



Lori A. Shibiakette
Commissioner

Christine L. Santaniello
Director

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY

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April 6, 2021

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to amend existing contracts with the vendors listed below in bold, for the continued provision of the State Grant in Aid (SGIA) Homeless Assistance program, by exercising contract renewal options by increasing the total price limitation by \$5,665,716 from \$6,882,604 to \$12,548,320 and by extending the completion dates from June 30, 2021 to June 30, 2023 effective upon Governor and Council approval. 100% General Funds.

The individual contracts were approved by Governor and Council as specified in the table below.

Vendor Name	Vendor Code	Area Served	Current Amount	Increase (Decrease)	Revised Amount	G&C Approval
Bridge House Shelters	165288 - B001	Plymouth NH	\$142,620	\$122,348	\$264,968	O: 08/19/19 (Item #40) A1: 07/15/20, (Item #20)
Community Action Partnership of Strafford County	177200 - B004	Dover NH	\$6,588	\$0	\$6,588	O: 06/19/19 (Item #40) A1: 07/15/20 Item #20
Community Action Program, Belknap and Merrimack	177203 - B003	Concord NH	\$0	\$0	\$0	O: 06/19/19 (Item #40)
Concord Coalition to End Homelessness	267140 - B001	Bow NH	\$68,709	\$117,236	\$185,945	O: 06/19/19 (Item #40) A1: July 15, 2020 Item #20
Cross Roads House	166570 - B001	Portsmouth NH	766,784	\$623,974	1,390,758	O: 06/19/19 (Item #40) A1: 07/15/20, (Item #20)

Families in Transition, NH	157730 - B001	Manchester NH	\$1,658,284	\$1,284,654	\$2,942,938	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Friends Program	154987 - B001	Concord NH	\$174,710	\$0.00	\$174,710	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Helping Hands Outreach Center	174226 - R001	Manchester NH	\$209,516	\$195,756	\$405,272	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Hundred Nights, Inc.	TBD	Keene NH	\$220,854	\$214,110	\$434,964	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Lakes Region Community Developers	156571 - B001	Laconia NH	\$88,761	\$116,230	\$204,991	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Marguerites Place	157465 - B001	Nashua NH	\$186,836	\$140,700	\$327,536	O: 06/19/19 (Item #40) Item #40 A1: 07/15/20 (Item #20)
My Friend's Place	156274 - B001	Dover NH	\$177,231	\$128,466	\$305,697	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Nashua Soup Kitchen & Shelter, Inc.	174173 - R001	Nashua NH	\$284,806	\$183,522	\$468,328	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
New Generation	177295 - B001	Greenland NH	\$162,400	\$134,582	\$296,982	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
NH Coalition Against Domestic and Sexual Violence	155510 - B001	Concord NH	\$791,802	\$887,024	\$1,678,826	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)

Salvation Army Carey House, Laconia	177627 - B001	Laconia NH	\$200,062	\$244,696	\$444,758	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Salvation Army McKenna House, Concord, Eastern Territory	177627 - B003	Concord NH	\$312,915	\$256,930	\$569,845	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Seacoast Family Promise	TBD	Exeter NH	\$94,661	\$85,644	\$180,305	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Southern NH Services	177198 - B006	Manchester NH	\$0	\$0	\$0	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Southwestern Community Services	177511 - R001	Keene NH	\$527,563	\$464,922	\$992,485	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
The Front Door Agency	156244 - B001	Nashua NH	\$287,991	\$269,166	\$557,157	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
The Way Home, Inc.	166673 - B001	Manchester NH	\$140,656	\$116,230	\$256,886	O: 06/19/19 (Item #40) A1: 07/15/20 (Item #20)
Tri-County CAP, Inc.	177195 - B009	Berlin NH	\$126,299	\$79,526	\$205,825	O: 07/10/19 Item #16 A1: 07/15/20 (Item #20)
Waypoint	177166 - B002	Manchester NH	\$252,556	\$0.00	\$252,556	O: 06/19/19 (Item #40) A1: 08/28/19 (Item #20B) A1: 07/15/20 (Item #20)
		Total:	\$6,882,604	\$5,665,716	\$12,548,320	

Funds are anticipated to be available in State Fiscal Years 2022 and 2023 with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

The purpose of this request is to continue State Grant in Aid (SGIA) Homeless Assistance program to ensure individuals and families experiencing housing instability receive the essential services and supports that include case management and emergency shelter services or case management services only.

Approximately 4,500 individuals will be served during each State Fiscal Year of this contract.

The Contractors will continue providing emergency shelter to individuals and families who are homeless. The Contractors will also continue providing case management services to individuals and families who are currently in shelters as well as individuals and families who are unsheltered in order to link them with housing services; other essential services; and provide ongoing case management. The case management services are personalized and based on the strengths and support needs for each individual or family. Case management services include, but are not limited to, housing navigation services; assistance with applications for housing; assistance with applications for public assistance; referrals for healthcare, including mental health or substance use treatment; linkages to education, and employment supports.

The Contractors are monitored for performance through reports available from the Homeless Management Information System, which include information regarding:

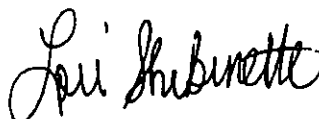
- Length of time individuals remain homeless.
- The extent to which individuals who exit homelessness to permanent housing destinations return to homelessness.
- Successful exit to permanent housing destinations.

As referenced in Exhibits C-1 of the original contracts, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is exercising its option to renew services for two (2) of the two (2) years available.

Should Governor and Executive Council not authorize this request, individuals and families who are experiencing housing instability will not receive the essential services and supports for themselves and their families.

Area served: Statewide

Respectfully submitted,



Lori A. Shibinette
Commissioner

**05-95-42-423010-79270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF ECONOMIC AND HOUSING STABILITY, BUREAU OF HOUSING STABILITY, HOUSING - SHELTER PROGRAM
100% General Funds**

Bridge House Shelters

Vendor # 1652 Vendor # 1652 Vendor # 1652:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase (Decrease)	Current Budget
2020	102/500731	Contracts for Program Services	TBD	\$83,490	\$0	\$83,490
2021	102/500731	Contracts for Program Services	TBD	\$59,130	\$0	\$59,130
2022	102/500732	Contracts for Program Services	TBD	\$0	\$61,174	\$61,174
2023	102/500733	Contracts for Program Services	TBD	\$0	\$61,174	\$61,174
		Sub Total		\$142,620	\$122,348	\$264,968

Community Action Partnership of Strafford County

Vendor # 1772 Vendor # 177200 - B004

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$6,588	\$0	\$6,588
2021	102/500731	Contracts for Program Services	TBD	\$0	\$0	\$0
2022	102/500732	Contracts for Program Services	TBD	\$0	\$0	\$0
2023	102/500733	Contracts for Program Services	TBD	\$0	\$0	\$0
		Sub Total		\$6,588	\$0	\$6,588

Community Action Program, Belknap and Merrimack

Vendor # 1772 Vendor # 177203 - B003

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$0	\$0	\$0
2021	102/500731	Contracts for Program Services	TBD	\$0	\$0	\$0
2022	102/500732	Contracts for Program Services	TBD	\$0	\$0	\$0
2023	102/500733	Contracts for Program Services	TBD	\$0	\$0	\$0
		Sub Total		\$0	\$0	\$0

Concord Coalition to End Homelessness

Vendor # 2671 Vendor # 267140 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$10,091	\$0	\$10,091
2021	102/500731	Contracts for Program Services	TBD	\$58,618	\$0	\$58,618
2022	102/500732	Contracts for Program Services	TBD	\$0	\$58,618	\$58,618
2023	102/500733	Contracts for Program Services	TBD	\$0	\$58,618	\$58,618
		Sub Total		\$68,709	\$117,236	\$185,945

Cross Roads House

Vendor # 1665 Vendor # 166570 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$465,221	\$0	\$465,221
2021	102/500731	Contracts for Program Services	TBD	\$301,563	\$0	\$301,563
2022	102/500732	Contracts for Program Services	TBD	\$0	\$311,987	\$311,987
2023	102/500733	Contracts for Program Services	TBD	\$0	\$311,987	\$311,987

		Sub Total		\$766,784	\$623,974	\$1,390,758
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FITNHNH, Inc.

Vendor # 1577 Vendor # 157730 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$1,037,418	\$0	\$1,037,418
2021	102/500731	Contracts for Program Services	TBD	\$620,866	\$0	\$620,866
2022	102/500732	Contracts for Program Services	TBD	\$0	\$642,327	\$642,327
2023	102/500733	Contracts for Program Services	TBD	\$0	\$642,327	\$642,327
		Sub Total		\$1,658,284	\$1,284,654	\$2,942,938

Friends Program

Vendor # 1549 Vendor # 154987 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$88,971	\$0	\$88,971
2021	102/500731	Contracts for Program Services	TBD	\$85,739	\$0	\$85,739
2022	102/500732	Contracts for Program Services	TBD	\$0	\$0	\$0
2023	102/500733	Contracts for Program Services	TBD	\$0	\$0	\$0
		Sub Total		\$174,710	\$0	\$174,710

Helping Hands Outreach Center

Vendor # 174226 - R001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$114,908	\$0	\$114,908
2021	102/500731	Contracts for Program Services	TBD	\$94,608	\$0	\$94,608
2022	102/500732	Contracts for Program Services	TBD	\$0	\$97,878	\$97,878
2023	102/500733	Contracts for Program Services	TBD	\$0	\$97,878	\$97,878
		Sub Total		\$209,516	\$195,756	\$405,272

Hundred Nights, Inc

Vendor #

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$117,376	\$0	\$117,376
2021	102/500731	Contracts for Program Services	TBD	\$103,478	\$0	\$103,478
2022	102/500732	Contracts for Program Services	TBD	\$0	\$107,055	\$107,055
2023	102/500733	Contracts for Program Services	TBD	\$0	\$107,055	\$107,055
		Sub Total		\$220,854	\$214,110	\$434,964

Lakes Region Community Developers

Vendor # 156571 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$32,587	\$0	\$32,587
2021	102/500731	Contracts for Program Services	TBD	\$56,174	\$0	\$56,174
2022	102/500732	Contracts for Program Services	TBD	\$0	\$58,115	\$58,115
2023	102/500733	Contracts for Program Services	TBD	\$0	\$58,115	\$58,115
		Sub Total		\$88,761	\$116,230	\$204,991

Marquerites Place

Vendor # 157465 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$118,536	\$0	\$118,536
2021	102/500731	Contracts for Program Services	TBD	\$68,300	\$0	\$68,300
2022	102/500732	Contracts for Program Services	TBD	\$0	\$70,350	\$70,350
2023	102/500733	Contracts for Program Services	TBD	\$0	\$70,350	\$70,350
		Sub Total		\$186,836	\$140,700	\$327,536

My Friend's Place

Vendor # 156274 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$115,144	\$0	\$115,144
2021	102/500731	Contracts for Program Services	TBD	\$62,087	\$0	\$62,087
2022	102/500732	Contracts for Program Services	TBD	\$0	\$64,233	\$64,233
2023	102/500733	Contracts for Program Services	TBD	\$0	\$64,233	\$64,233
		Sub Total		\$177,231	\$128,466	\$305,697

Nashua Soup Kitchen & Shelter, Inc

Vendor # 174173 - R001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$196,111	\$0	\$196,111
2021	102/500731	Contracts for Program Services	TBD	\$88,695	\$0	\$88,695
2022	102/500732	Contracts for Program Services	TBD	\$0	\$91,761	\$91,761
2023	102/500733	Contracts for Program Services	TBD	\$0	\$91,761	\$91,761
		Sub Total		\$284,806	\$183,522	\$468,328

New Generation

Vendor # 1772 Vendor # 177295 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$97,357	\$0	\$97,357
2021	102/500731	Contracts for Program Services	TBD	\$65,043	\$0	\$65,043
2022	102/500732	Contracts for Program Services	TBD	\$0	\$67,291	\$67,291
2023	102/500733	Contracts for Program Services	TBD	\$0	\$67,291	\$67,291
		Sub Total		\$162,400	\$134,582	\$296,982

NH Coalition Against Domestic and Sexual Violence

Vendor # 155510 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$363,109	\$0	\$363,109
2021	102/500731	Contracts for Program Services	TBD	\$428,693	\$0	\$428,693
2022	102/500732	Contracts for Program Services	TBD	\$0	\$443,512	\$443,512
2023	102/500733	Contracts for Program Services	TBD	\$0	\$443,512	\$443,512
		Sub Total		\$791,802	\$887,024	\$1,678,826

Salvation Army Carey House, Laconia

Vendor # 177627 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$81,802	\$0	\$81,802
2021	102/500731	Contracts for Program Services	TBD	\$118,260	\$0	\$118,260
2022	102/500732	Contracts for Program Services	TBD	\$0	\$122,348	\$122,348
2023	102/500733	Contracts for Program Services	TBD	\$0	\$122,348	\$122,348
		Sub Total		\$200,062	\$244,696	\$444,758

Salvation Army McKenna House, Concord, Eastern Territory

Vendor # 177627 - B003

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$188,742	\$0	\$188,742
2021	102/500731	Contracts for Program Services	TBD	\$124,173	\$0	\$124,173
2022	102/500732	Contracts for Program Services	TBD	\$0	\$128,465	\$128,465
2023	102/500733	Contracts for Program Services	TBD	\$0	\$128,465	\$128,465
		Sub Total		\$312,915	\$256,930	\$569,845

Seacoast Family Promise

Vendor #

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$53,270	\$0	\$53,270
2021	102/500731	Contracts for Program Services	TBD	\$41,391	\$0	\$41,391
2022	102/500732	Contracts for Program Services	TBD	\$0	\$42,822	\$42,822
2023	102/500733	Contracts for Program Services	TBD	\$0	\$42,822	\$42,822
		Sub Total		\$94,661	\$85,644	\$180,305

Southern NH Services

Vendor # 177198 - B006

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$0	\$0	\$0
2021	102/500731	Contracts for Program Services	TBD	\$0	\$0	\$0
2022	102/500732	Contracts for Program Services	TBD	\$0	\$0	\$0
2023	102/500733	Contracts for Program Services	TBD	\$0	\$0	\$0
		Sub Total		\$0	\$0	\$0

Southwestern Community Services

Vendor # 177511 - R001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$302,869	\$0	\$302,869
2021	102/500731	Contracts for Program Services	TBD	\$224,694	\$0	\$224,694
2022	102/500732	Contracts for Program Services	TBD	\$0	\$232,461	\$232,461
2023	102/500733	Contracts for Program Services	TBD	\$0	\$232,461	\$232,461
		Sub Total		\$527,563	\$464,922	\$992,485

The Front Door Agency

Vendor # 156244 - B001

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$157,905	\$0	\$157,905
2021	102/500731	Contracts for Program Services	TBD	\$130,086	\$0	\$130,086
2022	102/500732	Contracts for Program Services	TBD	\$0	\$134,583	\$134,583
2023	102/500733	Contracts for Program Services	TBD	\$0	\$134,583	\$134,583
		Sub Total		\$287,991	\$269,166	\$557,157

Vendor # 166673 - B001

The Way Home, Inc

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$84,482	\$0	\$84,482
2021	102/500731	Contracts for Program Services	TBD	\$56,174	\$0	\$56,174
2022	102/500732	Contracts for Program Services	TBD	\$0	\$58,115	\$58,115
2023	102/500733	Contracts for Program Services	TBD	\$0	\$58,115	\$58,115
		Sub Total		\$140,656	\$116,230	\$256,886

Vendor # 177195 - B009

Tri-County CAP, Inc

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Increase (Decrease)	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$87,864	\$0	\$87,864
2021	102/500731	Contracts for Program Services	TBD	\$38,435	\$0	\$38,435
2022	102/500732	Contracts for Program Services	TBD	\$0	\$39,763	\$39,763
2023	102/500733	Contracts for Program Services	TBD	\$0	\$39,763	\$39,763
		Sub Total		\$126,299	\$79,526	\$205,825

Vendor # 177166 - B002

Waypoint

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget	Current Modified Budget	Current Modified Budget
2020	102/500731	Contracts for Program Services	TBD	\$166,817	\$0	\$166,817
2021	102/500731	Contracts for Program Services	TBD	\$85,739	\$0	\$85,739
2022	102/500732	Contracts for Program Services	TBD	\$0	\$0	\$0
2023	102/500733	Contracts for Program Services	TBD	\$0	\$0	\$0
		Sub Total		\$252,556	\$0	\$252,556

Overall Total	\$6,882,604	\$5,665,716	\$12,548,320
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**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Bridge House, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2023

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$264,968

3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/31/2021

Date

DocuSigned by:
Christine Santaniello

Name: Christine Santaniello
Title: Director

The Bridge House, Inc.

3/31/2021

Date

DocuSigned by:
Catherine Bentwood


Name: Catherine Bentwood
Title: Bridge House ED

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/6/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

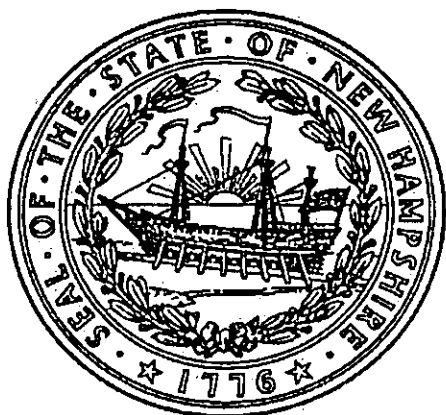
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE BRIDGE HOUSE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 24, 2004. 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: 465451

Certificate Number: 0005330261



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 31st day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

[← Back to Home \(/online\)](#)**Business Name**

The Bridge House, Inc.

Business ID

465451

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005050429	12/02/2020	12/02/2020	Nonprofit Report	2020
0004771392	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004390210	01/25/2019	01/25/2019	Change of Officer/Director	N/A
0003025059	01/07/2015	01/07/2015	Annual Report	2015
0001363695	03/23/2011	03/23/2011	Reinstatement	2010
0001363694	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0001363693	10/08/2010	10/08/2010	Reminder Letter	N/A
0001363692	12/06/2005	12/06/2005	Annual Report	2005
0001363691	11/02/2005	11/02/2005	Amendment	N/A
0001363690	02/24/2004	02/24/2004	Business Formation	N/A

Page 1 of 1, records 1 to 10 of 10

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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Certificate of Authority #1

(Corporation of LLC – Non-specific, open ended)

Corporate Resolution

I, Edward Van Dorn, hereby certify that I am duly elected Clerk/President of

The Bridge House Inc . I hereby certify the following is a true copy of a

vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 31, 2021

at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Catherine Bentwood RN Executive Director Bridge House is duly authorized to enter into contracts or agreements on behalf of The Bridge House with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any documents which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of The date of the contract to which this certificate is attached. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the Position (s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the state of New Hampshire, all such limitations are expressly stated herein.

DATED: 4/5/21

ATTEST: EMC-D
ED VAN DORN BRIDGE HOUSE BOB PRESIDENT
(Name and Title)



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

03/31/2021

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 E & S Insurance Services LLC 21 Meadowbrook Lane P O Box 7425 Gilford NH 03247-7425	CONTACT NAME: Eleanor Spinazzola	
	PHONE (A/C, No, Ext): (603) 293-2791	FAX (A/C, No): (603) 293-7188
	E-MAIL ADDRESS: Eleanorspinazzola@esinsurance.net	
INSURED The Bridge House, Inc. 260 Highland Street Plymouth NH 03264	INSURER(S) AFFORDING COVERAGE	
	INSURER A : Great American Insurance Group	NAIC # GAIG
	INSURER B : Wesco Insurance Co	NAIC # 25011
	INSURER C :	
	INSURER D :	
	INSURER E :	

COVERAGES **CERTIFICATE NUMBER:** CL2010914267 **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 WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> 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 type="checkbox"/> LOC OTHER:			PAC4250488-05	08/19/2020	08/19/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY			CAP4250489-05	08/19/2020	08/19/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Medical payments \$ 5,000
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
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/A	WWC3486319	09/10/2020	09/10/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER DHHS, State of NH 129 Pleasant St Concord NH 03301	CANCELLATION 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
---	--



Mission of the Bridge House and Veterans Advocacy:

Ending Homelessness in Grafton County one family at a time- All guests are treated with dignity and respect - BH serves the poorest of the poor.

Due to the VA's commitment to end veterans homelessness Bridge House is able to offer specialized services for this population.

Bridge House forte is family strengthening, veteran's advocacy, elder support, working with the Grafton County HOC to reduce recidivism.

