3,802	\$ 4,500	\$ 46	\$ 4,767	\$ 3,581
Tax Escrow	9,311	29,028	214	26,676	11,877
Replacement Reserve	111,486	23,250	2,135	12,000	124,871
Operating Reserve	65,873	-	1,238	-	67,111
Total Restricted Cash Reserves and Escrows	\$ 190,472	\$ 56,778	\$ 3,633	\$ 43,443	\$ 207,440

SCHEDULE OF SURPLUS CASH CALCULATION

JULY 31, 2019

NET INCOME	\$ 57,866
ADD: DEPRECIATION	23,180
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	14,302
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	23,250
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	12,000
SURPLUS CASH (DEFICIT)	<u>\$ 55,494</u>

SHERBURNE WOODS
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)
(PROJECT No. HAP PBA 901-02-05)

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION

FOR THE YEAR ENDED JULY 31, 2019

<u>YEAR</u>	<u>MAXIMUM ALLOWABLE DISTRIBUTION</u>	<u>DISTRIBUTION RECEIVED</u>	<u>BALANCE</u>
12/31/2003	\$ 113,850	\$ -	\$ 113,850
12/31/2004	\$ 113,850	\$ -	\$ 227,700
12/31/2005	\$ 113,850	\$ -	\$ 341,550
12/31/2006	\$ 113,850	\$ -	\$ 455,400
12/31/2007	\$ 113,850	\$ -	\$ 569,250
12/31/2008	\$ 113,850	\$ -	\$ 683,100
12/31/2009	\$ 113,850	\$ -	\$ 796,950
12/31/2010	\$ 113,850	\$ -	\$ 910,800
12/31/2011	\$ 113,850	\$ -	\$ 1,024,650
12/31/2012	\$ 113,850	\$ -	\$ 1,138,500
12/31/2013	\$ 113,850	\$ -	\$ 1,252,350
12/31/2014	\$ 113,850	\$ -	\$ 1,366,200
12/31/2015	\$ 113,850	\$ -	\$ 1,480,050
12/30/2016	\$ 113,850	\$ -	\$ 1,593,900
12/30/2017	\$ 113,850	\$ -	\$ 1,707,750
7/31/2018	\$ 66,413	\$ -	\$ 1,774,163
7/31/2019	\$ 113,850	\$ -	\$ 1,888,013

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

PO Box 5040, Manchester, NH 03108 - (603)668-8010

The Community Action Partnership for Hillsborough and Rockingham Counties

BOARD OF DIRECTORS ~ as of January 2020

Public Sector	Private Sector	Low-Income Sector	HS Policy Council
<u>Representing Manchester</u> Lou D'Allesandro Vice Chair Toni Pappas	<u>Representing Manchester</u> Peter Ramsey <i>Term: 4/18-9/21</i> Carrie Marshall Gross <i>Term: 9/17-9/20</i>	<u>Representing Manchester</u> James Brown 9/18-9/21 Orville Kerr, Secretary <i>Term 9/18-9/21</i> Anna Hamel <i>Term Expires Sept., 2022</i>	Alicia Webber Term begins 11/19
<u>Representing Nashua</u> Kevin Moriarty Treasurer	<u>Representing Nashua</u> Dolores Bellavance, <i>Chairman</i> <i>Term: 9/18-9/21</i>	<u>Representing Nashua</u> Bonnie Henault <i>Term: 9/17-9/20</i> Shirley Pelletier <i>Term: 9/17-9/20</i>	
<u>Representing Towns</u> Thomas Mullins	<u>Representing Towns</u> German J. Ortiz	<u>Representing Towns</u>	
<u>Representing Rockingham County</u> Rep. Sherman Packard	<u>Representing Rockingham County</u>	<u>Representing Rockingham County</u>	