**THE BRIDGE HOUSE, INC.
FINANCIAL STATEMENTS**

June 30, 2019 and 2018

DRAFT

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ROWLEY & ASSOCIATES P.C.

CERTIFIED PUBLIC ACCOUNTANTS

46 N. STATE STREET

CONCORD, NEW HAMPSHIRE 03301

TELEPHONE (603) 228-5400

FAX # (603) 226-3532

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE PRIVATE
COMPANIES PRACTICE SECTION

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To the Board of Directors
The Bridge House, Inc.
Plymouth, New Hampshire

We have audited the accompanying financial statements of The Bridge House, Inc., which comprises the statements of financial position as of June 30, 2019 and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Bridge House, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the financial statements of the Bridge House, Inc as of June 30, 2018 and for the year then ended and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 11, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

DRAFT

Rowley & Associates, P.C.
Concord, New Hampshire
November 15, 2019

THE BRIDGE HOUSE, INC
STATEMENT OF FINANCIAL POSITION
June 30, 2019, With Comparative Totals for June 30, 2018
See Independent Auditors' Report

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	2019	2018
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,239,321	\$ -	\$ 1,239,321	\$ 1,068,774
Grants and pledges receivable	29,706	-	29,706	27,946
Prepaid insurance	7,312	-	7,312	3,327
TOTAL CURRENT ASSETS	<u>1,276,339</u>	<u>-</u>	<u>1,276,339</u>	<u>1,100,047</u>
FIXED ASSETS				
Building and improvements	206,737	700,000	906,737	906,737
Furnishings and equipment	90,594	-	90,594	72,863
Total Fixed Assets	<u>297,331</u>	<u>700,000</u>	<u>997,331</u>	<u>979,600</u>
Less accumulated depreciation	(109,405)	(206,410)	(315,815)	(299,517)
	<u>187,926</u>	<u>493,590</u>	<u>681,516</u>	<u>680,083</u>
OTHER ASSETS				
Construction in progress	75,205	-	75,205	-
TOTAL ASSETS	<u>\$ 1,539,470</u>	<u>\$ 493,590</u>	<u>\$ 2,033,060</u>	<u>\$ 1,780,130</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 8,210	\$ -	\$ 8,210	\$ 9,527
Accrued payroll expenses	20,505	-	20,505	18,804
Accrued compensated absences	11,154	-	11,154	9,365
TOTAL CURRENT LIABILITIES	<u>39,869</u>	<u>-</u>	<u>39,869</u>	<u>37,696</u>
NET ASSETS				
Net assets without donor restriction	1,499,601	-	1,499,601	1,239,524
Net assets with donor restriction	-	493,590	493,590	502,910
TOTAL NET ASSETS	<u>1,499,601</u>	<u>493,590</u>	<u>1,993,191</u>	<u>1,742,434</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,539,470</u>	<u>\$ 493,590</u>	<u>\$ 2,033,060</u>	<u>\$ 1,780,130</u>

See Notes to Financial Statements

THE BRIDGE HOUSE, INC
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For The Year Ended June 30, 2019
With Comparative Totals for the Year Ended June 30, 2018
See Independent Auditors' Report

	NET ASSETS WITHOUT DONOR RESTRICTIONS	NET ASSETS WITH DONOR RESTRICTIONS	2019 TOTAL	2018 TOTAL
SUPPORT AND REVENUE				
State and Federal Contracts	\$ 230,847	\$ -	\$ 230,847	\$ 135,669
Grants	139,097	-	139,097	73,000
Contributions	108,254	19,688	127,942	200,808
Fees	29,832	-	29,832	30,179
Thrift Shop Sales	578,952	-	578,952	484,632
Interest	7,457	-	7,457	1,980
TOTAL SUPPORT AND REVENUE	1,094,439	19,688	1,114,127	926,268
Net assets released from donor imposed restrictions	29,008	(29,008)	-	-
EXPENSES				
Program services	780,915	-	780,915	793,378
Management and general	45,754	-	45,754	47,286
Fundraising	36,701	-	36,701	30,482
	863,370	-	863,370	871,146
Increase (decrease) in net assets	260,077	(9,320)	250,757	55,122
Net Assets, Beginning of year	1,239,524	502,910	1,742,434	1,687,312
Net assets, End of year	\$ 1,499,601	\$ 493,590	\$ 1,993,191	\$ 1,742,434

See Notes to Financial Statements

THE BRIDGE HOUSE, INC
STATEMENTS OF CASH FLOWS
For The Years Ended June 30, 2019 and 2018
See Independent Auditors' Report

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 250,757	\$ 55,122
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	16,298	14,513
(Increase) in Operating Assets		
Grants & pledges receivable	(1,760)	(19,196)
Prepaid expenses	(3,985)	(1,870)
(Decrease) increase In Operating Liabilities		
Accounts payable	(1,317)	(1,984)
Accrued payroll	1,701	544
Accrued compensated absences	1,789	4,653
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>263,483</u>	<u>51,782</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Cash paid for new construction	(75,205)	-
Purchases of property and equipment	(17,731)	-
NET CASH USED BY INVESTING ACTIVITIES	<u>(92,936)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	170,547	51,782
Cash and cash equivalents, beginning of year,	<u>1,068,774</u>	<u>1,016,992</u>
Cash and cash equivalents, end of year	<u>\$ 1,239,321</u>	<u>\$ 1,068,774</u>

See Notes to Financial Statements

THE BRIDGE HOUSE, INC
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2019
With Comparative Totals for the Year Ended June 30, 2018
See Independent Auditors' Report

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>2019 Total</u>	<u>2018 Total</u>
Payroll	\$ 435,313	\$ 26,090	\$ 21,741	\$ 483,144	\$ 456,598
Payroll taxes	33,695	2,019	1,683	37,397	45,993
Fringe benefits	51,026	3,058	2,548	56,632	73,850
Total payroll and benefits	<u>520,034</u>	<u>31,167</u>	<u>25,972</u>	<u>577,173</u>	<u>576,441</u>
Professional fees	30,602	3,400	-	34,002	32,515
Telephone and internet	4,482	-	-	4,482	4,206
Office expense	27,815	3,091	-	30,906	40,598
Depreciation	14,668	1,630	-	16,298	14,513
Rent	50,252	-	-	50,252	47,362
Utilities	29,930	3,326	-	33,256	29,045
Common Area Charges	3,618	402	-	4,020	4,020
Maintenance and Repairs	21,100	2,345	-	23,445	34,377
Supplies	8,733	-	-	8,733	11,902
Vehicle expense	16,168	-	-	16,168	10,385
Travel, Training, and Conferences	4,980	-	-	4,980	1,814
Insurance	27,290	-	-	27,290	20,816
Criminal records search	144	-	-	144	96
Direct client services	17,558	-	-	17,558	32,002
Fundraising costs	-	-	10,729	10,729	4,542
Website & Marketing	3,541	393	-	3,934	6,512
TOTAL EXPENSES	<u>\$ 780,915</u>	<u>\$ 45,754</u>	<u>\$ 36,701</u>	<u>\$ 863,370</u>	<u>\$ 871,146</u>

See Notes to Financial Statements

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Bridge House was incorporated in 2004, under the laws of the State of New Hampshire, as a "not-for-profit" organization. In accordance with its Mission Statement, the not-for-profit organization provides shelter and services, including case management, to the homeless population of the community to help them find and maintain permanent housing. Residents are provided with services that include budgeting and credit counseling, parenting classes, substance abuse counseling, and assistance in acquiring additional services from other state and federal programs. The Organization's primary sources of revenue are from grants, contributions and thrift store sales.

Significant Accounting Policies

The summary of significant accounting policies of the Organization is presented to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management who is responsible for their integrity and objectivity. These accounting policies conform to U.S. generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Presentation

The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$100 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method. Depreciation Expense was \$16,298 and \$14,513 for the years ended June 30, 2019 and 2018, respectively.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. For the years ended June 30, 2019 and 2018 the Organization had no cash equivalents.

Income taxes

The Organization has been notified by the Internal Revenue Service that it is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The most significant tax positions of the Organization are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax (UBIT). The Organization follows the guidance of Accounting Standards Codification (ASC) 740, Accounting for Income Taxes, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition and recognition of tax positions taken or expected to be taken in a tax return. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities. Accordingly, no provision for income taxes has been recorded.

Pledges Receivable and Recognition of Donor Restricted Contributions

Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets without donor restriction if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restriction. When a restriction expires, net assets without donor restriction are reclassified to net assets without donor restriction. Contributions of long-lived assets are considered without donor restriction unless the donor specifies a time-restriction.

The Organization provides for losses on grants and pledges receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of donors to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible grants and pledges receivable when management determines the receivable will not be collected. There were no balances in the allowance account related to pledges receivable as of June 30, 2019 and 2018 because all amounts were deemed collectable.

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1 NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Public Support and Revenue

All contributions are considered to be without donor restriction use unless specifically restricted by the donor.

Functional Expenses

Functional and administrative expenses have been allocated among program services based on an analysis of personnel time and space utilized for the related activities.

Cost Allocation

Certain categories of expenses are attributable to more than one program or supporting function and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are payroll, payroll taxes, fringe benefits which are allocated on the basis of estimates of time and effort; professional fees, office expense, depreciation, utilities, common area charges, maintenance and repairs, and website and marketing which are allocated on the basis of space utilized for the related activities.

Compensated Absences

It is the Organization's policy to permit certain employees to accumulate earned benefit time throughout the year which will be paid upon termination. The statement of financial position reflects accrued time earned, but unpaid as of June 30, 2019 and 2018 in the amounts of \$11,154 and \$9,365, respectively.

Allowance for Doubtful Accounts

The contracts receivable allowance for doubtful accounts is based upon management's assessment of the credit history with agencies, organizations and individuals having outstanding balances and current relationships with them. There was no balance in the allowance for doubtful accounts as of June 30, 2019 and 2018.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Risk

The Organization maintains cash balances in several accounts at local banks. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At various times throughout the year, the Organization may have cash balances at the financial institution that exceeds the insured amount. Management does not believe this concentration of cash results in a high level of risk for the Organization. At June 30, 2019 and 2018, the Organization had \$490,811 and \$516,375 in uninsured balance respectively.

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 1 NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The carrying value of cash and cash equivalents, grants and pledges receivable, prepaid expenses, accounts payable, accrued payroll and accrued compensated absences are stated at carrying cost at June 30, 2019 and 2018, which approximates fair value due to the relatively short maturity of these instruments. Other financial instruments held at year end are construction in progress, which are unobservable inputs that are supported by little or no market activity, and that are significant to the fair value of the assets. These assets include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

New Accounting Pronouncement

During the year ended June 30, 2019, the Organization adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016- 14—Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016- 14). This Update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

The accompanying information from the 2018 financial statements has been restated to conform to the 2019 presentation and disclosure requirements of ASU 2016-14.

Reclassifications

Certain financial statement and note information from the prior year financial statements has been reclassified to conform with current year presentation format.

Subsequent Event

Management has evaluated subsequent events through November 15, 2019, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure. There were no events matching this criterion during this period.

NOTE 2 CONCENTRATION IN SUPPORT REVENUE

Government and private sector grants accounted for approximately 21% and 15% of the Organization's revenues for the years ended June 30, 2019 and 2018, respectively. Contributions accounted for approximately 11% and 22% of the Organization's revenues for the years ended June 30, 2019 and 2018, respectively.

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 3 OPERATING LEASES

The Organization has a verbal agreement to rent office space for case management. This agreement calls for \$125 per month. Rent expense related to this space was \$1,500 and \$1,500 during the years ended June 30, 2019 and 2018, respectively. There is no future minimum rent related to this lease.

Effective October 5, 2004, the Organization entered into a lease agreement with Whole Village Family Resource Center to lease a portion of the Center's Premises. The term of the lease is for 50 years and expires October 4, 2054. The rent is \$1 plus incremental costs, which are defined as snow removal, repairs, lawn care and landscaping, utility services, water and sewer, insurance and other incidental costs incurred by the Organization use of the premise. Incremental costs of use of the premise are included in operating expenses and allocated by function.

The Organization entered a four-year lease beginning June 2017 and expiring June 2021 for space for a consignment shop. Rent expense related to this lease was \$45,852 and \$45,862 for the years ended June 30, 2019 and 2018, respectively.

Future minimum rent is:	2020: \$ 45,852
	2021: <u>42,031</u>
	Total: <u>\$ 87,833</u>

NOTE 4 CONTINGENT LIABILITIES

The Organization receives money under various state and federal programs. Under the terms of these programs, the Organization is required to expend the funds within the designated period for purposes specified in the grant proposal. If expenditures of the funds were found not to have been made in compliance with the proposal, the Organization might be required to return this portion of funds to the grantor. As of June 30, 2019 and 2018, there were no known disallowed expenditures and the Organization's management deems such a contingency unlikely. Accordingly, no provision has been made for this contingency.

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 5 FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Organization is required to disclose certain information about its financial assets and liabilities. Fair values of assets measured on a recurring basis at June 30 were as follows:

	<u>Fair Value</u>	Significant other Observable Inputs (Level 2)
<u>2019</u>		
Grants & pledges receivable	<u>\$ 29,706</u>	<u>\$ 29,706</u>
<u>2018</u>		
Grants & pledges receivable	<u>\$ 27,946</u>	<u>\$ 27,946</u>

The fair market value of grants and pledges receivable are estimated at the present value of expected future cash flows.

Note 6 RETAIL THRIFT STORE

The Organization operates two retail thrift stores that help support their mission. The value of non-cash donations to the thrift store and its inventory are unrecorded in the financial statement. This is due to those donations not having a determinable value and that not all donations are resalable. Gross thrift store revenue was \$578,952 and \$484,632 during the years ended June 30, 2019 and 2018, respectively.

NOTE 7 BOARD DESIGNATED NET ASSETS

The Organization had no board designated net assets as of June 30, 2019 and 2018.

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

The Organization received a \$700,000 block grant from the Town of Plymouth, NH to assist with the construction of a new facility during the year ended June 20, 2005. A mortgage deed in the amount of \$670,000 related to this grant has been recorded against the title of the property. The Organization is required to continue the building's use as a homeless shelter for a period of twenty years. In the event of default, the Organization must return the funds or relinquish ownership of the building to satisfy the restrictions.

Net assets with donor restriction related to this grant for the years ended June 30 were:

	<u>2019</u>	<u>2018</u>
Building	\$700,000	\$700,000
Less accumulated depreciation	<u>206,410</u>	<u>197,090</u>
	<u>\$493,590</u>	<u>\$502,910</u>

THE BRIDGE HOUSE, INC
NOTES TO FINANCIAL STATEMENTS
June 30, 2019 and 2018

NOTE 9 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's primary sources of support are contributions, thrift shop sales and grants. Most of that support is held for the purpose of supporting the Organization's budget. The Organization has the following financial assets that could readily be made available within one year to fund expenses without limitations:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$1,239,321	\$1,068,774
Accounts receivable	<u>29,706</u>	<u>27,946</u>
	1,269,027	1,096,720
Less amounts with donor restrictions	<u>493,590</u>	<u>502,910</u>
Total	<u>\$ 775,437</u>	<u>\$ 593,810</u>

NOTE 10 SIGNIFICANT EVENTS

During the year, construction started on an addition to the building. On June 30, 2019, total construction in progress was \$75,205. This project is expected to be completed in December of 2019.

BRIDGE HOUSE SHELTER & VETERANS ADOOCACY BOARD OF DIRECTORS
260 Highland St., Plymouth NH 03264

NAME	EMAIL	PHONE	ADDRESS	POSITION
Maureen Patti		[REDACTED]	[REDACTED]	<u>Director</u>
Barbara Fahey		[REDACTED]	[REDACTED]	<u>Director</u>
Julaine Geldermann		[REDACTED]	[REDACTED]	<u>Treas</u>
Tara Gowen		[REDACTED]	[REDACTED]	<u>Director</u>
Jasmine Esser		[REDACTED]	[REDACTED]	<u>Director</u>
Kim Livingston		[REDACTED]	[REDACTED]	<u>VP</u>
Sheila Oranch 603-744-5036		[REDACTED]	[REDACTED]	<u>Sec</u>
Ed Van Dorn		[REDACTED]	[REDACTED]	<u>Pres</u>
Gabe Nizetic		[REDACTED]	[REDACTED]	<u>Director</u>

Cathy Bentwood cathybentwood@gmail.com 603-536-7631 Executive Director
Holly Cormiea bridgehouseinc@gmail.com 603-254-9848 House Manager

Catherine Bentwood RN

Qualifications:

Collaboration, Networking, Leadership
Lifetime commitment working with the underserved
Initiated & Volunteered at Plymouth Regional Free Clinic 1997 - 2007
N H Registered Nurse License# 034589-21

Employment:

Jan 2009-19 Executive Director Bridge House Homeless Shelter

1989-2008 Patient advocate/evaluator/minor-op assistant general surgery office

1979-1987 Owner/developer Bodyworks Plymouth, NH
Planning and delivery full service health fitness for all ages
Researched/designed ongoing training for all instructors
Organized/designed all New England professional development workshop

1966-1973 St. Elizabeth's Hospital, Boston, MA – ICU
NE Deaconess, Boston, MA -ICU
South Coast Hospital; Laguna Beach, CA- M&S
Registered Nurse, Roosevelt Hospital School of Nursing, NYC

Accomplishments & Awards

2019 Initiated Permanent Supportive Housing for formally homeless Veterans 2010 - invited Harbor Homes to take on project 2016. Thirty units opens July 2019 serving Veterans & Veteran families.

2014 - 2019 Opened 2 thrift shops to support Bridge House Homeless Shelter

2012 New Hampshire Charitable Foundation Lakes Region Leadership Award

2012 Granite State Service Award

2009 Chamber of Commerce/ James C Hobart Award

2001 New England Patriots Community Champion Award – Co Recipient

1998 Rotary Citizen of the Year Award – Co Recipient

NH PEACE ACTION

2011 - Development team member since 1999
1999 - Facilitated ongoing partnership between NHPA and NH businessman Alex Ray

LICENSED NH FOSTER PARENT (CASA 2000 – 2002)

1975-2006
Additionally, sponsored refugees & families from Vietnam, Rwanda, Honduras

WORLD PEACE INITIATIVE

1992 - 2010 – Medical Volunteer Honduras, Iraq, Katrina, Haiti

Denise Castonguay

Objectives

My goal is to continue working with the at risk youth population and utilize my experience to bring stability and transitional consul to adults who find themselves without a safe place to live.

Education

June, 1969
Bristol Eastern High School
Bristol CT

September 1971
Manchester Technical School ,Manchester England

September 1994
Tunxis Community College

Training

August 2000- ongoing
Becket Family of Services Faculty Institute

February 2010- ongoing
Trauma Informed Care Best Practice Models

March 2012 - ongoing
ARC Training Certification and Instruction

March 2014- ongoing
Youth Thrive Catalytic- Bolster Collaborative

October 2015, 2016
Next Steps NH Transition Su
January 2017

Trauma Informed Supervision in an Academic Setting



May 2018

Affects of Substance Abuse on the Adolescent Brain and Development

Experience

2000 - 20014 - Culinary Arts Instructor- Food Service Director

**Mount Prospect Academy
350 Main Street
Plymouth ,NH 03264**

Development and implementation of a comprehensive culinary arts program with a focus on job readiness within the hospitality industry. Meeting the dietary needs of residents and students based on the Board of Education's nutritional guidelines and The Healthy Hungry Free Kids Act.

2014- present -Adult and Transitional Living Coordinator

**Mount Prospect Academy
350 Main Street
Plymouth NH 03264**

Implementing and expanding the adult living curriculum to meet or exceed the NH Department of Education's requirements as to measurable life skills, secondary school readiness, and realistic transitional planning for an independent life outside of residential care.

2015- present- Bridge House Weekend Manager

**The Bridge House Shelter
260 Highland Street
Plymouth NH 03264**

Supporting participants with their basic needs and providing assistance for a successful transition to independence. Development and supervision of weekly menus. Providing emergency intake when necessary.

JUDITH DRAKE TAUTENHAN

RELEVANT PROFESSIONAL EXPERIENCE

Veteran Service Coordinator/Networker

Boulder Point a 30 Apartment Veteran/Veteran Family for formerly "Rough Sleeping Vets" 1/2020 to Present

Grant Writing Assistant – THE BRIDGE HOUSE, Plymouth, NH

9/2019 to Present

- Advocacy for people experiencing homelessness with a unique priority for Veterans
- Assist the Executive Director in grant writing/fundraising
- Liaise directly with various organizations, businesses, staff, and individuals to meet the mission of Bridge House

Volunteer Supervisor – COURT APPOINTED SPECIAL ADVOCATES (CASA), Plymouth, NH

9/2009 to 7/2011

- Recruit, train, supervise and retain CASA volunteers
- Serve as a liaison between various agencies and the NH court system
- Work with staff and volunteers to promote agency growth and change through networking and fundraising

Assistant Project Manager – LUTHERAN SOCIAL SERVICES, Concord, NH

11/2007 to 8/2009

- Promptly respond to referrals from Case Managers
- Meet with consumers to assess their needs and create plan of care
- Responsible for 50+ consumers in helping them identify, hire and train
- Actively participate in community forums and agencies to provide quality services to consumers
- Assume Case Manager responsibilities to coordinate services to consumers to enable them to stay at home
- Complete yearly evaluations, provide supervision and Human Resources support for 80+ in-home workers

Employment Counselor - NH EMPLOYMENT SECURITY, Manchester, NH

6/2006 to 11/2007

- Evaluate customer characteristics to identify and overcome barriers to employment
- Administer and interpret interest and aptitude tests to assist in determining appropriate career goals
- Refer individuals to other supportive agencies and determine program eligibility
- Maintain accurate individual counseling records
- Proven placement record with 20+ customers per month becoming employed
- Researched and developed Diversity Training program for NH Employment Security staff
- Trained in use of specialized software to help clients become reemployed

CFS, RTC - FLORIDA MENTAL HEALTH INSTITUTE, University of South Florida, Tampa, FL

2003 to 2005

Coordinator-Information/Public Services (March 2004 to January 2005)

Responsible for the development, implementation and maintenance of tracking systems for knowledge dissemination activities, including:

- product design and publication
- marketing and grant support
- evaluation and data analysis
- technical reports, copyediting, & literature reviews

Coordinator-Education/Training Programs (March 2004 to January 2005)

- Worked with service providers in Spanish-speaking community to implement training program
- Assisted in the development of the curriculum/training module for implementation in local schools
- Designed and administered field tests on the curriculum and training materials

Assistant-Department of Communications (March 2003- March 2004)

- Coordinated research papers submitted & provided on-site support to coordinators at research conference
- Edited research conference proposals for grammar and conceptual clarity
- Procured missing documents for federal funding agency
- Independently handled a variety of issues and problems as they arose

Young Adult Specialist - HAVEN POE RUNAWAY CENTER, Tampa, FL

2000 to 2003

- Served as a positive role model for teens experiencing difficulties and resolved conflicts among clients
- Fulfilled the duties outlined by Dept. of Children's Services in the care and discipline of clients
- Tutored clients as necessary in math, reading, English, FCAT/SAT test preparation
- Served as a Spanish interpreter on an as needed basis

Team Leader - AMERICORPS/HILLSBOROUGH READS, Tampa, FL

1999 to 2000

TRAINING/CERTIFICATIONS/AWARDS

2017 Unsung Hero Parent Award, NH Children's Trust; The Health Insurance Portability and Accountability Act (HIPAA), Lutheran Social Services; Conflict Resolution, Thirteenth Judicial Circuit's Mediation/Diversion Services; Elderly Sensitivity Training, West Central Florida Area Agency on Aging, Inc.; Emergency Shelter Management, American Red Cross; Diversity Awareness, University of South Florida; Trainer, Project Re-Compute, Recycling Task Force of Hillsborough County; Recipient, Lingerfelt Business Ethics Award, (UT)

EDUCATION

Bachelor of Arts Degree in Sociology, The University of Tampa (UT); conferred 2003

SKILLS

Excellent computer skills; Internet research; highly organized and professional; freelance proofreading; conversational Spanish

Michael Doyle

Objective: With Housing First as a model I wish to continue assisting/serving the homeless population 110%. Learning, incorporating, following through with new skills/techniques to aide this population - supporting at a high level; mind, body, soul. I will put all my attention, passion, and efforts toward meeting the needs - with a smile.

**Education: 1998-2001 Bachelor in Science of Social Work (BSW)
Plymouth State College**

Internship- Plymouth Senior Center. Responsibilities: assisting the social worker in daily activities; coordinating/organizing health forum focusing on prevention & awareness & maintenance through the aging process, meals on wheels, life-line installations, daily socialization with seniors & disabled adult populations.

Experience: Bridge House Inc. 2000-present- Overnight House Supervisor/ Social Worker Case Management Responsibilities- documentation, outreach, guidance & referrals, 1 on 1 weekly meetings consisting of; services & programs, employment, housing, counseling, coping/life skills mentoring, organization /goal oriented, motivated, Overall instilling the desire to be as independent and as healthy as possible.

Overnight Supervisor Responsibilities- Secure participants safety and security within Bridge House property, medication supervision and distribution, encourage Bridge House rules & regulations, socialization and interaction with participants, emergency respondent, varying transportation needs, conflict resolution, documentation and reporting to team on a daily basis.

Hunter School: 2009-2013 Teacher Aide/ Houseparent/ Life skill teacher

Teacher Aide Responsibilities- Substitute teach, lesson plan coordination, supervision, mentoring, teaching 1 on 1, discipline, teaching coping skills & de-escalation techniques, furthermore assisting school administration with any need that may arise.

House parent Responsibilities- activity coordination, meal preparation, supervision, enforcement of house rules & guidelines, conflict resolution, transportation, coping skills, conflict resolution, daily socialization.

Life skills teacher- transportation, off campus activities, life skill development; bank accounts open & manage, grocery shopping, laundry, appropriate social functioning.

Friend's of Shorty Inc.

02/10/06-4/11/07-House Supervisor

Responsibilities- Physical Therapy, Occupational Therapy, Activity Coordination, Transportation, Home Care, Life Skills Development.

Recent trainings- Energetic Mindful educational practice, First Aid/CPR/AED, Therapeutic Restraint Training/CPI, Choice Therapy, Depression/Suicide, Recovery Coach training

Nancy J. Cole

Objectives

I have a strong desire to make people who are experiencing homelessness feel comfortable and safe. Making people feel wanted and a sense of community is my wish in the workplace.

Education

Stoughton High School, Stoughton, Mass.
New England Sinai Hospital (CAN certification)
Environmental Services Certification (Level1)

Experience

September 2007 - Present
Bridge House, Inc. 260 Highland Street Plymouth NH 03264
603-536-7631

September 2012 - 2014
Hunter School (Therapeutic Boarding School)
768 Dow Town Road Rumney NH 03266

Skills

- Motivational Interviewing
- CPR/AED certification
- JIRA certification (therapeutic restraint technique)
- Recovery Coach -2017
- Choice Theory/Reality Therapy
- Outreach with transitioned former homeless participants
- Writing progress notes, daily notes
- Conflict resolution



PATRICIA L. MURPHY

SUMMARY OF QUALIFICATIONS

- Significant experience with PC knowledge and skills; HMIS, Lexis-Nexis, Casemaker, Windows, NH LEADS, Excel and other various software programs;
- I have extremely strong interpersonal and organizational skills. I am excellent with people;
- Skilled and have a passion for deadline situations, I enjoy working in high volume environments, yet comfortable working both independently and as a member of an integral team.
- Excellent communication, research, and writing skills.
- Conscientious and thorough, with attention to detail.

RELEVANT EXPERIENCE

Bridge House- 260 Highland Street, Plymouth NH 03264

Case Advocate- November 1, 2015- through current

Nov 2015 to June 30 2016 ESG Administrator:

July 1, 2016 to present: Homeless Prevention/Rapid Rehousing Specialist.

"Getting Ahead in a Just Getting by World" co facilitator class with Marcia Morris.

Oct 2016 completely 40 hour Recovery Coach Training, Plymouth, NH.

Family Resource Center – 635 Main Street, Laconia NH 03246

Administrative assistant – May 1, 2010 –October 2015

Law Office of Gabriel Nizetic – 66 Highland Street, Plymouth NH 03264

Legal Assistant – June 2008 through March 2009

*(Laid off- Attorney Nizetic left the office to take a new position.)

Plymouth District Court – 26 Green Street, Plymouth NH 03264

Clerk II – January 2008 through June 2008

Plymouth Area Prosecutor's Office – 26 Green Street, Plymouth NH 03264

Administrative assistant - June 2004 through January 2008.

John J. McCormack, Law Office – Main Street, Ashland NH 03217

Paralegal- March 2003 through June 2004.

James N. Shepherd Law Offices- Main Street, Tilton NH 03276

Paralegal – January 1999 through March 2003

EDUCATION and TRAININGS

New Hampshire Technical College

Paralegal and Criminal Justice studies 1998-2002

- **Certified Paralegal.**

West Bridgewater High school, West Bridgewater, MA

Winnisquam Regional High school, Tilton, NH

Recovery Coach Academy Training-October 2016

Conference on Homelessness in NH-September 2016

Assisted in facilitating "Getting Ahead in a just getting by world"

Notarial training

Odyssey trainings

State government trainings

REFERENCES

Judge Edward M. Gordon –Franklin District Court 744-2139

Chief Christopher Warn-Campton PD 726-8874

Nicole Fortune-Fortune Law PLLC 998-4920

James N. Shepherd, Esq 286-3106

Holly J. Cormiea

Objective: To pursue a challenging career in a Social Service field.

Experience: 2003-Present Bridge House Inc. Plymouth, NH
Manager (July 1, 2005)

- * Participant Care Worker- July 03-05
- * Manage the daily operation of a 20 bed homeless shelter in Plymouth, NH.
- * Work with area social services, charities, mental health, law enforcement, landlords and employers.
- * Screen, admit and conduct intakes with incoming participants.
- * Deal with all aspects of plant operation, purchasing and maintenance.

1998-2005 Lakes Region Comm. Svcs. Council Plymouth, NH
Direct Support Provider

- * Develop day program activities.
- * Complete daily and monthly reports.
- * Participate in Individual Service Plans
- * Assist with Activities of Daily Living.
- * Consumer employment support.
- * Have worked in all areas LRCSC.

**Education,
Training and
Accomplishments**

- * Medication administration under HeM-1201
- * Reality Therapy & Choice Theory
- * Defensive Driving Course
- * Mental Health Education classes
- * HMIS- Homeless Management Information System
- * Outreach- with transitioned former participants & homeless community
- * CPR/AED certified
- * Writing Progress Notes & Quarterly Reports
- * Liaison between Medical Professionals & Clients
- * Community Integration
- * Rescue & Foster Dogs from High kill shelters
- * Wrote 501 (c) (3) for Rescue
- * Write grants for rescue
- * TCI trained

Reference's available upon request

CONTRACTOR NAME
The Bridge House

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Cathy Bentwood	Executive Director	\$90,000	33%	\$30,000
Holly Cormiea	Shelter Manager	\$45,760	50%	\$22,880
Mike Doyle	Participant Advocate	\$39,520	50%	\$19,760
Nancy Russell	Evening Staff	\$39,520	50%	\$19,760
Denise Castonguay	Sunday Double Shift	\$15,808	50%	\$7,902
Tricia Murphy	Homeless Outreach & Prevention Grafton County	\$39,520	50%	\$19,760
Judy Tautenhan	BH Outreach support to Boulder Point Veterans/Veteran Family Housing	\$12,480	0%	
			TOTAL	\$120,062

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Concord Coalition to End Homelessness ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2, Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$185,945
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. Scope of Services
 - 2.1. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case Management Services that include, but are not limited to:
 - 2.1.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.1.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.1.3. Assisting individuals and families with accessing emergency shelter.
 - 2.1.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.1.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.1.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
 - 2.2. The Contractor shall comply with program requirements that include, but are not limited to:

- 2.2.1. Following best practices for effective services that include:
 - 2.2.1.1. Providing rapid exit services; and
 - 2.2.1.2. Collecting data to measure performance.
- 2.2.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
- 2.2.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
- 2.2.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law.
- 2.2.5. Agreeing to on-site monitoring; on an annual basis, to review compliance, progress, and performance, which includes, but is not limited to:
 - 2.2.5.1. Reviewing policies and procedures for services provided.
 - 2.2.5.2. Reviewing financial analyses.
 - 2.2.5.3. Reviewing for compliance with safety and hazard requirements.
 - 2.2.5.4. Reviewing Data and HMIS entry standards.
- 2.3. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.4. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/22/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

Concord Coalition to End Homelessness

3/22/2021
Date

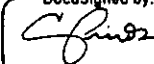
DocuSigned by:
ETten Groh
Name: ETten Groh
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

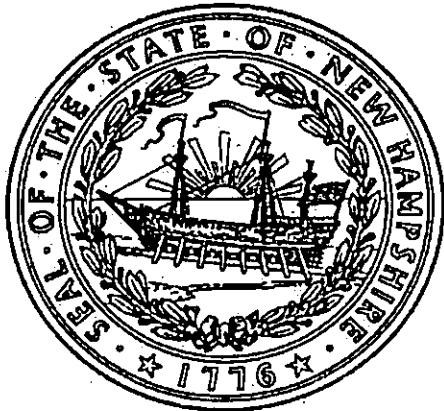
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CONCORD COALITION TO END HOMELESSNESS is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on June 27, 2008. 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: 598764

Certificate Number: 0005296145



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 17th day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

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Business Name	Business ID
Concord Coalition To End Homelessness	598764

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005053008	12/08/2020	12/08/2020	Nonprofit Report	2020
0004776547	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004199857	10/22/2018	10/22/2018	Amendment	N/A
0003188988	11/25/2015	11/25/2015	Annual Report	2015
0002605668	09/10/2010	09/10/2010	Annual Report	2010
0002605667	06/27/2008	06/27/2008	Business Formation	N/A

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NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, BENJAMIN FOLSON, hereby certify that
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Concord Coalition to End Homelessness.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on December 22, 2020 at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Ellen Groh (Name and Title of Contract Signatory) (may list more than one person)

is duly authorized on behalf of Concord Coalition to End Homelessness (Name of Corporation/ LLC) to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/22/21



Signature of Elected Officer

Name: BENJAMIN FOLSON

Title: BOARD CHAIR



TOEN000001

DBEAUDOIN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/25/2021

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 Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME:	
	PHONE (A/C, No, Ext): (603) 225-6611	FAX (A/C, No): (603) 225-7935
	E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Philadelphia Insurance Company	
	INSURER B: Granite State Health Care & Human Services Self Insured Group	
INSURED Concord Coalition to End Homelessness PO Box 3933 Concord, NH 03302		NAIC # 23850
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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2148595	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPROP AGG \$ 3,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE EACH OCCURRENCE \$ AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	HCHS20210000430	2/1/2021	2/1/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Workers Compensation Information
 3A State: NH
 Benjamin Folsom, Greg Lessard, and Jessica Wiley are excluded from coverage.

CERTIFICATE HOLDER State of NH - Department of Health & Human Services 129 Pleasant Street Concord, NH 03301	CANCELLATION 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

Concord Coalition to End Homelessness (CCEH)

Mission Statement

(adopted June 20, 2018)

Our Mission

The mission of CCEH is to end homelessness in the greater Concord community.

We do this by working with our community to:

- Eliminate chronic homelessness;
- Support and quickly re-house people who have recently become homeless; and,
- Build a system that effectively responds to the diverse needs of people experiencing homelessness.

Our Core Beliefs - *We believe that..*

- Every person has value and deserves a home regardless of their circumstances.
- Ending homelessness is possible!
- Ending homelessness and maintaining a strong safety net benefit the entire community.
- We cannot do this alone. We must work in partnership with others.

Our Strategies - *At CCEH we use three core strategies to advance our mission.*

We...

- 1. Speak up!** We elevate the voices and concerns of people who are experiencing, or are at risk of, homelessness and advocate for a community where everyone has a home.
- 2. Provide housing, supports and services for people who are homeless or at risk of homelessness.** We work directly with people who are homeless or at risk of homelessness. We address their immediate needs and focus on increasing their access to permanent housing.
- 3. Play a leadership role in creating a robust homeless response system.** We spearhead efforts to bring people together to address gaps in services and housing, and create the system we need to truly end homelessness.

**CONCORD COALITION
TO END HOMELESSNESS**

**FINANCIAL STATEMENTS &
INDEPENDENT ACCOUNTANTS'
REVIEW REPORT**

**FOR THE YEARS ENDED
JUNE 30, 2019 AND 2018**

CONCORD COALITION TO END HOMELESSNESS

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Hennessey & Vallee, PLLC

Certified Public Accountants



INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
Concord Coalition to End Homelessness
Bow, New Hampshire

We have reviewed the accompanying financial statements of Concord Coalition to End Homelessness (a New Hampshire nonprofit organization), which comprise the statement of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Hennessey & Vallee, PLLC
Concord, New Hampshire

March 17, 2020

CONCORD COALITION TO END HOMELESSNESS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	2019	2018
ASSETS		
Current Assets		
Cash	\$ 268,469	\$ 270,962
Accounts receivable	7,323	4,092
Campaign pledges receivable, current	53,368	73,785
Prepaid expenses	6,024	8,216
Total current assets	<u>335,184</u>	<u>357,055</u>
Restricted Deposits		
Operating reserve	48,375	-
Total restricted deposits	<u>48,375</u>	<u>-</u>
Property and Equipment		
Buildings and improvements	742,863	603,741
Furniture and equipment	7,080	4,500
Total property and equipment	749,943	608,241
Less: accumulated depreciation	<u>(23,060)</u>	<u>(2,943)</u>
Property and equipment- net	<u>726,883</u>	<u>605,298</u>
Other Assets		
Campaign pledges receivable, long-term	4,609	36,000
Less: time value discount	<u>(1,524)</u>	<u>(3,618)</u>
Total other assets	<u>3,085</u>	<u>32,382</u>
TOTAL ASSETS	<u>\$ 1,113,527</u>	<u>\$ 994,735</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 2,686	\$ 9,596
Accrued expenses	14,404	3,036
Deferred revenue	18,157	-
Current portion of long term debt	-	14,111
Total current liabilities	<u>35,247</u>	<u>26,743</u>
Long Term Liabilities		
Note payable - property	-	199,000
Note payable - NHHFA	250,000	-
Loan payable - MCSB	-	86,920
Total long term liabilities	<u>250,000</u>	<u>285,920</u>
Net Assets		
Without donor restrictions	808,280	661,182
With donor restrictions	20,000	20,890
Total net assets	<u>828,280</u>	<u>682,072</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,113,527</u>	<u>\$ 994,735</u>

See accompanying notes and independent accountants' review report.

CONCORD COALITION TO END HOMELESSNESS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
(With summarized financial information for the year ended June 30, 2018)

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
REVENUE AND SUPPORT				
Government grants	\$ 75,000	\$ -	\$ 75,000	\$ 75,000
Contributions	403,412	-	403,412	663,599
Events	64,454	-	64,454	76,133
In-kind goods	5,000	-	5,000	-
In-kind services	2,126	-	2,126	2,277
Other revenue	5,959	-	5,959	1,891
Total revenue and support	<u>555,951</u>	<u>-</u>	<u>555,951</u>	<u>818,900</u>
Net assets released from restrictions	890	(890)	-	-
EXPENSES				
Program expenses	358,406	-	358,406	305,585
Management and general	23,682	-	23,682	20,448
Fundraising	27,655	-	27,655	28,030
Total expenses	<u>409,743</u>	<u>-</u>	<u>409,743</u>	<u>354,062</u>
CHANGE IN NET ASSETS	147,098	(890)	146,208	464,838
NET ASSETS - Beginning of the Year	<u>661,182</u>	<u>20,890</u>	<u>682,072</u>	<u>217,234</u>
NET ASSETS - End of the Year	<u>\$ 808,280</u>	<u>\$ 20,000</u>	<u>\$ 828,280</u>	<u>\$ 682,072</u>

See accompanying notes and independent accountants' review report.