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

The Community Action Partnership serving Hillsborough and Rockingham Counties

Mailing Address: PO Box 5040, Manchester, NH 03108

40 Pine Street, Manchester, NH 03013

Telephone: (603) 668-8010 FAX: (603) 645-6734

FAP PY 21

List of Key Administrative Personnel

As of: Sept. 4, 2020

Title	Name	Annual Salary	Percentage	Amount
Executive Director	Donnalee Lozeau	\$190,649	0.00%	0
Deputy Director	Ryan Clouthier	\$115,606	0.00%	0
Chief Financial Officer	James Chaisson	\$129,620	0.00%	0

DONNALEE LOZEAU

Community and Civic Involvement- Current

- NH Community Action Partnership.
- HB4 Cliff Effect Working Group, Co-chair
- Governor's Office for Emergency Relief and Recovery Stakeholders Advisory Board, Chair
- Whole Family Approach to Jobs NH Chapter, Co-chair
- St. Joseph Hospital Board of Directors
- St. Mary's Bank Supervisory Committee, Chair
- NH Healthy Families Board of Directors
- Mary's House Advisory Board
- The Plus Company
- NH Tomorrow Leadership Council
- Eagle Scout Board of Review
- American Council of Young Political Leaders, Alumni Member

Community and Civic Involvement- Past

- Reaching Higher NH
- NH Center for Public Policies Studies
- Governor's Judicial Selection Commission
- Big Brothers Big Sisters Board of Directors, Past President
- Statewide Workforce Innovation Board
- Greater Nashua Dental Connection BOD, Founding Member
- Great American Downtown, Founding Member
- Domestic Violence Coordinating Council Nashua
- US Conference of Mayors
- No Labels
- Fix the Debt

EXPERIENCE

Southern New Hampshire Services, Inc.
Manchester, NH
(January 2016-Present)

Executive Director/CEO

- Development and oversight of Community Action Partnership serving NH's two largest counties, Hillsborough and Rockingham.
- Cooperation and engagement with local, state and federal agencies and organizations on issues and programs that intersect with the Community Action Mission
- Work to fundamentally enhance the delivery of service to targeted community to wrap services around clients and streamline the application process by implementing the Whole Family Approach

City of Nashua, New Hampshire
(2008-2016) – Elected

Mayor

- Full time overall day to day management and operations of 2nd largest city in the state of NH with development and implementation of \$245 million dollar (2016) annual budget
- Worked with elected boards including Board of Aldermen; Public Works; Board of Education and others to prioritize and balance budget requirements and the needs of the community
- Chaired Board of Public Works and the Finance Committee
- Successfully negotiated the City's purchase of the publicly traded water company (Pennichuck) after a prolonged case before the NHPUC and the NH Supreme Court

Southern New Hampshire Services, Inc.
(1993 – 2008) Manchester, NH

Director of Program and Community Development

- Assessed the need for services throughout Hillsborough County through community outreach by developing partnerships, collaborations and new initiatives with service providers and businesses
- Negotiated purchases and contracts and presented projects before local boards, commissions and departments relative to housing, support services and economic development
- Designed and implemented strategies for developing working relationships with town and city officials, local service providers and appropriate private sector officials in order to project a positive image of Southern New Hampshire Services, Inc.
- Founded Mary's House 40 units of housing for homeless women and developed 219 units of Elderly Housing
- Pioneered initiatives for the Community Corrections and Academy Programs
- Expanded Head Start Services and developed the program and secured the site for Economic Opportunity Center

DONNALEE LOZEAU
CONTINUED

**Community and
Civic Involvement-
Past**

- NH Center for Public Policy Studies
- Greater Nashua Chamber of Commerce, Director
- Greater Nashua Workforce Housing Coalition, Founding Member
- Greater Nashua Asset Building Coalition, Founding Member
- New Hampshire Charitable Foundation State Board, Member

**Education and
Training**

- CCAP, Certified Community Action Professional
- CCAP Proctor
- Rivier College, Nashua- Undergraduate work in Political Science
- Restaurant Management Institute
- Mediation and Alternative Dispute Resolution Training
- Leadership Institute, Aspen
- Justice of the Peace