CONCORD COALITION TO END HOMELESSNESS
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

(With summarized information for the year ended June 30, 2018)

	Program Services	General and Administrative	Fund Raising	2019 Total	2018 Total
WAGES AND RELATED					
Salaries and wages	\$ 169,800	\$ 11,447	\$ 9,539	\$ 190,787	\$ 166,479
Employee benefits	33,544	2,261	1,885	37,690	10,661
Payroll taxes	12,588	849	707	14,144	12,584
Total wages and related	<u>215,933</u>	<u>14,557</u>	<u>12,131</u>	<u>242,621</u>	<u>189,724</u>
OTHER EXPENSES					
Other program expenses	54,539	3,677	3,064	61,280	49,331
Occupancy expense	19,988	1,347	1,123	22,458	48,765
Depreciation	17,904	1,207	1,006	20,117	643
Accounting fee	12,120	817	681	13,618	12,886
Office expenses	9,874	666	555	11,094	6,045
Insurance	9,273	625	521	10,419	7,646
Food	-	-	5,533	5,533	7,345
In-kind goods	5,000	-	-	5,000	-
Telephone and internet	4,246	286	239	4,771	3,899
Supplies	-	-	2,387	2,387	3,645
Payroll service charge	1,928	130	108	2,166	1,726
In-kind accounting services	2,126	-	-	2,126	2,277
Travel	1,834	124	103	2,061	1,286
Client aid housing	845	57	47	949	1,191
Dues and subscriptions	785	53	44	882	189
Professional development	654	44	37	735	2,433
Credit card processing	471	32	26	529	511
Volunteer appreciation	338	23	19	380	134
Other	300	20	17	337	76
Professional fees	249	17	14	280	14,310
Total other expenses	<u>142,474</u>	<u>9,125</u>	<u>15,524</u>	<u>167,122</u>	<u>164,338</u>
TOTAL EXPENSES	<u>\$ 358,406</u>	<u>\$ 23,682</u>	<u>\$ 27,655</u>	<u>\$ 409,743</u>	<u>\$ 354,062</u>

See accompanying notes and independent accountants' review report.

**CONCORD COALITION TO END HOMELESSNESS
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019**

(With summarized financial information for the year ended June 30, 2018)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 146,208	\$ 464,838
Depreciation	20,117	643
Realized loss (gain) on investments	(375)	-
Present value deduction	(2,094)	2,272
(Increase) decrease in assets:		
Accounts receivable	(3,231)	(4,092)
Campaign pledges receivable	51,808	(73,640)
Prepaid expenses	2,192	(4,409)
Increase (decrease) in liabilities:		
Accounts payable	(6,910)	8,143
Accrued expenses	11,368	365
Deferred revenue	18,157	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>237,240</u>	<u>394,120</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Transfer to investments	(48,000)	-
Construction of building	(141,702)	(586,553)
NET CASH USED BY INVESTING ACTIVITIES	<u>(189,702)</u>	<u>(586,553)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	(300,031)	-
Proceeds from long term debt	250,000	300,031
NET CASH (USED) PROVIDED BY FINANCING ACTIVITIES	<u>(50,031)</u>	<u>300,031</u>
INCREASE (DECREASE) IN CASH	(2,493)	107,598
CASH - Beginning of the Year	<u>270,962</u>	<u>163,364</u>
CASH - End of the Year	<u>\$ 268,469</u>	<u>\$ 270,962</u>

See accompanying notes and independent accountants' review report.

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE A - NATURE OF BUSINESS

Concord Coalition to End Homelessness (“the Coalition”) is a nonprofit organization incorporated under the laws of New Hampshire. The purpose of the Coalition is to end homelessness in the greater Concord area through collaboration with other agencies and by providing direct service programs. The Coalition operates three direct service programs.

The first is a daytime Resource Center where people experiencing homelessness can meet their immediate needs, including free use of shower and laundry facilities, receipt of mail, phone and internet access, and assistance from a caseworker to connect with other mainstream resources.

The second program is Housing First Concord, a permanent supportive housing program for chronically homeless individuals, which provides rental assistance and intensive caseworker support.

The third program is an Emergency Winter Shelter, which operates December through March each year. The shelter is a “low barrier” shelter that serves adults, including those with active addictions and felony convictions, so that those in need can sleep inside during dangerously cold winter months. The shelter serves adults only, both men and women, and has 40 beds. The Coalition is also the lead agency to convene the Steering Committee for Concord’s Plan to End Homelessness, and the Homeless Service Provider Network, for information sharing and collaboration on efforts to end homelessness.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Coalition are prepared in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board (FASB). References to U.S. Generally Accepted Accounting Principles (GAAP) in these footnotes are to the FASB Accounting Standards Codification.

The financial statements of the Coalition are prepared using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

Financial statement presentation follows generally accepted accounting principles for nonprofit organizations which require that resources be classified for accounting and reporting purposes in accordance with donor-imposed restrictions. Net assets are presented as follows:

Net assets without donor restrictions – Includes both undesignated and designated net assets, which are revenues not restricted by outside sources and revenues designated by the Board of Directors for special purposes and their related expenses.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations. At June 30, 2019 and 2018, net assets with donor restrictions were \$20,000 and \$20,890, respectively.

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Coalition considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Promises Receivable

The Coalition has received promises of future payments which are on the financials as pledges receivable. The contributions are recorded as temporarily restricted revenue at the time pledges are made. At year-end the balance is adjusted to reflect the actual amount of pledges anticipated to be received. Pledges receivable at June 30, 2019 and 2018 were \$57,977 and \$109,785, respectively.

Pledges are expected to be realized in the following periods:

	<u>2019</u>	<u>2018</u>
In one year or less	\$ 53,368	\$ 73,785
Between one year and five years	<u>4,609</u>	<u>36,000</u>
	57,977	109,785
Present value discount	<u>(1,524)</u>	<u>(3,618)</u>
Total	<u>\$ 56,453</u>	<u>\$ 106,167</u>

Fair Value of Financial Instruments

Accounting Standard Codification No. 825, "Financial Instruments", requires the Coalition to disclose estimated fair values for its financial instruments. The carrying amounts of cash, accounts receivable, prepaid expenses, accounts payable, and accrued expenses approximate fair value because of the short maturity of those instruments.

Property and Equipment

Property and equipment are carried at cost. Maintenance, repairs and minor renewals are expensed as incurred, and renewals and betterments are capitalized. Depreciation is computed using the straight-line method to absorb the costs over the estimated useful lives of the assets as follows:

Building and improvements	39
Equipment	5 - 10

Depreciation expense for the years ended June 30, 2019 and 2018, was \$20,117 and \$643, respectively.

Revenue Recognition

The Coalition is supported primarily through donor contributions. Promises to give that are expected to be collected in future years are measured at fair value using the present value of their estimated future cash flows. When a restriction expires (a time restriction ends or a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restriction.

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions

All contributions are considered available for unrestricted use unless specifically restricted by the donor and accepted as such by the Coalition with written documentation of the restrictions. Amounts received that are restricted for future periods or for specific purposes are reported as temporarily restricted and permanently restricted support, depending on the nature of the restriction.

Functional Expenses

The cost of providing the various programs has been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on an estimate of time.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported periods. Actual results could differ from those estimates.

Income Taxes

The Internal Revenue Service has determined that the Coalition is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Coalition complies with the *Accounting for Uncertainty in Income Taxes* standard. Accordingly, management has evaluated its tax positions and has concluded that the Coalition has maintained its tax-exempt status, has fully disclosed its unrelated business income and has taken no uncertain tax positions that require adjustment or disclosure in its financial statements. With few exceptions, the Coalition is no longer subject to income tax examinations by the U.S. Federal or State tax authorities for years before 2015.

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019 AND 2018

NOTE C – CAPITAL CAMPAIGN – Safe Spaces

Safe Spaces I

The Coalition received pledges and donations towards a three-year campaign, Safe Spaces, whose goal was to raise sufficient funds to purchase property, build the shelter accessory building, and operate all programs for three years. Funds include grants, fundraising events, private donations and pledges, and contributions through the New Hampshire Community Development Finance Authority (CDFA) and the New Hampshire Housing Finance Authority (NHHFA). The Coalition completed construction of the Emergency Winter Shelter in December 2018, and began operating at its new location on December 17, 2018, with a capacity to serve up to 40 homeless individuals per night throughout the winter. The Coalition closed on the permanent financing from New Hampshire Housing Finance Authority (NHHFA) on December 19, 2018, and paid off the construction loan provided by Merrimack County Savings Bank. The total project was approximately \$766,400 and was financed by \$345,000 from contributions through the Community Development Finance Authority (after CDFFA fees), \$250,000 from a deferred payment, 0% interest, forgivable loan from NH HFA, and \$171,400 from private donations to CCEH.

Safe Spaces II

In November 2019, the Coalition launched another major fundraising campaign – Safe Spaces II: The Next Step. With pledges and donations from this campaign, the Coalition aims to purchase and renovate a building downtown into four apartments, providing safe and supported homes to people who have lived in shelters, cars and the woods. The campaign will also help the Coalition keep its essential programs operating for another three years, and provide seed money for future projects. The Coalition's goal is to raise \$2.25 million.

NOTE D – RESTRICTED CASH

The following cash balances are restricted for the following purposes:

	2019	2018
Operating Reserve for Winter Shelter – Federated Treasury Obligations Fund	\$ 48,375	\$ -

NOTE E - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2019 and 2018 consisted of the following:

	2019	2018
Direct aid to clients	\$ -	\$ 890
2019 costs	-	20,000
2020 costs	20,000	-
Total	\$ 20,000	\$ 20,890

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2019 AND 2018

NOTE F - CONCENTRATION OF CREDIT RISK

The Coalition maintains cash balances at a financial institution located in New Hampshire. Balances at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2019 the Coalition's cash balances were fully insured. The Coalition believes it is not exposed to any significant risk on cash and cash equivalents.

NOTE G - DONATED GOODS AND SERVICES

Community members volunteer their time and efforts to the Coalition to further the mission to end homelessness. Volunteer support received by the Coalition includes in-kind administrative and technical support, and hundreds of hours of volunteer support on fundraising events. Donated services are reported at their fair value as contributions in the financial statements if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Coalition. The value of this time and effort, while significant and necessary, are not specialized services and do not meet the criteria for recognition under generally accepted accounting principles.

The value of donated goods, record as in-kind, are included in the Statement of Activities with the corresponding program expense. For the year ended June 30, 2019, the estimated value of donated goods was estimated at \$5000.

NOTE H - NOTES AND LOANS PAYABLE

The Coalition had the following notes payable as of June 30, 2019 and 2018:

	2019	2018
Note payable to Thomsonburger Ventures, LLC with zero interest. Payment in full is due on or before August 24, 2019. The loan is secured by real estate at 238-240 North Main Street, Concord, NH.	\$ -	\$ 199,000
Construction loan payable to Merrimack County Savings Bank at a rate of 4.25%. Monthly payments of interest only are due through August, 2021. This loan is secured by real estate at 238-240 North Main Street, Concord, NH.	-	86,920
Loan payable to New Hampshire Housing Finance Authority not subject to interest or principal amortization, and will be forgiven in 2028, provided that the property is used as a temporary shelter to the homeless.	<u>250,000</u>	<u>14,111</u>
	250,000	300,031
Less: amounts due within one year	<u>-</u>	<u>(14,111)</u>
Long term debt	<u>\$ 250,000</u>	<u>\$ 285,920</u>

CONCORD COALITION TO END HOMELESSNESS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE I - SUBSEQUENT EVENTS

The Coalition has evaluated events through March 17, 2020, the date the financial statements were available to be issued. Management has determined that there were no material subsequent events that require disclosure.

CONCORD COALITION TO END HOMELESSNESS
BOARD OF DIRECTORS ROSTER
 Last Updated: March 19, 2021

Board Member Names & Roles	Start Date
Benjamin Folsom, Chair (Attorney, McLane Middleton)	9/2017
Michael Leuchtenberger, Immediate Past Chair (Minister, Unitarian Universalist Church in Concord)	6/2013
Greg Lessard, Vice Chair (Director of Development, Concord Food Co-op)	10/2017
Kaitlyn (Kait) Gallagher, Secretary (Sr. Community Partnerships & Development Specialist, Cambridge Trust)	1/2019
Rob Kleiner, Treasurer (Quality Auditing Manager, Delta Dental)	01/2021
Michael LaFontaine, Member at Large (Retired)	1/2016
Dominic Geffken (Program Director, NH Dartmouth Family Medicine Residency, Concord Hospital)	9/2015
Tim McLaughlin (Attorney, Shaheen & Gordon, P.A.)	3/2018
Beth Mulleavey (Residential Loan Officer, St. Mary's Bank)	11/2018
Michael Tyrance (Concerned Citizen)	4/2019
Cathy Battistelli (Retired, Deputy Chief Probation Officer U.S. District Court N.H.)	4/2019
Meghan Farrell (Communications Director, Community Catalyst)	02/2020
Cheryl Meachen (Ordained Elder, NE Conference, United Methodist Church)	01/2021

Board Affiliated Roles

Ellen Groh, Executive Director,
 Mark Fagan, Chief Operating Officer
 Ellen Fries, Community Relations Coordinator

Ellen G. Groh

EDUCATION

Master of Public Health, Harvard University School of Public Health, Boston, MA 2002
(G.P.A. 3.95)

J.D. with High Honors, University of North Carolina at Chapel Hill School of Law, Chapel Hill, NC 1990 (Class Rank: 14/231; Top 7%)

B.S. Elementary Education, State University of New York, Oswego NY 1983 (Valedictorian; , G.P.A. 3.9)

EXPERIENCE

Executive Director, Concord Coalition to End Homelessness (CCEH), Concord NH, 2/2014- present

Overseeing and managing all aspects of the Coalition, and supervision of CCEH programs, including Resource Center, Housing First Concord, and the Emergency Winter Shelter.

Serving as lead agency to facilitate the implementation of Concord's Plan to End Homelessness; convening executive level Steering Committee, key provider agencies, and other stakeholders to attain the goals set out in the Plan. Coordinating education, outreach and communication activities with the broader community. Developing and implementing measurement systems to assess CCEH effectiveness with regard to mission and goals, and identifying opportunities for improvement. Engaging in fundraising and grant writing to support CCEH. In November 2018, completed successful development of a new facility for an Emergency Winter Shelter, including grant writing, private donation campaign, and overall responsibility for construction process.

Coordinator, Healthy Eating Active Living (HEAL) Initiative, Manchester NH Health Department, 8/2011-12/2012

Took primary responsibility of two grant-funded initiatives to foster healthier lifestyles through policy and environmental change in Manchester's poorest inner city neighborhoods. Engaged and collaborated with residents, other city departments, and non-profit partners in design, implementation and evaluation of the grant initiatives.

1. Increased access to healthy food by designing and implementing a *Healthy Corner Store* pilot program, where store owners agreed to carry and promote healthier food options, and received incentives for participation (e.g., repairs, shelving, promotions).
 - Designed and implemented components of program
 - Recruited store owners to participate and created strong working relationships
 - Conducted outreach to residents
 - Evaluated program impact through surveys, sales tracking and interviews
2. Increased opportunities for physical activity through initiative to improve the "built environment." Analyzed a *walkability audit* for potential improvements; conducted outreach to engage residents in choosing a project; collaborated with city agencies and HEAL Committee to finalize project plans to upgrade a city park and basketball court.
3. Developed on-line "Neighborhood Profiles" to encourage and enable residents, non-profits and city agencies to engage in community initiatives. Compiled indicators of social determinants of health (e.g., poverty levels, educational levels) and resources (e.g., community gardens, bus route access) for each census tract in Manchester.

Founding Board Member and Treasurer of nonprofit *Souhegan Valley Transportation Collaborative (SVTC)*(*Souheganvalleyrides.org*), Milford area, NH, 2005-2011

Actively led SVTC to create an affordable ride service that takes residents of Amherst, Milford, Brookline and Hollis, NH to medical appointments in Nashua, and to five different grocery shopping locations, social service offices, municipal offices and senior activity centers.

- Identified the need for an affordable, door-to-door, wheelchair-accessible ride service for non-emergency medical appointments and other essential activities to enable people to continue to live independently in this semi-rural geographic area.
- Successfully solicited private donations for a pilot project.
- Negotiated with transportation provider and launched the service in 2008.
- Collaborated with four Boards of Selectmen, local agencies, and citizens groups to build support and to obtain local government funding for the service.
- Worked with Nashua Regional Planning Commission on further strategic planning, and successfully obtained Federal funding to expand the service from three days to five days a week, and add additional destinations.
- As of March 2013, SVTC has provided 9,645 rides to residents who can remain independent in their own homes.

Partner, *Women's Health Educational Consultants (WHEC)*. Chapel Hill, NC, 1995-1999

Managed and delivered direct services in this innovative consultancy that teaches health-care providers how to empower their women patients, using a holistic approach. Instructed hundreds of students at four North Carolina medical and nursing schools in the proper techniques for performing pelvic and breast examinations, and taught respectful, sensitive, communication skills. This training and feedback has promoted physical and psychological comfort for patients, and a respectful partnership between thousands of patients and their practitioners.

Trainer / Coordinator *Legacy Center / Lifespring Trainings*, Raleigh area, NC, 1995-1999

Coordinated enrollment in goal-oriented trainings on leadership development and personal empowerment. Served as a mentor/coach for adult participants, facilitated evening workshops, and coordinated volunteers in organizing training workshops.

Ropes Course Facilitator, Cary Parks and Recreation, Cary, NC, 1997-1999

Facilitated groups in outdoor challenge courses designed to build teamwork skills and encourage personal risk.

Development Specialist, *United Equities/Mills Construction Company*, Raleigh, NC, 1997-1999

Created and negotiated financing packages for affordable multifamily rental housing for low-income families using government loan programs, conventional financing, and equity under the Low Income Housing Tax Credit program.

Housing Production Officer, *North Carolina Housing Finance Agency*, Raleigh, NC, 1994-97

Facilitated affordable rental housing development for low-income people in state-wide agency. Negotiated among private and public lenders and developers to craft complex financial packages including construction and permanent financing, operating. Developed funding policies, including application requirements and performance criteria.

Attorney, Pamlico Sound Legal Services, Greenville, NC, 1991-94

Represented low-income clients in civil matters. Areas of concentration included subsidized housing, unemployment benefits, and community economic development.

Mediator, Mediation Center of Pitt County, Greenville, NC, 1992-1994

Mediated a wide range of disputes between individuals, some referred from the court system.

Teacher, Carolina Friends School, Durham, NC, 1986-1987

Team-taught in a multi-age classroom of second-to-fourth graders.

Personal

Married, two children. Interests: Kundalini Yoga (certified instructor), outdoors sports (National Outdoor Leadership School training, Kenya, Africa.)

Julie Ann Green
julie@concordhomeless.org

Objective:

To support children/adolescent/adults/families in need and advocate what is in the best interest of the individual and their family while utilizing the skills of mental health counseling.

Education:

New England College
Master of Science
Mental Health Counseling
May 2016

Henniker, NH
2014- 2016

New England College
Bachelor of Arts in Education Studies
Bachelor of Arts in Sociology
Minor: Social Work
May 2007

Henniker, NH
2003 - 2007

Hopkinton High School
Educational Studies

Hopkinton, NH
1999 - 2003

Work Experience:

Concord Coalition to End Homelessness
Clinical Director of Case Management

Concord, NH
June 2020- Present

- The Clinical Director of Case Management is responsible for managing and directing the case management services in three programs of CCEH: the Concord Homeless Resource Center (RC); Housing First Concord (HF); and the upcoming Green Street Apartments permanent supportive housing program. This position is responsible for setting the overall tone of each of these programs, ensuring adherence to program policies, providing support and oversight to case management staff, and providing clinical case management services to Green Street Apt residents and as needed, for other CCEH programs. The Clinical Director of Case Management also serves as the public face of CCEH's case management services.

Assistant Clinical Director

June 2018- 2020

- Provide case management to homeless individuals on a walk-in basis. Work as part of team with staff from to assist people struggling with

Julie Ann Green
julie@concordhomeless.org

homelessness. Working as part of team, including CCEH's Housing First Concord program and Winter Shelter program. Assist guests in gathering necessary documentation and connecting with available resources, employment and housing placements as appropriate. Identifying chronically homeless individuals for referral to housing programs. Assisting clients to identify their own networks of support and divert from entry into shelter as appropriate.

Second Start
Student Assistance Program Counselor

Concord, NH
2016-2018

- SAP services include universal, selective, and indicated prevention interventions. These include and are not limited to education and support, identification, assessment, early intervention, crisis intervention, and referral services for students and their families. The program is available to all students, but particularly targets those who are beginning to exhibit behavioral and academic problems, have experienced substance misuse within the family, or who show signs of stress that could result in substance abuse or other self-destructive behaviors.

Cypress Center
Clinical Mental Health Intern

Manchester, NH
2015-2016

- Clinical Mental Health Graduate level internship which encompassed of over 700 hours, a year long internship. Responsibilities included individual and group counseling/crisis stabilization interventions in a milieu setting. Leader of psychoeducational groups for development of coping skills and management of symptoms. The knowledge and use of connecting patients with available community resources in aftercare planning, conducting the occasional family meeting with patients and loved ones prior to discharge. As well as providing resources on symptom management and evidence-based practices in treating patients with acute mental illness and co-occurring disorders; all while working with a multi-disciplinary team to effectively care for client/unit needs and tasks.

Spaulding Youth Center
Admissions Coordinator

Northfield, NH
2012-2015

- Working directly with the Director of Admissions and the clinical intake team to facilitate the admission of students into Spaulding's academic day, residential and community based (ISO/CHS) programs. This process includes recruiting students by developing and maintaining referral sources; and working with referring professionals, families, and students in the admission process to assess goodness of fit. Responsibilities included tours of campus; reviewing clinical paperwork and conducting clinical/family interviews, completing necessary documentation.

Julie Ann Green
julie@concordhomeless.org

Attending marketing and conference events throughout the State of NH also included. Providing additional support to the ISO, Community Based Program team as deemed fit and appropriate (Acted as Case Manager on the first school based referral for ISO In Home Supports 6/2014-12/2014).

Child and Family Services of New Hampshire
Individual Case Worker

Concord, NH
2008-2012

- Working with court appointed youth and other clients in the Therapeutic Day Treatment Program. Coordinate and deliver direct service programs for clients that promote and reinforce healthy lifestyle choices, coordinate and plan specific groups targeting issues such as drugs and alcohol, anger management, life skills and others. Prepare reports in a timely manner; develop and facilitate treatment team meetings, facilitate therapeutic groups, and incorporate families in each treatment plan. Work together with the Juvenile Probation Officer, families, and other outside agencies. Work close with clients, families, and other providers in regards to discharge planning to ensure that when clients transition to the community they have all the appropriate supports and resources to continue being successful.

ISO Case Manager- Permanency Solutions Program

- Working with court appointed youth, DCYF, biological and foster care families. Coordinate and delivery of direct service programs for clients and their families to encourage healthy lifestyles. Providing a high-intensity program that is specially designed to serve the identified client and their family. Delivering a variety of therapeutic, social and community-based services to help create a safe, stable and positive home environment for each child; through established goals and objectives. Working together as a team with all service providers and referral agencies. In addition, provided 24-7 On Call Services to individuals on case load, weekly, and additional ISO cases during the week-end on call rotation. Completion of psychosocial assessments, treatment plans, and additional documentation. Preparation and participation in DCYF/JJS audits on a routine basis or as needed.

YWCA of Manchester
Prevention Specialist

Manchester, NH
2007-2008

- Coordinate gender-specific direct service programs for girls that promote and reinforce healthy lifestyle choices throughout middle childhood and adolescents; design written materials and quarterly family education forums to engage parents of YWCA site-based program participants in understanding gender-specific health risks related to early ATOD; and in working in partnership with the YWCA.

Program Coordinator of the Girls' Program Center

2007-2008

Julie Ann Green
julie@concordhomeless.org

- Coordinate school age child care programs for after school care, vacation camps, summer camps including staff supervision and development (hiring, training, supervising both staff and volunteers), program development and implementation, budget management and community networking. Prepare grant reports as required by grantors. Maintain program records and statistics sufficient to meet the needs of the program and the program funders. Develop and maintain relationships with school districts, community partners and parents.

Antrim Girls Shelter
Residential Counselor/Charge Staff /Recovery

Antrim, NH
2005 - 2007

- Responsible for ensuring the day to day emotional and physical safety of each resident and treatment within our short term facility. Plan and coordinate all activities during the shift; supervise all residential counselors (assist in training and overseeing of staff duties). Charge staff is crucial in assisting Team Facilitator and Program Manager in ensuring the coherence and integrity of our program. Supervised 4-6 additional staff during shifts and provided feedback as appropriate. Acted and participated as the Boy Scout Leader for the Antrim Girls Shelter during the time that program was offered to the girls in placement. Supported and provided additional support to the awake overnight staff as needed or covered when awake overnight staff could not fulfill their regular scheduled shift.

Community Bridges
In Home Support/Respite Provider

Bow, NH
2004 - 2007

- Working with disabled and autistic individuals; in their home and community setting, teaching life skills, support educational plan and providing support to both the individual and their families. Worked closely with individual clients and their other clinical providers by helping develop short term and long term goals. Coordinated with families and outside services to provide the least restrictive environment for each client.

Related Educational Activities:

- Tutor for students at Hopkinton Middle and High School.
- T.E.A.C.H. (Taking Education Across Children's Horizons).
- Community Bridges; Respite Family Support.
- New student Orientation Leader for New England College.
- Antrim Girls Shelter; Residential Counselor/Charge Staff/Recovery
- Phi Theta Kappa National Honor Society

LISA ROWLEY

Summary

Dedicated seasoned Resident Advisor knowledgeable about community standards, safety requirements and emergency response protocols. Highly energetic, goal-oriented and diligent in planning and de-escalating conflicts. Seeking a dynamic, growth-oriented position on a progressive campus.

Familiar with following security standards, advocating for community resources and utilizing relationship-focused approaches to maximize satisfaction. Personable, amiable and open communication style paired with excellent interpersonal, critical thinking and problem-solving skills. Capable of accurately and efficiently updating logs and reports.

Versatile candidate bringing valuable experience for industry-related organizations. Possessing uncompromising work ethic, time management, organization and prioritizing qualities.

Skills

- Crisis intervention
- Conflict resolution
- Policy and procedure improvements
- Technologies Integration
- Leadership skills
- Flexible
- Interpersonal communications
- Assessments
- Job readiness training
- Problem-solving
- Clear public speaking skills
- Employment plan development
- Record-keeper
- Excellent reading comprehension
- Positive atmosphere promotion
- Community resource intelligence
- Regulatory compliance
- Compassionate
- Relationship building
- Data entry
- Professional demeanor
- Program coordination
- Opportunities identification
- Organization and efficiency

Experience

Direct Support Professional

10/2010 to Current

Lakes Region Community Services

Laconia, NH

- Worked with multidisciplinary healthcare team to provide comprehensive mental, physical and emotional support to diverse population of clients
- Maintained contact within the community to locate and provided needed and potential resources when clients were in need of housing
- Enhanced clients wellbeing by supporting participation in recreational activities, and assisted with promoting job growth and employment opportunities
- Helped clients adjust routines and thrive in structured environments
- Worked to improve client outlook and daily living through compassionate care, and connecting them with appropriate resources available in their communities
- Completed data entries in charts and log books to document clients progress with accuracy
- Assisted disabled individuals to foster independence while still closely monitoring safety at all times
- Developed strong and trusting rapport with each client to facilitate best possible care and assistance
- Maintained professionalism in emergency situations, assisting staff members in corrective actions and monitoring patients
- Recorded and closely monitored clients behaviors and progress to effectively identify changes needing attention
- Maintained calendar of social, recreational and educational events to enhance client services

Resident Advisor

01/2007 to 09/2009

Northern Human Services

Conway, NH

- Fostered relationships with residents, and worked with new residents to optimize acclimation and ease transition to new living environment
- Counseled and assisted transition for residents to be able to live independently . Liaison between residents and community programs and organizations
- Conducted rounds of rooms and the building to check on compliance and safety issues
- Developed and deepened relationships with residents and fellow staff
- Conducted weekly meetings with directors and assessed and advocated resident needs; recommended solutions and strategies to improve resident care and satisfaction
- Completed daily resident welfare checks and coordinated with facility staff to ensure resident needs were met
- Helped residents living with mental health disorders and parolees with personal needs
- Responded to crisis situations in a speedy, knowledgeable and level-headed manner
- Interfaced with residents to address and resolve complaints or grievances
- Led campus tours, new resident orientation and ongoing educational sessions
- Provided feedback on individual actions, behaviors and verbal responses
- Compiled and produced documents , reports, and filed, copied or faxed required papers to appropriate parties
- Translated operational directives into program road maps
- Managed and controlled office supply inventory to ensure timely ordering or requisition of depleted or low-level stock
- Provided continuous evaluation of program operations as compared with established mission and set parameters

Education and Training

Associate of Science: Paralegal

New Hampshire Career Institute

Concord, NH

- Summa cum lauded graduate
- Ranked in Top 2 % of class
- 3.9 GPA




Two Semesters In Human Services

Lakes Region Community College

Laconia, NH

- President of C.A.R.E program

Mark Fagan

Address 
Phone 
Email 

Finance executive with 35 years of experience in the telecommunications , energy, and other service industries . Throughout my career, I have been highly adaptive and flexible in successfully taking on new responsibilities. Transitioned seamlessly from public accounting (20 years as a Big 4 partner) to a corporate organization where I enabled meaningful positive change. Recently joined a Concord New Hampshire Not for Profit organization focused on addressing and ending homelessness in the city. Excellent communicator with senior executives, Boards, and other stakeholders.

Career highlights to date

- Big 4 Partner leading large multinational teams executing multi-year consulting engagements for complex organizations with revenues ranging from \$100 million to \$25 billion. Engagement teams included up to 50 members of accounting, IT, Tax, M&A, and advisory professionals.
- Hands on manager of financial due diligence and merger transition projects, publication of industry analyses and papers, rate case testimony, and development of financial projections for evaluation of new investments.
- Successful advocate in supporting client positions before regulators, investors, and standard setters.
- Change agent in fortifying the risk management, internal audit, and acquisitions/ dispositions activities of a \$5 billion public utility organization.
- Experienced mentor and sponsor for several younger professionals who were admitted to the PwC and Andersen partnerships.

Experience

FEBRUARY 2021 TO PRESENT

Chief Operating Officer (COO) Concord Coalition to End Homelessness

Concord , New Hampshire

COO has direct supervision of the Clinical Director of Case Management, Winter Shelter Director , Program Coordinator and Office Administrator. The COO reports to the Executive Director and is responsible for:

- Managing major operational and programmatic decisions .
- Designing and managing the operational workflow.
- Creating top -level policies for review and approval by the Executive Director
- Delegating and reviewing and approving other policies and procedures
- Creating budgets in collaboration with the Executive Director

- Managing finances across all programs with the Finance Committee.
- Manages grants and grant reporting
- Managing all Human Resource related issues and policies
- Manages all third-party contractors

JUNE 2020 to DECEMBER 2020

CFO/ Monadnock Economic Development Corporation (MEDC)

Keene, NH

MEDC is a not-for-profit economic development organization which develops real estate and makes loans to small commercial enterprises to support job growth and retention in rural southwestern New Hampshire. I replaced a longstanding CFO and rapidly addressed material irregularities in financial reporting and budgeting, and potential misuse of grants. During my tenure, MEDC worked proactively with government agencies to craft a reasonable plan to rectify the misuse of funds and developed realistic cash flow budgets. I also worked with multiple creditors to establish a framework to restructure unsustainable debt service on multiple financial obligations.

2004 - JUNE 2019

Partner / PricewaterhouseCoopers LLP (PwC)

New York NY, Los Angeles CA, and Florham Park NJ offices

Senior partner in the power, utilities, and renewable energy industry sectors. Responsibilities and accomplishments included:

- Leading large complex multi-year client engagements including coordinating all PwC audit, tax, and consulting services. My primary focus was on Global 100 clients in the Power & Utility (P&U) industry, but I also served smaller emerging companies. Clients served and references available upon request.
- Membership on the PwC P&U leadership council, which evaluated opportunities and directed resources and investments for existing and targeted clients. The industry sector had the highest growth within PwC during my tenure on the council.
- Representing the P&U industry sector in PwC's National Quality Organization from 2016 to 2019. Assisted clients and engagement teams solve complex accounting, financial reporting, and risk management issues. Guided clients through the process of successfully resolving contentious issues with the SEC with technical support and strategic insights.
- Mentoring younger professionals and sponsoring three individuals for admission to the partnership.

2002 - 2004

Vice President Financial Services/Northeast Utilities (NU)

Berlin, CT

Senior finance executive reporting to the CFO and Vice Chairman. Hired to jumpstart upgrades in several corporate groups including risk management, internal audit, M&A, and real estate. Participated in critical oversight committees responsible for evaluating and monitoring large IT projects, energy trading strategies and positions, research and development programs and other operational activities.

Accomplishments included:

- Leading the efficient divestment of NU's non-strategic assets and businesses.

- Realignment of R&D activities to mirror NU's strategic initiatives.
- Evaluation and recommendation of new investments in potential high growth industries. CEO and Board buy-in of the program achieved.
- Standardizing the approach and methodologies for several departments and activities including M&A, internal audit, and Enterprise Risk.

1979 – 2002

Partner / Arthur Andersen LLP

New York NY, Indianapolis IN, and Stamford CT offices

Progressed from entry level assistant to Partner from 1979 to 1992. Primary client engagements included some of the firm's highest profile clients in the telecommunications and power & utilities industries. Career highlights included:

- Managing all the firm's services to a multinational telecommunications and electronics manufacturing firm that engaged in a multi-year investment and divestment program to realign its business model. Galvanized Andersen professionals in several countries (Argentina, Dominican Republic, Mexico, New Zealand, Peru, Spain, UK, and Venezuela) over a 5-year period in which the client revamped its strategic direction and operations.
- Leading the firm's services for several client's initial public offerings.

Education

MAY 1979

BS Accounting/ Fordham University-Bronx NY

- Graduated Magna cum Laude
- Recipient of the 1979 Accounting Medal (highest GPA for major)

Qualifications

American Institute of Certified Public Accountants (AICPA) Member
Certified Public Accountant (CPA) in New York

CONTRACTOR NAME:
Concord Coalition to End Homelessness
(SGIA Contract Amendment for 2021-2023)

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Lisa Rowley	Housing Stability Specialist	\$19 per hour plus est. taxes and benefits	100%	\$53,500
Julie Green	Clinical Director of Case Management (oversight may be shifted to a new Director of Programs position)	\$44,400 per year plus taxes and benefits)	35%	\$20,300
Mark Fagan	Chief Operating Officer	\$52,000 annual salary plus est. taxes and benefits	10%	\$6,700
Ellen Groh	Executive Director	\$62,00 plus est. taxes and benefits	3%	\$2,300

Note: CCEH is currently engaging in strategic planning and is considering a reorganization of the staffing structure to replace the current Director of Case Management with a Director of Programs, so key personnel sheet may change over the coming months.

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Cross Roads House Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$1,390,758
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
 - 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
- 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
- 2.2.3. Assisting individuals and families with accessing emergency shelter.
- 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
- 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
- 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.

2.3. The Contractor shall comply with program requirements that include, but are not limited to:

2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:

- 2.3.1.1. Housing First Approach;
- 2.3.1.2. Safe and appropriate diversion;
- 2.3.1.3. Immediate and low-barrier access;
- 2.3.1.4. Housing-focused, rapid exit services; and
- 2.3.1.5. Data to measure performance.

2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing; in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.

2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.

2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>

2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/19/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

3/18/2021
Date


Cross Roads House Inc.
DocuSigned by:
Martha Stone
Name: Martha Stone
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

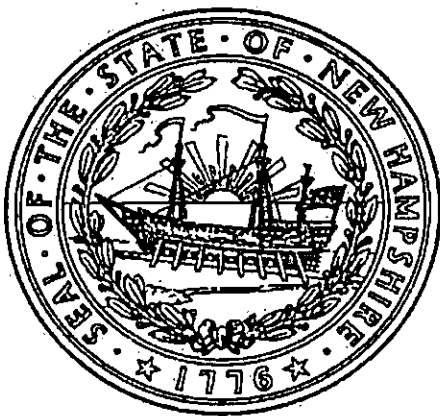
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CROSS ROADS HOUSE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 24, 1982. 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: 62166

Certificate Number: 0004907288



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of May A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name

CROSS ROADS HOUSE, INC.

Business ID

62166

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005035272	10/28/2020	10/28/2020	Nonprofit Report	2020
0004766767	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004630751	12/18/2019	12/18/2019	Amendment	N/A
0003236890	02/05/2016	02/05/2016	Reinstatement	N/A
0003198468	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0000433198	03/28/2011	03/28/2011	Reinstatement	2010
0000433197	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000433196	10/08/2010	10/08/2010	Reminder Letter	N/A
0000433195	01/03/2006	01/03/2006	Annual Report	2005
0000433194	04/14/2005	04/14/2005	Amendment	N/A
0000433193	11/13/2000	11/13/2000	Annual Report	2000
0000433192	07/19/1996	07/19/1996	Reinstatement	1995
0000433191	02/01/1996	02/01/1996	Admin Dissolution/Suspension	N/A
0000433190	04/12/1991	04/12/1991	Amendment	N/A
0000433189	08/13/1990	08/13/1990	Annual Report	1990
0000433188	08/07/1986	08/07/1986	Reinstatement	1986
0000433187	01/02/1986	01/02/1986	Admin Dissolution/Suspension	N/A
0000433186	08/22/1985	08/22/1985	Amendment	N/A
0000433185	03/24/1982	03/24/1982	Business Formation	N/A

Page 1 of 1, records 1 to 19 of 19

[Back](#)

 NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Ben St. Jean, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Cross Roads House, Inc.
(Corporation/LLC Name)


2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on November 24, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Martha Stone (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Cross Roads House, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.



Dated: 3/19/21

Signature of Elected Officer
Name: Ben St. Jean
Title: President, Board of Directors



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/22/2021

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 RSC Insurance Brokerage, Inc. 1 New Hampshire Avenue, Suite 125 Portsmouth, NH 03801	CONTACT NAME: PHONE (A/C, No, Ext): (603) 778-8985 FAX (A/C, No): (603) 778-8987 E-MAIL: ADDRESS: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A : Philadelphia Indemnity Insurance Co.</td> <td>18058</td> </tr> <tr> <td>INSURER B : FirstComp Insurance Company</td> <td>27626</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.	18058	INSURER B : FirstComp Insurance Company	27626	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURER D :															
INSURER E :															
INSURER F :															
INSURED Cross Roads House, Inc 600 Lafayette Rd. Portsmouth NH 03801-5435															

COVERAGES **CERTIFICATE NUMBER: 60756967** **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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2227696	1/10/2021	1/10/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 1,000,000</td></tr> <tr><td>MED EXP (Any one person)</td><td>\$ 20,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td>\$ 1,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td>\$ 3,000,000</td></tr> <tr><td>PRODUCTS - COM/OP AGG</td><td>\$ 3,000,000</td></tr> <tr><td></td><td>\$</td></tr> </table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	MED EXP (Any one person)	\$ 20,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 3,000,000	PRODUCTS - COM/OP AGG	\$ 3,000,000		\$
EACH OCCURRENCE	\$ 1,000,000																				
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GENERAL AGGREGATE	\$ 3,000,000																				
PRODUCTS - COM/OP AGG	\$ 3,000,000																				
	\$																				
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2227696	1/10/2021	1/10/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$ 1,000,000</td></tr> <tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr> <tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr> <tr><td></td><td>\$</td></tr> </table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$		\$				
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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 <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB753488	1/10/2021	1/10/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td>\$ 6,000,000</td></tr> <tr><td>AGGREGATE</td><td>\$ 6,000,000</td></tr> <tr><td></td><td>\$</td></tr> </table>	EACH OCCURRENCE	\$ 6,000,000	AGGREGATE	\$ 6,000,000		\$								
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AGGREGATE	\$ 6,000,000																				
	\$																				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC0102840-11	1/10/2021	1/10/2022	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><input checked="" type="checkbox"/> PER STATUTE</td> <td><input type="checkbox"/> OTH-ER</td> <td></td> </tr> <tr><td>E.L. EACH ACCIDENT</td><td></td><td>\$ 500,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td></td><td>\$ 500,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td></td><td>\$ 500,000</td></tr> </table>	<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		
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E.L. DISEASE - EA EMPLOYEE		\$ 500,000																			
E.L. DISEASE - POLICY LIMIT		\$ 500,000																			
A	Human Services Professional Liab			PHPK2227696	1/10/2021	1/10/2022	\$1,000,000 Occr/ \$3,000,000 Aggregate														
A	Crime (Employee Theft)			PHPK2227696	1/10/2021	1/10/2022	\$150,000 Limit; \$2,500 Deductible														
A	Theft of Money & Securities (I/O)			PHPK2227696	1/10/2021	1/10/2022	\$10,000 limit; \$500 Deductible														
A	Computer Fraud			PHPK2227696	1/10/2021	1/10/2022	\$50,000 Limit; \$1,000 Deductible														

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER **CANCELLATION**

State of New Hampshire Department of Health & Human Services 129 Pleasant Street Concord NH 03301-3857	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 <div style="text-align: center;"> Michael Christian </div>
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ACORD 25 (2016/03) The ACORD name and logo are registered marks of ACORD

CROSS ROADS HOUSE, INC.