**NH State Representative, Hillsborough County, District 30
(1984 – 2000)**

**Deputy Speaker of the NH House of Representatives
(1996 – 2000)**

- Addressed constituent concerns
- Assisted Non-Profit organizations and local businesses with governmental concerns and steering legislation through the political process by working with members and leadership in the NH House of Representatives and the NH Senate and representatives of the Executive and Judicial branches
- Managed floor debates and supervised *House Calendar* content
- Responsible for functions of the House on behalf of or in the absence of the Speaker

Committee Assignments:

- House Rules Committee, Vice Chairman
- House Legislative Administration Committee
- Joint Facilities Committee
- New Member Orientation, Chair
- House Corrections and Criminal Justice Committee, Vice Chairman
- House Judiciary Committee
- Criminal Justice Sub-Committee, Chairman
- State and Federal Relations Committee

Appointments:

- Joint Legislative Performance Audit and Oversight Committee
- Juvenile Justice Commission, Chairman
- Supreme Court Guardian Ad Litem Committee
- Superior Court Alternative Dispute Resolution Committee
- Work Force Opportunity Council
- Interbranch Criminal and Juvenile Justice Council
 - Subcommittee on Offenders, Chairman
 - Space and Prison Programming
 - Juveniles Subcommittee, Co-Chair
- National Conference of State Legislatures Law and Justice, Vice Chair
- Council of State Governments Intergovernmental Affairs, Corrections and Public Safety

City Streets Restaurant, (1986-1991)

City Streets Diner, (2000 – 2003) Nashua, NH

Co-Owner/Operator

- Operated 450 seat restaurant and banquet facility and effectively managed financial accounts, staff and licensing requirements

RYAN CLOUTHIER



OBJECTIVE

Seeking a leadership role which will allow me the opportunity to utilize and build upon my knowledge and passion for the work performed by Community Action Agencies in the state of New Hampshire, while at the same time being the support and strength for the Communities we serve.



EXPERIENCE

Deputy Director | Southern New Hampshire Services Inc.

FEB. 2018-PRESENT

Serving as part of the Executive Management Team and is responsible for providing inspiring leadership to the Southern New Hampshire Services (SNHS) senior management team and developing a performance culture to ensure the effective management of a comprehensive array of over sixty programs. The Deputy Director will tie the various component programs including: nutrition; housing; energy; workforce development; income enhancement; education; and elderly services to the agency, to each other, and to the general community, by promoting and communicating the mission of Community Action. In conjunction with the Executive Director and Fiscal Officer the Deputy Director provides the stewardship of SNHS by being actively involved with the agency's high-performance senior leadership team in the development, implementation, and management of the program content as well as annual budgets. Responsible for ensuring that services and programs provided fulfill the agency's mission, and are in compliance with all federal, state, funding, and city regulations, certifications, and licensing requirements.

Energy and Housing Operations Director | Southern New Hampshire Services Inc.

2016 – 2018

Responsible for providing the various SNHS Energy and Crisis programs, Information Technology, Housing and Maintenance programs with mission, vision and leadership. Responsible for the planning, implementation, and evaluation of all facets of fiscal and program management, effectiveness while providing general oversight for all of the program's administration and day-to-day management, including budget management, grant writing and purchasing. Also responsible for maintaining a working relationship with governmental officials, local boards and agencies in developing and managing the programs. In conjunction with the Executive Director and Fiscal Officer this positions provides the stewardship of SNHS by being actively involved with the agency's high-performance senior leadership team in the development, implementation, and management of program content as well as annual budgets. Responsible for ensuring that services and programs provided fulfill the agency's mission and are in compliance with all federal, state, funding, city, certifications, and licensing requirements.

Energy Director | Southern New Hampshire Services Inc.

2013 – 2016

Responsible for coordination, implementation, budgeting, overall supervision and management of the Fuel and Electric Assistance Programs, Crisis Programs, Weatherization Program, Lead Hazard Control Program, and YouthBuild Program for Hillsborough and Rockingham Counties. Develop and Maintain relationships with federal, state and local grantors. Intervene on behalf of the Community Action pertaining to the Core Utility Weatherization Energy Efficiency Programs. Maintains a strong working relationships with OCA, NH Legal Assistance, Office of Strategic Initiative, DOE, Liberty Utilities, Eversource, NHEC, Unitil, NHHFA, NREL, Apprise and other local non-profit and private companies in the industry. Participates in multiple Healthy Home strategic planning committees.