Mission Statement

At Cross Roads House:

We protect men, women and children of the Greater Seacoast area experiencing homelessness from exposure and hunger.

We provide secure, transitional shelter for those seeking to break the cycle of homelessness.

We support individuals and families by providing them with the opportunity to move with dignity and purpose to stable and decent housing.

CROSS ROADS HOUSE, INC.

FINANCIAL STATEMENTS

Year Ended June 30, 2020
with Summarized Financial Information
for the Year Ended June 30, 2019

TABLE OF CONTENTS

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Statements of Cash Flows	6
Notes to Financial Statements.	8

Sanders & Karcher
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cross Roads House, Inc.
Portsmouth, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of Cross Roads House, Inc. (a nonprofit organization) as of June 30, 2020 which comprise the statements of financial position and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Board of Directors
Cross Roads House, Inc.
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cross Roads House, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Cross Roads House, Inc.'s financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 16, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Sanders & Karcher

Sanders & Karcher
Portsmouth, New Hampshire
September 16, 2020

CROSS ROADS HOUSE, INC.
STATEMENTS OF FINANCIAL POSITION
June 30,

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,149,170	\$ 321,023
Accounts receivable	17,796	4,988
Grants receivable	133,308	134,294
Unconditional promises to give	36,703	135,678
Prepaid expenses	<u>38,282</u>	<u>97,934</u>
Total current assets	1,375,259	693,917
 PROPERTY & EQUIPMENT, net of accumulated depreciation of \$1,872,280 & \$1,701,060, respectively	 4,657,579	 4,771,523
OTHER ASSETS		
Closing costs, net of accumulated amortization of \$1,826 & \$1,664, respectively	2,773	2,935
Cash and marketable securities, long-term reserve	1,153,509	837,157
Beneficial interest in assets held by others	126,131	132,451
Cash and cash equivalents, operating reserve	-	126,560
Total other assets	<u>1,282,413</u>	<u>1,099,103</u>
 TOTAL ASSETS	 \$ <u>7,315,251</u>	 \$ <u>6,564,543</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 27,118	\$ 38,272
Deferred income	180,000	10,000
Long-term debt, current portion	21,497	21,689
Security deposits-Greenleaf Apartments	6,576	6,728
Accrued payroll items	72,401	67,367
Accrued expenses	<u>13,650</u>	-
Total current liabilities	321,242	144,056
 LONG-TERM DEBT, net of current portion	 <u>557,713</u>	 <u>579,544</u>
Total liabilities	878,955	723,600
NET ASSETS		
Without donor restrictions		
Board Designated	1,153,509	963,717
Undesignated	5,023,348	4,744,775
With donor restrictions	<u>259,439</u>	<u>132,451</u>
Total net assets	<u>6,436,296</u>	<u>5,840,943</u>
 TOTAL LIABILITIES AND NET ASSETS	 \$ <u>7,315,251</u>	 \$ <u>6,564,543</u>

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

CROSS ROADS HOUSE, INC.
STATEMENTS OF ACTIVITIES
Years ended June 30,

	<u>2020</u>	<u>2019</u>
PUBLIC SUPPORT AND REVENUES:		
PUBLIC SUPPORT		
Government grants	\$ 1,074,789	\$ 588,763
Donations	1,162,958	636,763
Rental income	117,965	94,981
Fundraising, net of direct expenses of \$ 4,615 and \$45,547, respectively	<u>276,979</u>	<u>421,010</u>
Total public support	2,632,691	1,741,517
REVENUES		
Investment return	<u>20,395</u>	<u>51,134</u>
Total public support and revenues	2,653,086	1,792,651
EXPENSES		
Program services	1,533,923	1,298,764
General and administrative	334,388	265,879
Fundraising	<u>145,028</u>	<u>117,456</u>
Total expenses	2,013,339	1,682,099
CHANGE IN OPERATING NET ASSETS BEFORE DEPRECIATION		
Less depreciation and amortization	<u>639,747</u>	<u>110,552</u>
	171,382	163,673
INCREASE (DECREASE) IN OPERATING NET ASSETS		
	468,365	(53,121)
BUILDING SUPPORT		
	-	<u>86,000</u>
INCREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
	468,365	32,879
NET ASSETS WITH DONOR RESTRICTIONS		
Public support	1,173,975	572,255
Restrictions satisfied by use	(1,040,667)	(658,255)
Investment return	(1,137)	2,872
Distributions	(<u>5,183</u>)	(<u>5,178</u>)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS		
	<u>126,988</u>	(<u>88,306</u>)
INCREASE (DECREASE) IN NET ASSETS		
	595,353	(55,427)
NET ASSETS, Beginning of year		
	<u>5,840,943</u>	<u>5,896,370</u>
NET ASSETS, End of year		
	\$ <u>6,436,296</u>	\$ <u>5,840,943</u>

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

CROSS ROADS HOUSE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30,

	2020			2019	
	Program Services	General and Admin	Fund- Raising	Total	Total
Management salaries	\$ 91,526	\$ 169,460	\$ 77,034	\$ 338,020	\$ 197,859
Salaries and wages	635,845	15,993	28,003	679,841	659,125
Employee benefits	95,184	41,520	3,365	140,069	133,358
Payroll taxes	54,916	14,187	8,035	77,138	66,809
Professional fees	1,775	15,250	-	17,025	16,542
Bad debt	4,585	-	10,164	14,749	6,457
Investment fees	-	905	-	905	2,206
Office and administration	10,000	45,618	5,000	60,618	48,640
Heat	13,914	3,592	999	18,505	31,338
Electricity	36,639	1,648	1,747	40,034	34,591
Water and sewer	27,560	2,124	1,178	30,862	30,688
Repairs and maintenance	84,996	4,871	1,905	91,772	98,616
Interest	27,835	2,093	2,093	32,021	33,014
Insurance	33,572	5,569	1,587	40,728	31,755
Food	30,347	-	-	30,347	26,130
Direct services	242,261	-	-	242,261	234,894
Telephone	6,570	5,945	1,212	13,727	12,124
Covid expenses	131,026	-	-	131,026	-
Volunteer & board development	-	5,113	2,206	7,319	7,731
Staff & program development	5,372	500	500	6,372	10,222
TOTALS BEFORE DEPRECIATION AND AMORTIZATION	1,533,923	334,388	145,028	2,013,339	1,682,099
Depreciation and amortization	154,509	9,161	7,712	171,382	163,673
TOTALS	<u>\$ 1,688,432</u>	<u>\$ 343,549</u>	<u>\$ 152,740</u>	<u>\$ 2,184,721</u>	<u>\$ 1,845,772</u>

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

CROSS ROADS HOUSE, INC.
STATEMENTS OF CASH FLOWS
Years Ended June 30,

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from public support	\$ 3,027,767	\$ 1,663,854
Cash received from investment return	32,904	48,828
Cash paid to employees and suppliers	(1,918,903)	(1,649,904)
Cash paid for interest	(32,021)	(33,014)
Net cash provided by operating activities	1,109,747	29,764
CASH FLOWS FROM INVESTING ACTIVITIES		
Net unrealized investment gain (loss)	(12,509)	19,276
Cash received from operating reserve	126,560	-
Cash paid for long-term reserve	(316,352)	-
Cash paid for property and equipment	(57,276)	-
Net cash provided (used) by investing activities	(259,577)	19,276
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid for debt reduction	(22,023)	(24,078)
Net increase in cash	828,147	24,962
Cash at beginning of year	<u>321,023</u>	<u>296,061</u>
CASH AT END OF YEAR	\$ <u>1,149,170</u>	\$ <u>321,023</u>

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

CROSS ROADS HOUSE, INC.
STATEMENTS OF CASH FLOWS (continued)
Years Ended June 30,

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Increase (Decrease) in net assets	\$ 595,353	\$ (55,427)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Net unrealized investment (gain) loss	12,509	(19,276)
Depreciation expense	171,220	163,511
Amortization expense	162	162
(Increase) decrease in:		
Accounts receivable	(12,808)	(1,102)
Grants receivable	986	1,173
Unconditional promises to give	98,975	58,397
Prepaid expenses	59,652	(53,081)
Beneficial interest in assets held by others	6,320	2,307
Increase (decrease) in:		
Accounts payable	(11,154)	6,139
Security deposits-Greenleaf Apartments	(152)	6,728
Deferred income	170,000	(15,000)
Accrued payroll items	5,034	14,837
Accrued expenses	13,650	-
Total adjustments	<u>514,394</u>	<u>85,191</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ <u>1,109,747</u>	\$ <u>29,764</u>

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

CROSS ROADS HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS
Year Ended June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Cross Roads House, Inc. (Cross Roads House), was organized March 24, 1982, but was essentially activated January 1, 1984. The purpose of the organization is to provide safe and supportive emergency and transitional shelter to individuals and families experiencing homelessness in southeastern New Hampshire.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates..

Income Taxes

Cross Roads House received a letter of determination dated July 28, 1986 from the Internal Revenue Service advising it that it qualified as a non-profit organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, it is not subject to income tax. Cross Roads House is classified as other than a private foundation.

Financial Statement Presentation

Cross Roads House reports information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The Organization accounts for contributions as either with or without donor restrictions depending on the existence and/or nature of any donor-imposed restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose of the restriction.

Cash and Cash Equivalents

For purposes of these financial statements all non-custodial highly liquid investments with an initial maturity of less than three months or investments with a per share value constant at one dollar are considered to be cash equivalents. Cash equivalents were \$135,844 and \$148,835 as of June 30, 2020 and 2019.

Accounts Receivable

Accounts receivable consist primarily of amounts due from the State in support of homeless operations. An allowance for doubtful accounts is established based on historical experience and management's evaluation of outstanding accounts receivable at the end of each year. As of June 30, 2020, and 2019 management considers accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

CROSS ROADS HOUSE, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 Year Ended June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Accounting

Income and expenses are reported on the accrual basis, which means that income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

Subsequent Events

Subsequent events have been evaluated through September 16, 2020 the date the financial statements were available to be issued.

Promises to Give/Contributions

Cross Roads House accounts for contributions without donor restrictions and with donor restrictions, depending on the existence and/or nature of any donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions upon satisfaction of the time or purpose restrictions. An allowance for uncollectible unconditional promises is established based on historical experience and management's evaluation of outstanding unconditional pledges at the end of each year. As of June 30, 2020, management considers all pledges to be fully collectible.

All unconditional promises to give are current and consist of the following, as of June 30,

	<u>2020</u>	<u>2019</u>
Wentworth Gala event	\$ <u>36,703</u>	\$ <u>135,678</u>

Functional Allocation of Expenses

The costs of the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting services benefited.

Investment Valuation and Income Recognition

The Organization's investments as of June 30, 2020 are stated at fair value. Shares of the separate investment accounts are valued at quoted market prices, which represent the net value of shares held by the Organization at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. As of June 30, 2020, investments have a market value of \$1,153,509, cost basis of \$1,096,395 and unrealized cumulative gains of \$57,114.

CROSS ROADS HOUSE, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 Year Ended June 30, 2020

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Property and equipment are recorded at cost for those items which have been purchased, and at estimated fair market value for those items which have been donated. The cost of buildings and improvements is recovered using the straight-line method over estimated useful lives of 10 to 33 years. The cost of furniture, fixtures and equipment is recovered using the straight-line method over estimated useful lives of 2 to 7 years. Property and equipment as of June 30, 2020 consisted of the following:

Land and improvements	\$	217,266
Buildings and improvements		6,065,715
Furniture and equipment		<u>246,878</u>
Total property and equipment		6,529,859
Less accumulated depreciation		<u>1,872,280</u>
Property and equipment, net	\$	<u>4,657,579</u>

Donated Services

Contributions of services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For the years ended June 30, 2020 and 2019, there were no amounts for donated services.

Donated Marketable Securities

Donated marketable securities are valued at fair market value. Marketable securities are immediately sold and are included in the statement of activities as donations. Donated marketable securities of \$31,146 and \$34,564 were received during the years ended June 30, 2020 and 2019, respectively.

NOTE B - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS

Cross Roads House is a beneficiary of an agency endowment fund at The New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing this fund, property contributed to The New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of Cross Roads House. In accordance with its spending policy, the Foundation makes distributions from the fund to Cross Roads House. The distributions are approximately 4.00% of the market value of the fund per year.

CROSS ROADS HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
Year Ended June 30, 2020

NOTE B - BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS (continued)

Activity in this endowment fund consisted of the following for the years ended June 30,

	2020	2019
Beginning, fair value, 7/1	\$ 132,451	\$ 134,758
Total return	(232)	3,778
Foundation fee	(905)	(907)
Distributions	(5,183)	(5,178)
Ending, fair value, 6/30	\$ <u>126,131</u>	\$ <u>132,451</u>

Distributions represent amounts distributed to Cross Roads House and are shown as unrestricted dividends.

NOTE C - INVESTMENTS AT FAIR VALUE

Cross Roads House records its marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets, in the statement of activities.

Following is a description of the valuation methodologies used for assets measured at fair value.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds: Valued at the net asset value of shares held by the plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization reports under the Fair Value Measurements, which established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs of 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 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

CROSS ROADS HOUSE, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 Year Ended June 30, 2020

NOTE C - INVESTMENTS AT FAIR VALUE (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Investments, all at level 1, at fair value consisted of the following as of June 30,

	<u>2020</u>	<u>2019</u>
Cash & equivalents	\$ 135,844	\$ 148,835
Domestic equities	647,189	531,565
Domestic fixed income	370,476	283,317
TOTALS	\$ <u>1,153,509</u>	\$ <u>963,717</u>

NOTE D - ACCRUED PAYROLL ITEMS

Accrued payroll items consisted of the following as of June 30,

	<u>2020</u>	<u>2019</u>
Payroll and payroll taxes	\$ 11,294	\$ 20,194
Earned time	61,107	47,173
Totals	\$ <u>72,401</u>	\$ <u>67,367</u>

NOTE E - COMMITMENTS AND CONTINGENCIES

Cross Roads House receives money under various state and federal grants. Under the terms of these grants, Cross Roads House is required to use the money within the grant period for purposes specified in the grant proposal. If expenditures of the grant were found not to have been made in compliance with the proposal, Cross Roads House may be required to repay the grantor's funds.

NOTE F - LINE OF CREDIT

The organization has established a \$300,000 line of credit with Provident Bank with a current interest rate of 5.25%. The interest rate is directly tied to the Wall Street Journal Prime Rate with no margin. Accordingly, any changes to this rate will change the organization's line of credit rate. There was no outstanding balance as of June 30, 2020. The organization also acquired a \$90,000 line of credit with the New Hampshire Housing Finance Authority with a current interest rate of 0.0%. All amounts owed must be paid on or before May 14, 2023. As of June 30, 2020, there was no outstanding balance.

CROSS ROADS HOUSE, INC.
 NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 For the Year Ended June 30, 2020

NOTE G - LONG-TERM DEBT

	<u>Current</u>	<u>Long-term</u>	<u>Total</u>
Note payable, Provident Bank, monthly payment is \$1,293, 4.69% interest; secured by property and equipment; note matures August 2037.	\$ 7,159	\$ 174,686	\$ 181,845
Note payable, Provident Bank, monthly payment is \$2,070, 5.62% interest; secured by property and equipment; note matures March 2038.	9,501	268,226	277,727
Note payable, Provident Bank, monthly payment is \$953, 5.62% interest; secured by property and equipment; note matures May 2038.	4,837	114,801	119,638
Total long-term debt	\$ <u>21,497</u>	\$ <u>557,713</u>	\$ <u>579,210</u>

Future principal loan payments are as follows for the years ended,

June 30,	2021.	\$ 21,497
	2022.	22,667
	2023.	23,901
	2024.	25,203
	2025.	26,575
	Thereafter. . .	459,367

NOTE H - CONCENTRATION OF CREDIT RISK

As of June 30, 2020, Cross Roads House had a cash balance held by a bank that was in excess of the amount insured by the Federal Deposit Insurance Corporation. The uninsured amount was \$806,746 however, any amount in excess is fully covered by the Massachusetts Depositors Insurance Fund (DIF). The DIF is a private, industry-sponsored insurance fund that insures all deposits above FDIC limits for their member banks.

Cross Roads House has a cash balance held by an investment brokerage firm that is insured by the Securities Investor Protection Corporation.

Cross Roads House derived 41% of its operating revenue from government agencies.

CROSS ROADS HOUSE, INC.
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

NOTE I - GREENLEAF APARTMENTS

Cross Roads House purchased a 12-unit single room occupancy building in Portsmouth, NH in April 2018. Applicants must meet certain requirements as defined in a Tenant Selection Plan to qualify for these low-income units. Rental income was \$117,965 and rental expenses totaled \$56,565 for the year ended June 30, 2020. Rental expenses are included in the statement of functional expenses as program expenses.

NOTE J - LIQUIDITY AND AVAILABILITY OF RESOURCES

As part of Cross Roads House's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the organization invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, the organization has a committed line of credit in the amount of \$300,000, which it could draw upon. The organization also has a Board designated reserve of \$1,153,509. Although, the organization does not intend to spend from its reserve other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its reserve could be made available if necessary.

NOTE K - SUBSEQUENT EVENTS

The Covid-19 pandemic occurring during the first and second quarters of 2020 and beyond has resulted in a general downturn in the current economic environment and future economic outlook. The Organization's management is not able to quantify the related impact at this time.

Name	Affiliation*	Committees	Term Began
Adams, Michael	Architect	Building	2016
Allison, Tim	CCSNH	Development	2012
Bellmare, Chris	Arista Networks	TBD	2020
Bresette, Suzanne	Stratogé Partners	Executive, Program, Development	2007
Brown, Bob Treasurer	Self employed/consultant	Finance	2011
Campbell, Eric	Bottomline Technologies, Inc.	Program	2015
Cloutier, Denis	CSNH	Program, Building	2012
Cohen, Ken	Psychiatrist	Program	2013
Dillon, Denis	McLane Middleton	Nominating & Governance, Development	2004
Drew, Kathryn	Merrill Lynch Wealth Management/Bank of America Corp.	Nominating & Governance	1999
Goddard, Steve	Retired	Development	2019
Martindale, Vivan	Retired	Program	2006
Mathews, Shaun	Retired	Finance, Program	2019
Moore, Vanda Secretary	Sprague Energy	Executive, Development	2013
Scourby, Lex	Chicken of the Sea Frozen Foods	Executive, Finance, Nominating & Governance, Development	2003
Silva, Chuck Vice President	Albany International, Corp.	Executive, Nominating & Governance	2015
St. Jean, Ben President	Clipper Strategic Consulting, LLC	Executive, Finance, Building	2015
Tierney, Gillian	Uniguest, Inc.	Governance	2020
Worboys, Mary Lee	Retired	Program	2011

Term Ends
2022
2022
2023
2022
2023
2021
2022
2022
2021
2021
2022
2022
2022
2022
2021
2021
2021
2021
2023
2023

Martha E. Stone

EXPERIENCE

7/13 – present **Executive Director**, Cross Roads House, Portsmouth, NH

Chief executive of 96+ bed not-for-profit homeless shelter. Oversee and manage annual budget of \$1.5M and shelter operations. Maintain relationships with state and municipal authorities, and ensure regulatory compliance. Manage federal, state, municipal and private grant solicitations, contract compliance, and reporting. Direct fundraising activities and supervise development staff. Provide executive-level advocacy with medical, social service, and government agencies.

1/04 – 7/13 **Development Director**, Cross Roads House, Portsmouth, NH

Raise \$600,000+ annually to support shelter operations. Responsible for planning and implementing all fundraising activities including individual and corporate giving, direct mail appeals, special events, corporate & foundation grants, and planned giving. Oversee volunteer activities, donor database management, and gift processing. Plan and execute donor stewardship activities and events. Design and produce marketing materials. Represent organization at community events and manage public relations activities. Work closely with Board of Directors to set and achieve fundraising goals. From 2007- 2009 managed a \$5M capital campaign to fund the design and construction of a new shelter facility.

7/94-1/04 **Co-Owner**, Stone Signs & Designs, Portsmouth, NH

Manage all financial records including accounts payable and receivable; involved in strategic planning and goal setting; created and maintained customer database.