Weatherization Director | Southern New Hampshire Services Inc.

2006-2013

Responsible for coordination, implementation, budgeting, overall supervision and management of the Weatherization, Lead Abatement, and YouthBuild Programs for Hillsborough and Rockingham Counties. Developed and Maintain relationships with federal, state and local grantors. Intervened on behalf of the Community Action Association during the merge of Liberty Energy and National Grid Gas along with filings pertaining to the Core Energy Efficiency Programs. Developed strong working relationships with OCA, NH

Legal Assistance, Office of Energy and Planning, DOE, Liberty Energy, Eversource, NHEC, Unitil, NHHFA, NREL, Apprise and other local non-profit and private companies in the industry. Served on the Department of Energy special task force designed to implement a National Best Practices Manual for JTA/KSA for Weatherization Energy Auditor Certification. Participated in a "One Touch" pilot effort which became a statewide practice and has received national recognition

Energy Auditor | Southern New Hampshire Services Inc.

2004 – 2006

Responsible for performing field energy audits of low income residential properties; record the data in written and computerized formats to determine cost effectiveness of conservation measures needed; generate work order specs for the contractors. Conduct proper follow through and field inspections to assure quality installations and client satisfaction.

Network Analyst | Genuity

2004 – 2006

Responsible for monitoring the Genuity Dial up network supporting AOL Domestic and International subscribers including Japan, USA and Canada. Responsibilities include isolating and troubleshooting problems/outages and configuration issues, on different types of Cisco routers, Lucent APX's, MAX's, and Nortel CVX's.

Troubleshooting consists of isolating problems through head to head testing with different Telco's. Also responsible for creating, troubleshooting, and closing tickets in a group ticketing queue. Demonstrated strengths in the areas of interpersonal skills and negotiation.



EDUCATION

2000 NH Community Technical College

1994-1998: Dover High School

Other: Weatherization written and field certification, Department of Energy Quality Control Inspector Certification, multiple national and regional weatherization best practices trainings. Intro to Cisco routers, T1 and T3 design and troubleshooting training, ATM and Frame Relay network design training, LAN and WAN training, OC3, OC48, and OC192 design and troubleshooting training, BPI-Energy Analyst. Lead contractor abatement Certification, RRP certification, OSHA 30 hour worker safety, DOE Lead Safe Weatherization certification.



SKILLS

- Problem solving
- New Business Development
- Social Media
- Public Speaking
- Data Analysis/Analytical thinking
- Strategic Planning
- Operations Management
- Contract Negotiations
- Team and Relationship building
- Planning and forecasting
- Budget and Financial management
- Leadership
- Community Assessment
- Computer skills specific to job include, TREAT, NEAT, OTTER, FAP/EAP, Microsoft 365, PowerPoint, Outlook, Word, Excel, Web, EmpowOR and CSST and many others that can be beneficial.



ACTIVITIES/ACCOMPLISHMENTS

- Numerous press articles related to Weatherization including visits from the Assistant Secretary of Energy Efficiency from the Department of Energy and Vice President Joe Biden.
- Member of the City of Nashua Healthy Homes Strategic Planning Committee.
- Member of the City of Manchester Healthy Homes Strategic Planning Committee.
- Union Leader 40 under 40 Class of 2015.
- Vice President of the Neighbor helping Neighbor Board.
- Member of the Energy Efficiency and Sustainable Energy Board.
- Member of the Residential Ratepayers Advisory Board.