7/94-1/04 **Co-Owner and Property Manager**, Stone Properties, Greenland, NH

Own and operate multiple residential and commercial properties in the Seacoast; maintain financial records including accounts payable and receivable, schedule and coordinate all aspects of maintenance for buildings, interview and process all tenant applications; handle tenant needs.

3/92-6/94 **Marketing Manager**, Healthsource, Concord, NH

Supervised staff of eleven; oversaw the servicing and retention of over 400 accounts by closely monitoring all account renewal activities; created marketing strategies to increase annual membership; designed and developed service program including manuals for client use; trained new Account Managers in all aspects of the position including: negotiating, presentation skills, and conflict resolution; regularly conducted presentations for clients explaining health benefits and policy changes.

10/89-3/92 **Marketing Representative**, Healthsource, Concord, NH

Accountable for renewing and retaining 75 accounts; executed enrollment activities by: gathering underwriting data, presenting benefit plans to both employers and employees in group settings, and negotiating annual contracts; sold health insurance products to new employers.

3/89-10/89 **Marketing Representative**, Beacon Health, Greenland, NH

Serviced existing accounts by coordinating enrollment activities including: developing annual rates, conducting group presentations, and designing marketing materials; sold HMO product to employer groups; actively participated in management team meetings; supervised administrative assistant.

5/87-3/89 **Marketing Assistant**, Hardenburgh-Marks Inc., Boston, MA

Imported and marketed high end gift merchandise; supervised public relations activities; designed and produced literature for new products; prepared for and traveled to trade shows; sold directly to buyers; provided customer service to retail clients.

EDUCATION

Bachelor of Arts, Communications: May 1987
Boston College, Chestnut Hill, MA Honors: Magna Cum Laude

Temple University, London, England
Spring Semester Abroad, Communications and Theater Program 1986

COMPUTER SKILLS

Word, Excel, PowerPoint, Outlook, Constant Contact, Raiser's Edge fundraising software

COMMUNITY INVOLVEMENT

9/17-present **NH Governor's Interagency Council on Homelessness**, Concord, NH
2/17-present **Housing Action NH, Governing Council**, Concord, NH
5/14-present **Balance of State Continuum of Care, Executive Committee Co-Chair**, Concord, NH
7/12-present **Greater Seacoast Coalition to End Homelessness, Steering Committee**, Portsmouth, NH
3/08-present **Seacoast Half Marathon, Committee Member**, Portsmouth, NH
2/04- 3/15 **Greenland Central School, School Board Member**, Greenland, NH
9/ 00-6/03 **Greenland Central School Parent Organization, President & VP**, Greenland, NH
1998-99 **Mothers & More, Co-Leader**, Portsmouth, NH
1998-99 **Seacoast Parenting Conference, Fundraising & Hospitality Committees**, Portsmouth, NH

Jillian Carroll

EMPLOYMENT

Cross Roads House
Finance Director

August 2020 - Present

Northeast Distribution LTD, Exeter, NH
Controller

October 2016-Present

- Sole accounting and financial position within the Company
- Handle month and year end close including bank balancing
- All accounts receivable and accounts payable functions including but not limited to cash applications, credit worthiness, aging and reporting
- Prepare all borrowing base requirements and work directly with the Bank
- Formulates annual expense budget
- Payroll and 401k contribution

Margaritas Management Group, Inc., Portsmouth, NH
Senior Accountant

October 2013 – October 2016

- Balance daily and monthly bank activity for all restaurants
- Record additions and disposals of fixed assets across four states
- Quarterly fixed asset adjustment for depreciation for 23 restaurants
- Apply and maintain all restaurant licenses including liquor, entertainment and food permits for 23 locations
- Handle month end closing process for multiple restaurants

Liberty Mutual, Dover, NH
Premium Auditor-Inside – April 2013 – October 2013

November 2009 – October 2013

- Compile and complete incoming internal audits in timely manner
- Reconcile customer supplied documentation to federally filed payroll records
- Maintain relationship with customers in regard to past worker compensation and general liability coverage
- Assist customers with completion of forms distributed by Liberty Mutual

Financial Operations Representative II - February 2011-April 2013

- Complete weekly billing and distribution of invoices for various Loss Prevention units
- Reconcile daily activity from Canadian accounts to receivable system (Quicksilver)
- Balance daily activity of Billing and Receivable Tracking (BART)
- Daily reconciliation of bank activity for internal maintenance
- Support financial and technical functions to CMFO unit

Financial Operations Representative - November 2009-February 2011

- Identify incoming customer payments and report collections via BART
- Key cash according to type entry requests
- Refund Small Deductible Workers Compensation claims
- Research and process all return to sender mailed checks

Living Innovations, Portsmouth, NH
Administrative Assistant

July 2009- November 2009

- Compile and compute weekly data pertaining to numerous client's attendance reports for regional billing computation
- Manage employee reimbursements while ensuring accurate submission of information
- Support staff through training and file maintenance in order to work successfully with clients
- Maintain accurate and up-to-date client records

Liberty Mutual, Glastonbury, CT

May-August 2008

Affinity Markets Account Relations Associate Internship

EDUCATION

Bryant University, Smithfield, RI
Bachelor of Science in Business Administration

May 2009

- Concentration: Management Minor: Psychology; Cultural Studies
- Dean's List
- Lean Six Sigma Yellow Belt certification

COMPUTER SKILLS

- Microsoft: Access, Excel, Internet Explorer, Outlook, PowerPoint, Word; QuickBooks; Adobe; Sage 100; Photoshop

SANDRA L. BEAUDRY
Licensed Marriage and Family Therapist, NH #22

EDUCATION

Master of Science, December, 1992
Marriage and Family Therapy
University of New Hampshire

Bachelor of Science, September, 1987
Human Services
University of Southern New Hampshire

CLINICAL AND SOCIAL SERVICE MANAGEMENT EXPERIENCE

CROSS ROADS HOUSE

Portsmouth, NH

January 2014 to present

Program Director

- Supervise Shelter and Community-Based Clinical Case Management program
- Responsible for enhancement of programming to support residents physical and emotional well-being, self-sufficiency, and move to permanent housing
- Establish inter-agency partnerships
- Seek diverse funding, including government and private grants and the provision of reimbursable services
- Identify and meet direct and clinical service staff training needs

CHILD AND FAMILY SERVICES

Manchester, Concord, Portsmouth, NH

February 1997 to January 2014

Program Director

October 2008 to January 2014

Program Leadership and Supervision

- Directed statewide counseling and adolescent/young adult substance abuse treatment programs and a federally-funded mentoring/family support program for youth being released from the Sununu Youth Services Center (joint project with Goodwill of NNE)
- Supervised 14 direct report clinical staff and two interns
- Supported implementation of Trauma-Focused Cognitive Behavioral Therapy and trauma-informed care
- Provided supervision and clinical support to the Seacoast Street Outreach Program mental health clinician and oversaw the mental health subcontract with the Healthcare for the Homeless program at Families First
- Developed and maintain procedure manuals for counseling and substance abuse treatment programs
- Oversaw quality assurance of clinical records and implementation of evidence-based practices
- Developed, monitored and maintained program budgets that have ranged from a total of \$1 million to \$1.4 million annually
- Supervised and coordinated the statewide CFS Deployment Cycle Support Program, which provided home-based counseling and support to military service members and their families before, during, and after deployment, through a subcontract with Easter Seals
- Directed the Family Intervention Program, state-contracted barrier-resolution services for TANF recipients in the New Hampshire Employment Program across the state, including four sub-contracts with Family Resource Centers
- Provided administrative and clinical support to Healthy Marriage Responsible Fatherhood federal grant project serving fathers in the state prison system and their families

Grants and Contracts

- Managed or co-managed four multi-year federal grants from SAMHSA, OJJDP, and ACF, including data collection and reporting, continuation applications, annual progress reports, and no-cost extension requests
- Managed state contracts with BDAS, DOC, and DFA, including proposal writing and submission, data collection and reporting, and budget development
- Wrote or contributed to grant proposals to foundations, including grants received from Peoples United Bank for Seacoast office-based family counseling and Healthcare Gives for mobile mental health services in the Street Outreach Program
- Developed proposals and received funding from United Way agencies across the state
- Wrote proposals to municipalities, including the city of Portsmouth, and presented to town selectman or budget meetings
- Facilitated agency contracts with managed care companies for counseling and substance abuse treatment services and the credentialing of CFS clinical staff
- Provided the CFS agency administrator function for WITS, the web-based treatment, data, pay-for-performance, and billing center for Access to Recovery and BDAS treatment contracts

Board and Community Involvement

- Served as the staff liaison to the CFS Seacoast Regional Advisory Board, facilitating monthly meetings and their work in fundraising, including the RiverWoods Gala and the Lonza golf tournament
- Facilitated a multi-disciplinary advisory board for the CFS Adolescent Substance Abuse Treatment program with representatives from prevention, treatment, school and juvenile justice service providers
- Represented CFS on the following boards: *New Hampshire Alcohol and Other Drug Service Providers Association*, *Health First* (Laconia and Franklin), and *Community Resource Network* (Seacoast)
- Serve as Board Secretary and Conference Registrar for the *New Hampshire Association for Infant Mental Health*
- Arranged professional conferences in ethics and motivational interviewing for CFS and community clinical/social work staff

Program Manager

June 2007 to October 2008

Managed Family Intervention Program

Marriage and Family Therapist

February 1997 to June 2007

Provided assessment and psychotherapy services to individuals, couples and families in a variety of Seacoast area settings, including community-based therapy to individuals and families experiencing homelessness or housing insecurity in conjunction with the *Healthcare for the Homeless* program, consultation to *Community Child Care Center*, and critical incident response with the state *Disaster Behavioral Health Response Team*. Served on the board of *SeaCare Health Services* for nine years as the mental health representative.

COMMUNITY PARTNERS

Rochester, NH

Home-Based Clinician

May 1992 to February 1997

Provided home-based family therapy, case management, and provider consultation services to multi-problem families in Strafford County. Taught Child Impact seminar for divorcing parents.

RESIDENTIAL AND CASE MANAGEMENT EXPERIENCE IN DEVELOPMENTAL DISABILITIES.

Service Coordinator

October 1988 to August 1991

Provided service coordination and individual support to developmentally disabled adults and their families.

Merrimack Valley Case Management Team, Mass. Dept. of Mental Retardation, Haverhill, MA

Case Manager

April 1987 to September 1988

Obtained and coordinated community services for developmentally disabled adults.

One Sky, Portsmouth, NH

Coordinator of Community Residences

December 1984 to April 1987

Supervised the operation of four licensed community residences for developmentally disabled adults

Group Home Coordinator

February 1983 to December 1984

Established and managed group home for four deinstitutionalized men.

Sullivan County Developmental Services, Claremont, NH

Assistant Residential Program Supervisor

March 1982 to January 1983

ACCESS, Conshohocken, PA

Resident Manager

November 1980 to March 1982

River Crest Center, Mont Clare, PA

PROFESSIONAL MEMBERSHIP AND EDUCATION

Clinical Member and Approved Supervisor, American Association of Marriage and Family Therapy

Adjunct Professor

January 2013 to May 2015

Spring Semester Marriage and Family Therapy Graduate Practicum, University of New Hampshire

Teaching Assistant

September 1991 to May 1992

Introduction to Human Development course, University of New Hampshire

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Martha Stone	Executive Director	100,000	0	
Sandra Beaudry	Program Director	68,078	0	
Jill Carroll	Finance Director	70,000	0	

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and FIT/NHNH, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$2,942,938
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
 - 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

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Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

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progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.qencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/26/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

FIT/NHNNH, Inc.

3/26/2021
Date

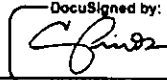
DocuSigned by:
Maria Devlin
Name: Maria Devlin
Title: President & CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

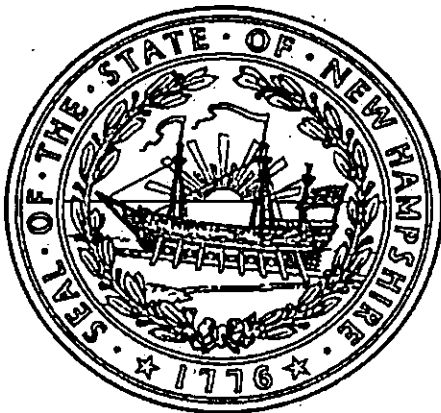
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FIT/NHNC, INC is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 13, 1994. 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: 207982

Certificate Number: 0005302599



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 22nd day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)
Business Name**Business ID**

FIT/NHNNH, INC

207982

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005035241	10/28/2020	10/28/2020	Nonprofit Report	2020
0004766214	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003686428	12/26/2017	01/01/2018	Amendment	N/A
0003686425	12/26/2017	01/01/2018	Merger	N/A
0003122218	05/15/2015	05/15/2015	Nonprofit Report	2015
0000860498	10/14/2010	10/14/2010	Annual Report	2010
0000860497	10/08/2010	10/08/2010	Reminder Letter	N/A
0000860496	03/17/2005	03/17/2005	Annual Report	2005
0000860495	03/30/2001	03/30/2001	Reinstatement	N/A
0000860494	02/01/2001	02/01/2001	Admin Dissolution/Suspension	N/A
0000860493	06/01/1995	06/01/1995	Annual Report	1995
0003676170	05/13/1994	05/13/1994	Business Formation	N/A

Page 1 of 1, records 1 to 12 of 12

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Scott Ellison, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Officer of FIT/NHNNH, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 26, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

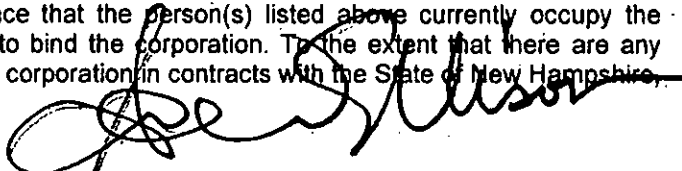
VOTED: That Maria Devlin, President/CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of FIT/NHNNH, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: March 26, 2021



Signature of Elected Officer.
Name: Scott Ellison
Title: Board of Director, Chair

FAMIINT-01

DBEAUDOIN



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/22/2021

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 Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME: PHONE (A/C, No, Ext): (603) 225-6611 FAX (A/C, No): (603) 225-7935 E-MAIL ADDRESS: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">INSURER(S) AFFORDING COVERAGE</td> <td style="text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER A: Philadelphia Insurance Company</td> <td>23850</td> </tr> <tr> <td>INSURER B: Granite State Health Care & Human Services Self Insured Group</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Philadelphia Insurance Company	23850	INSURER B: Granite State Health Care & Human Services Self Insured Group		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															
INSURED FIT/NHNN, Inc. 122 Market St Manchester, NH 03101															

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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																				
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;"><input type="checkbox"/> CLAIMS-MADE</td> <td style="width: 15%;"><input checked="" type="checkbox"/> OCCUR</td> <td style="width: 70%;"></td> </tr> <tr> <td colspan="3"> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER: </td> </tr> </table>	<input type="checkbox"/> CLAIMS-MADE	<input checked="" type="checkbox"/> OCCUR		GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:					PHPK2221002	1/1/2021	1/1/2022	<table style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>MED EXP (Any one person)</td><td style="text-align: right;">\$ 20,000</td></tr> <tr><td>PERSONAL & ADV INJURY</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>GENERAL AGGREGATE</td><td style="text-align: right;">\$ 3,000,000</td></tr> <tr><td>PRODUCTS - COM/POP AGG</td><td style="text-align: right;">\$ 3,000,000</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000	MED EXP (Any one person)	\$ 20,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 3,000,000	PRODUCTS - COM/POP AGG	\$ 3,000,000		\$
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GENERAL AGGREGATE	\$ 3,000,000																										
PRODUCTS - COM/POP AGG	\$ 3,000,000																										
	\$																										
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2221005	1/1/2021	1/1/2022	<table style="width: 100%; border-collapse: collapse;"> <tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>BODILY INJURY (Per person)</td><td style="text-align: right;">\$</td></tr> <tr><td>BODILY INJURY (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td>PROPERTY DAMAGE (Per accident)</td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$		\$										
COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000																										
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BODILY INJURY (Per accident)	\$																										
PROPERTY DAMAGE (Per accident)	\$																										
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A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB751268	1/1/2021	1/1/2022	<table style="width: 100%; border-collapse: collapse;"> <tr><td>EACH OCCURRENCE</td><td style="text-align: right;">\$ 5,000,000</td></tr> <tr><td>AGGREGATE</td><td style="text-align: right;">\$</td></tr> <tr><td></td><td style="text-align: right;">\$ 5,000,000</td></tr> <tr><td></td><td style="text-align: right;">\$</td></tr> </table>	EACH OCCURRENCE	\$ 5,000,000	AGGREGATE	\$		\$ 5,000,000		\$												
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B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input checked="" type="checkbox"/> Y/N <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	HCHS20200000404	2/1/2021	2/1/2022	<table style="width: 100%; border-collapse: collapse;"> <tr><td>PER STATUTE</td><td style="text-align: right;">\$</td></tr> <tr><td>OTH-ER</td><td style="text-align: right;">\$</td></tr> <tr><td>E.L. EACH ACCIDENT</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - EA EMPLOYEE</td><td style="text-align: right;">\$ 1,000,000</td></tr> <tr><td>E.L. DISEASE - POLICY LIMIT</td><td style="text-align: right;">\$ 1,000,000</td></tr> </table>	PER STATUTE	\$	OTH-ER	\$	E.L. EACH ACCIDENT	\$ 1,000,000	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000	E.L. DISEASE - POLICY LIMIT	\$ 1,000,000										
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E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000																										
E.L. DISEASE - POLICY LIMIT	\$ 1,000,000																										
A	Professional Liabili			PHPK2221002	1/1/2021	1/1/2022	Each Occurrence 1,000,000																				
A	Professional Liabili			PHPK2221002	1/1/2021	1/1/2022	Aggregate 3,000,000																				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 \$1,000,000 Excess Employers Liability Coverage is provided under Policy# EWC009477 by Midwest Employers Casualty Corp. - policy term 2/1/2020 - 2/2/2021.

CERTIFICATE HOLDER

State of New Hampshire, Department of Health & Human Services 129 Pleasant Street Concord, NH 03301

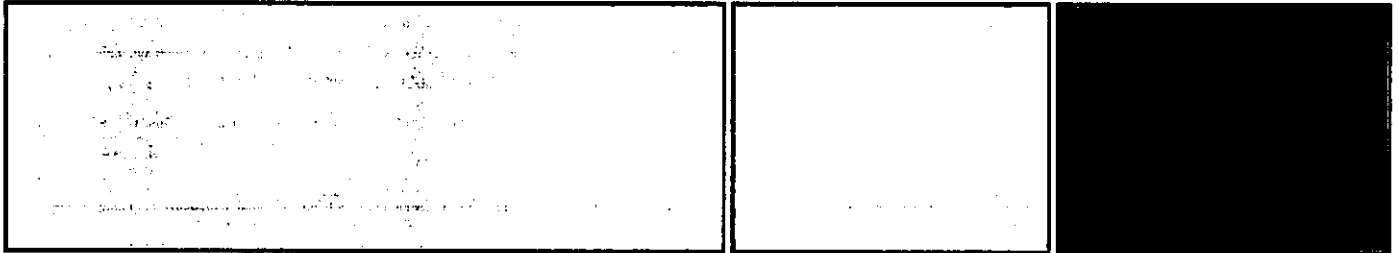
CANCELLATION

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



Our Mission

The mission of FIT/NHNNH is to provide hunger relief, emergency shelter, safe affordable housing, and supportive services to individuals and families who are homeless or in need, enabling them to gain self-sufficiency and respect.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

December 31, 2019

(With Comparative Totals for 2018)

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Board of Directors
FIT/NHNN, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of FIT/NHNN, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2019 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2019, and the consolidated changes in their net assets and their consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Board of Directors
FIT/NHNNH, Inc. and Subsidiaries
Page 2

Report on Summarized Comparative Information

We have previously audited the Organization's 2018 consolidated financial statements and, in our report dated March 18, 2019, expressed an unmodified opinion on those audited consolidated financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information, which consists of the consolidating statement of financial position as of December 31, 2019, and the related consolidating statements of activities and functional expenses for the year then ended, is presented for purposes of additional analysis, rather than to present the financial position and changes in net assets of the individual entities, and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Changes in Accounting Principles

As discussed in Note 1 to the consolidated financial statements, in 2019 the Organization adopted new accounting guidance, Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-18, *Restricted Cash*, and FASB ASU No. 2018-08, *Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to these matters.