JAMES M. CHAISSON

SUMMARY

Dedicated accounting professional with 8 years of non-profit experience and over 20 years of broad experience in manufacturing, distribution, reorganizations, mergers and acquisitions, sales/operations planning/forecasting and establishing & monitoring performance metrics in a manufacturing environment. Experienced in private and public corporations, including 8 years in a private equity environment with a strong focus on equity sponsor communication and liquidity management. Complete knowledge of P&L, balance sheet, cash flow and cost accounting. Proven skills at staff leadership, training and development in a team environment. Professional Experience:

- Fiscal Officer in nonprofit organization
 - Controller in MFG & Distribution
 - Treasury and Cash Flow Management
 - Financial & Capital Budgeting, Reporting & Control
 - Cost Accounting Manager
 - General Accounting Manager
 - Business Performance Metric Establishment and Measurement
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PROFESSIONAL EXPERIENCE

Southern New Hampshire Services, Manchester, NH

5/2009-Present

Southern New Hampshire Services (SNHS) is a non-profit entity dedicated to helping people help themselves. SNHS accomplishes this through a variety of programs offered at centers, offices, clinics, and intake sites located throughout Rockingham and Hillsborough counties. The agency also oversees 29 housing facilities with approximately 1000 tenants. SNHS receives and administers \$36 million in program funds annually with over 450 employees.

Chief Fiscal Officer

1/2017 to Present

- Oversee financial and accounting compliance, maintaining controls and managing potential business risks
- Manage the annual budget process and analysis activities
- Prepare presentation for Board of Directors meetings presenting the organization's financial results
- Develop and maintain banking relationships
- Manage the Annual Audit process

Senior Accountant

5/2009-1/2017

Assisted Fiscal Director in overseeing all fiscal and financial activities including compliance with federal, state, and funding source requirements as well as accordance with GAAP

- Developed and implemented indirect cost calculation and interfaced with General Ledger
- Monitored and prepared monthly budget vs actual reporting; recommended adjustments and forecast spending
- Created specialized reports for the individual grant's reporting requirements
- Designed allocation methods for properly billing shared items to individual grants and programs
- Prepared monthly agency program reviews for Fiscal Director's Board of Directors review

James M. Chaisson

WOOD STRUCTURES, INC. Biddeford, ME

2001-4/2009

WSI, is a highly leveraged business owned by Roark Capital, a private equity fund, headquartered in Atlanta, GA. WSI is a \$70 million manufacturer of roof and floor trusses, wall panels and a distributor of engineered wood products. The company's products are sold into the residential and light commercial construction markets

Controller

2006-4/2009

Managed all aspects of accounting and reporting in a truss manufacturing plant as well as an engineered wood products distribution location that included 2 locations in Maine and 1 in Massachusetts.

- Calculated and assisted in the management of the company's covenants
- Worked closely with senior management during the sale process from the seller (Harbour Group) and buyer (Roark Capital)
- Identified cost drivers and implemented process changes to reduce the monthly closing cycle from 18 to 5 days
- Conducted monthly reviews with the managers on financial results and measurement
- Oversaw the payroll function of 160+ employees

Accounting Manager

2001-2006

Recruited to company to restore financial controls and establish best practices concerning both general ledger and cost accounting processes. Responsible for overseeing the accounting of 2 locations in Maine and 1 in Alabama.

- Established the reporting protocols of the company used by both equity sponsors
- Educated, motivated and developed a staff of 3 to succeed in their rolls of financial responsibility
- Identified and implemented processes and procedures for all intercompany sales, transfers, consolidation and eliminations
- Streamlined the payroll process that included transferring to an external supplier (ADP), which reduced cost by 40%
- Conducted physical inventories and defined their policies and procedure at all locations.

VISHAY SPRAGUE, Sanford, ME

1978-2001

Vishay Sprague is a division of Vishay Intertechnology Inc. (NYSE: VSH) a global manufacturer of discrete semiconductors and passive electronic components. The Sprague Division manufactures solid tantalum capacitors with annual sales of \$200 million and 1,400 employees.

Plant Cost Accounting Manager

1997-2001

Division General Accounting Manager

1995-1997

Division Operation Accountant

1989-1995

Division Fixed Asset Accountant

1987-1989

Master Engineering Technician

1984-1987

Lead Production Technician

1978-1984

EDUCATION

NASSON COLLEGE, Springvale, ME

B.S. in Business Administration