Berry Dunn McNeil & Parker, LLC

Manchester, New Hampshire
March 31, 2020

FIT/NHNNH, INC. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2019

(With Comparative Totals for December 31, 2018)

	<u>2019</u>	<u>2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,522,454	\$ 1,598,033
Accounts receivable	67,501	52,211
Grants and contributions receivable	589,218	786,343
Prepaid expenses	65,512	80,007
Due from related parties	-	35,613
Other current assets	<u>59,367</u>	<u>48,110</u>
Total current assets	3,304,052	2,600,317
Replacement reserves	428,390	336,578
Reserve cash designated for properties	1,012,597	718,154
Investments	1,123,413	1,336,584
Investment in related entity	1,000	1,000
Asset held for sale	-	429,779
Property and equipment, net	32,788,053	28,530,819
Development in process	155,686	3,605,450
Other assets	<u>80,638</u>	<u>198,473</u>
Total assets	<u>\$ 38,893,829</u>	<u>\$ 37,757,154</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Current portion of long-term debt	\$ 317,739	\$ 1,116,180
Accounts payable	167,557	249,907
Accrued expenses	372,038	348,095
Due to related entity	-	35,613
Line of credit	-	145,000
Other current liabilities	<u>59,671</u>	<u>82,475</u>
Total current liabilities	917,005	1,977,270
Long-term debt, net of current portion and unamortized deferred costs	<u>15,610,670</u>	<u>13,604,017</u>
Total liabilities	<u>16,527,675</u>	<u>15,581,287</u>
Net assets		
Without donor restrictions - controlling interest	19,284,224	17,778,833
Without donor restrictions - noncontrolling interest	<u>2,602,333</u>	<u>3,209,398</u>
Total without donor restrictions	21,886,557	20,988,231
With donor restrictions	<u>479,597</u>	<u>1,187,636</u>
Total net assets	<u>22,366,154</u>	<u>22,175,867</u>
Total liabilities and net assets	<u>\$ 38,893,829</u>	<u>\$ 37,757,154</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Activities

Year Ended December 31, 2019

(With Comparative Totals for the Year Ended December 31, 2018)

	Without Donor Restrictions - Controlling Interest	Without Donor Restrictions - Noncontrolling Interest	Total Without Donor Restrictions	With Donor Restrictions	Total 2019	Total 2018
Revenue and support						
Federal, state and other grant support	\$ 4,285,362	\$ -	\$ 4,285,362	\$ 344,151	\$ 4,629,513	\$ 5,115,154
Rental income, net of vacancies	2,359,730	-	2,359,730	-	2,359,730	2,021,465
Thrift store sales	573,355	-	573,355	-	573,355	616,565
Public support	2,050,951	-	2,050,951	-	2,050,951	855,830
Tax credit revenue	268,238	-	268,238	-	268,238	60,000
Special events	518,237	-	518,237	-	518,237	526,910
Developer fees	101,545	-	101,545	-	101,545	68,463
VISTA program revenue	75,368	-	75,368	-	75,368	93,734
Unrealized gain (loss) on investments	252,431	-	252,431	-	252,431	(168,848)
Gain (loss) on disposal of assets	210,190	-	210,190	-	210,190	(10,115)
Interest income	19,326	-	19,326	-	19,326	38,634
In-kind donations	105,484	-	105,484	-	105,484	14,429
Investment income	21,969	-	21,969	-	21,969	99,783
Forgiveness of debt	131,267	-	131,267	-	131,267	131,267
Medicaid reimbursements	674,861	-	674,861	-	674,861	521,957
Other income	226,640	-	226,640	-	226,640	279,420
Net assets released from restrictions	752,336	-	752,336	(752,336)	-	-
Total revenue and support	12,627,290	-	12,627,290	(408,185)	12,219,105	10,264,648
Expenses						
Program activities						
Housing	9,524,438	-	9,524,438	-	9,524,438	8,390,926
Thrift store	417,963	-	417,963	-	417,963	686,374
Total program activities	9,942,401	-	9,942,401	-	9,942,401	9,077,300
Fundraising	1,000,388	-	1,000,388	-	1,000,388	1,131,941
Management and general	1,078,712	-	1,078,712	-	1,078,712	897,234
Total expenses	12,021,501	-	12,021,501	-	12,021,501	11,106,475
Excess (deficiency) of revenue and support over expenses	605,789	-	605,789	(408,185)	197,604	(841,827)
Grants and contributions for capital projects	-	-	-	-	-	560,790
Net assets released for capital projects	299,854	-	299,854	(299,854)	-	-
Effect of consolidation of affiliate	-	-	-	-	-	3,430,951
Partnership distributions	(6,585)	(732)	(7,317)	-	(7,317)	-
Transfer of noncontrolling interest resulting from dissolution of a Limited Partnership	220,105	(220,105)	-	-	-	-
Change in net assets	1,119,163	(220,837)	898,326	(708,039)	190,287	3,149,914
Change in net assets attributable to noncontrolling interest in subsidiaries	386,228	(386,228)	-	-	-	-
Change in net assets after reclassification of portion attributable to noncontrolling interest	1,505,391	(607,065)	898,326	(708,039)	190,287	3,149,914
Net assets, beginning of year	17,778,833	3,209,398	20,988,231	1,187,636	22,175,867	19,025,953
Net assets, end of year	\$ 19,284,224	\$ 2,602,333	\$ 21,886,557	\$ 479,597	\$ 22,366,154	\$ 22,175,867

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

FIT/NHHH, INC. AND SUBSIDIARIES

Consolidated Statement of Functional Expenses

Year Ended December 31, 2019

(With Comparative Totals for the Year Ended December 31, 2018)

	Program Activities			Management and General	2019 Total	2018 Total
	Housing	Thrift Store	Fundraising			
Salaries and benefits						
Salaries and wages	\$ 4,042,182	\$ 248,403	\$ 400,818	\$ 603,736	\$ 5,295,139	\$ 4,682,814
Employee benefits	430,575	11,728	41,883	62,042	546,228	517,504
Payroll taxes	<u>299,750</u>	<u>19,882</u>	<u>30,036</u>	<u>44,292</u>	<u>393,960</u>	<u>353,589</u>
Total salaries and benefits	4,772,507	280,013	472,737	710,070	6,235,327	5,553,907
Other expenses						
Advertising	21,315	29,076	2,441	3,662	56,494	59,032
Application and permit fees	522	-	52	4,341	4,915	1,620
Bad debts	13,402	-	-	-	13,402	28,100
Bank charges	7,982	7,466	872	5,554	21,874	20,865
Condominium association fees	12,072	-	-	-	12,072	-
Consultants	37,115	2,714	4,168	5,377	49,374	29,481
Depreciation	1,024,398	10,304	131,224	73,404	1,239,330	1,111,930
Events	1,789	385	145,581	-	147,755	167,049
Food	124,060	-	-	-	124,060	-
General insurance	146,654	2,331	15,214	11,245	175,444	155,880
Grant expense	-	-	-	-	-	59,149
Interest expense	218,845	660	1,615	538	221,658	229,713
Management fees	6,724	-	-	-	6,724	6,622
Meals and entertainment	3,498	-	466	783	4,747	6,122
Membership dues	6,728	-	757	1,136	8,621	15,989
Merger expenses	110,014	-	-	36,672	146,686	137,747
Office supplies	176,001	8,895	21,594	32,098	238,588	370,155
Participant expenses	139,602	-	-	-	139,602	117,718
Postage	12,557	8	1,493	2,182	16,240	13,365
Printing	35,759	982	4,311	6,309	47,361	40,717
Professional fees	158,731	4,000	12,014	37,895	212,640	169,823
Rental subsidies	332,635	-	-	-	332,635	332,270
Repairs and maintenance	576,605	26,813	73,992	43,911	721,321	462,762
Shelter expense	-	-	-	-	-	166,891
Staff development	34,768	200	4,376	6,538	45,882	39,034
Taxes	365,503	1,709	-	-	367,212	315,920
Technology support	169,707	525	20,752	30,914	221,898	244,811
Telephone	111,116	2,618	9,421	13,981	137,136	112,921
Travel	37,152	2,326	4,881	7,299	51,658	54,172
Utilities	534,278	22,308	60,222	26,851	643,659	613,495
VISTA program	208,887	-	-	-	208,887	320,859
Workers' compensation	<u>123,512</u>	<u>14,630</u>	<u>12,205</u>	<u>17,952</u>	<u>168,299</u>	<u>148,356</u>
Total expenses	\$ <u>9,524,438</u>	\$ <u>417,963</u>	\$ <u>1,000,388</u>	\$ <u>1,078,712</u>	\$ <u>12,021,501</u>	\$ <u>11,106,475</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

Year Ended December 31, 2019

(With Comparative Totals for the Year Ended December 31, 2018)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ 190,287	\$ 3,149,914
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,253,461	1,125,127
Grants and contributions for capital projects	-	(560,790)
Effect of consolidation of affiliate, net of cash held by consolidated affiliate of \$326,551	-	(3,104,400)
Forgiveness of debt	(131,267)	(131,267)
Unrealized (gain) loss on investments	(252,431)	168,848
(Gain) loss on disposal of assets	(210,190)	10,115
(Increase) decrease in:		
Accounts receivable	(15,290)	42,130
Grants and contributions receivable	197,125	(334,679)
Prepaid expenses	14,495	(39,301)
Other assets	106,578	(119,810)
(Decrease) increase in:		
Accounts payable	(82,350)	(21,258)
Accrued expenses	23,943	84,806
Due to related party	(35,613)	35,613
Other current liabilities	(22,804)	32,971
Net cash provided by operating activities	<u>1,035,944</u>	<u>338,019</u>
Cash flows from investing activities		
Repayments from (advances to) related parties	35,613	(35,613)
Proceeds from sale of investments	465,602	275,024
Investment in development in process	(523,132)	(1,515,419)
Proceeds from disposal of assets	846,634	-
Acquisition of property and equipment	(1,730,333)	(2,476,109)
Net cash used by investing activities	<u>(905,616)</u>	<u>(3,752,117)</u>
Cash flows from financing activities		
Grants and contributions for capital projects	-	560,790
Net (repayments on) borrowings from line of credit	(145,000)	145,000
Proceeds from long-term borrowings	2,127,975	3,507,201
Payment of financing costs	(31,409)	-
Payments on long-term debt	(771,218)	(223,019)
Net cash provided by financing activities	<u>1,180,348</u>	<u>3,989,972</u>
Net increase in cash and cash equivalents	1,310,676	575,874
Cash, cash equivalents and restricted cash, beginning of year	<u>2,652,765</u>	<u>2,076,891</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 3,963,441</u>	<u>\$ 2,652,765</u>
Breakdown of cash, cash equivalents and restricted cash, end of year		
Cash and cash equivalents	\$ 2,522,454	\$ 1,598,033
Replacement reserves	428,390	336,578
Reserve cash designated for properties	<u>1,012,597</u>	<u>718,154</u>
	<u>\$ 3,963,441</u>	<u>\$ 2,652,765</u>
Supplemental disclosure		
Property and equipment transferred from development in process	<u>\$ 3,972,896</u>	<u>\$ 2,222,138</u>
Interest paid	<u>\$ 221,658</u>	<u>\$ 229,713</u>

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

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019
(With Comparative Totals for December 31, 2018)

Organization

In May 1994, Families in Transition, Inc. was incorporated as a New Hampshire nonprofit to provide housing and comprehensive social services to individuals and families who are homeless or at risk of becoming homeless in certain areas of southern New Hampshire.

Effective January 1, 2018, Families in Transition, Inc. merged with New Horizons for New Hampshire, Inc. (NHHN) to form FIT/NHNN, Inc. (FIT/NHNN or the Organization). As a result of the merger, FIT/NHNN created an integrated system of care that provides an increased supply of affordable housing for those most in need, sustains positive outcomes through the incorporation of evidence based practices proven to meet identified needs and goals, identifies areas for systemic and programmatic improvements through the use of consistent and accurate data to regularly measure success, and provide an integrated system of care to prevent homelessness when possible and rapidly rehouse those who become homeless, including both the chronically homeless and families with children. The merger resulted in a contribution of net assets in 2018 as follows:

Cash and cash equivalents	\$ 326,551
Other current assets	63,438
Cash surrender value of life insurance	33,676
Investments	1,780,456
Property and equipment, net	1,396,197
Accounts payable and accrued payroll	(95,950)
Notes payable	<u>(73,417)</u>
Fair value of net assets acquired	<u>\$ 3,430,951</u>

The fair value of the identifiable assets exceeded the fair value of the liabilities assumed; as a result, a contribution was recognized. There was no consideration transferred from NHHN.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street, Lake Avenue and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization, or one of its subsidiaries, is the sole general partner. These limited partnerships include Bicentennial Families Concord Limited Partnership (Bicentennial), located at Bicentennial Square in Concord, New Hampshire; Family Bridge Limited Partnership (Family Bridge), located on Second Street in Manchester, New Hampshire; and Family Willows Limited Partnership (Family Willows), located on South Beech Street in Manchester, New Hampshire (collectively referred to as the Limited Partnerships).

During 2019, Bicentennial reached the end of its initial 15-year low-income housing tax credit compliance period. Effective September 20, 2019, New Hampshire Housing Equity Fund 2002 Limited Partnership and JPMorgan Chase, the limited partners, and Bicentennial Families Concord, Inc., the general partner, dissolved Bicentennial. As a result, the non-controlling interest was eliminated and the assets and liabilities of Bicentennial were transferred to the general partner. The general partner's parent, FIT/NHNN, then caused the assets to be contributed to, and the liabilities assumed by, Housing Benefits, Inc. (Housing Benefits), a subsidiary of FIT/NHNN.

FIT/NHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

In 2008, the Organization created Housing Benefits, a Community Development Housing Organization, to identify and develop new housing units and refurbish existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Street, Lowell Street, Belmont Street, Market Street (Millyard I and Millyard II), Spruce Street and Hayward Street, in Manchester, New Hampshire as well as additional housing facilities located on Central Avenue in Dover, New Hampshire (Dover), Lehner Street in Wolfeboro, New Hampshire (Hope House), and at Bicentennial Square in Concord, New Hampshire (Bicentennial).

On April 12, 2019, HB-AH, LLC (HB-AH) was legally formed as a limited liability company organized under the laws of the State of New Hampshire which is treated as a disregarded entity for federal income tax purposes. HB-AH's purpose is to acquire, own, rent, operate and manage 23 residential apartments located in Manchester, New Hampshire. HB-AH is to operate exclusively to further the charitable purpose of Housing Benefits, HB-AH's sole member.

In 2012, the Organization became the sole member of Manchester Emergency Housing, Inc. (MEH), a New Hampshire nonprofit corporation providing immediate shelter to homeless families in the Manchester, New Hampshire area. MEH is the only family shelter in Manchester, New Hampshire.

The Organization also owns 100% of Family Outfitters, LLC (Outfitters), a limited liability corporation. At December 31, 2019, Outfitters operated an independent thrift store in Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization. During 2018, management made the decision to close a Concord, New Hampshire thrift store location.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness (NHCEH), a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy."

On May 25, 2018, the Organization organized Wilson Street Condominium Association (the Association). The Association was established for the purpose of maintaining and preserving a five unit premise located on Wilson Street in Manchester, New Hampshire. The Organization is the majority owner of the Association.

The Organization has several wholly-owned corporations which include Second Street Family Mill, Inc. (Family Mill), and Big Shady Tree, Inc. (Big Shady Tree) (collectively referred to as the General Partners), all of which are New Hampshire corporations. These wholly-owned corporations represent the .01% sole general partners in the Limited Partnerships, whereby Family Mill is a general partner of Family Bridge and Big Shady Tree is a general partner of Family Willows.

FIT/NHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

1. Summary of Significant Accounting Policies

Newly Adopted Accounting Principle and Reclassifications

In 2019, the Organization adopted Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-18, *Restricted Cash*. This ASU requires an entity to present restricted cash with cash on the statement of cash flows. The impact of adoption on the consolidated statement of cash flows for the year ended December 31, 2018 is a decrease in cash used by investing activities of \$40,338, and an increase in cash and restricted cash, beginning of the year of \$1,014,394.

In July 2018, FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to clarify and improve the accounting guidance for contributions received and contributions made. The amendments in this ASU assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of FASB Accounting Standards Codification (ASC) Topic No. 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other accounting guidance, and (2) distinguishing between conditional contributions and unconditional contributions. This ASU was adopted by the Organization for the year ended December 31, 2019. Adoption of the ASU did not have a material impact on the Organization's financial reporting.

Principles of Consolidation

Since the General Partners have control of the Limited Partnerships, in accordance with FASB ASC Topic 810-20-25, *Consolidation*, the financial statements of the Limited Partnerships are required to be consolidated with the Organization's consolidated financial statements. The limited partners' ownership interest is reported in the consolidated statement of financial position as noncontrolling interest.

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, Housing Benefits, HB-AH, MEH, Outfitters, NHCEH, the Association, and the General Partners. All significant inter-entity balances and transactions are eliminated in the accompanying consolidated financial statements.

Comparative Information

The consolidated financial statements include certain prior year summarized comparative information in total, but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles (U.S. GAAP). Accordingly, such information should be read in conjunction with the Organization's December 31, 2018 consolidated financial statements, from which the summarized information was derived.

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019
(With Comparative Totals for December 31, 2018)

Use of Estimates

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

Basis of Presentation

The consolidated financial statements of the Organization have been prepared in accordance with U.S. GAAP, which require the Organization to report information regarding to its consolidated financial position and activities according to the following net asset classification:

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 met by actions of the Organization or by the 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 increases 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 consolidated statement of activities.

All contributions are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. When a donor 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 consolidated statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as support without donor restrictions in the year of the gift.

The Organization reports contributions of land, buildings or equipment as support without donor restrictions, unless a donor places explicit restriction on its use. Contributions of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions and reclassified to net assets without donor restrictions when the assets are acquired and placed in service.

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

Cash and Cash Equivalents

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

Reserves are those deposits of cash and cash equivalents not generally available for operating costs, but restricted to particular uses including operating and replacement reserves for rental properties as well as certain other social services and programs.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation, less accumulated depreciation. The Organization's capitalization policy requires the capitalization of capital expenditures greater than \$1,000, while ordinary maintenance and repairs are charged to expense. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from 5 to 30 years. Assets not in service are not depreciated.

Rental Income

Rental revenue is recognized pro rata over each tenant's period of occupancy. A contract is entered into with a tenant and covers a period of twelve months. All rents are collected at the beginning of each month and are nonrefundable. A tenant has an option to cancel a lease at any time with a minimum of 30 days notice, at which time the Organization will prorate the final rent payment through a tenant's expected move-out date.

When a contract is entered into with a tenant, the Organization collects a security deposit. The security deposits are maintained in a separate cash account and a corresponding liability is recognized. Upon termination of a tenant's contract, the Organization assesses the condition of the unit being vacated. If it is determined a unit is vacated in a condition equivalent to when the tenant occupied the unit, the security deposit is refunded to the tenant. If a unit is determined to be vacated in a condition less than equivalent to when the tenant occupied the unit, the security deposit is retained and recognized as revenue.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

Volunteer Services

A number of volunteers have donated their time to the Organization's various programs and administrative services. The value of these services has not been included in the accompanying consolidated financial statements since the volunteers' time does not meet criteria for recognition. The estimated value of donated time for the years ended December 31, 2019 and 2018 is approximately \$1,030,000 and \$780,000, respectively.

Functional Expense Allocation

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses allocated include salaries and benefits, depreciation, amortization, office and other expenses, which are allocated based on direct payroll hours by functional cost centers.

Income Taxes

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

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2019 and 2018, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

No provision for taxes on income is made in the Limited Partnerships' financial statements since, as partnerships, all taxable income and losses are allocated to the partners for inclusion in their respective tax returns.

The Association is not exempt from income taxes; however, the Code categorizes any profits realized by the Association from its member activities as reductions of members' contributions towards the operation of the condominium property and not as taxable income of the Association or its members. Accordingly, no provision for income taxes has been made in these consolidated financial statements.

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

2. Availability and Liquidity of Financial Assets

As of December 31, 2019, the Organization has working capital, excluding current assets with donor restrictions of \$454,597, of \$1,932,450 and average days (based on normal expenditures) cash and cash equivalents on hand of 85.

Financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on mortgage notes payable, and capital acquisitions not funded through replacement reserves or financed with debt, were as follows:

	<u>2019</u>	<u>2018</u>
Financial assets:		
Cash and cash equivalents	\$ 2,522,454	\$ 1,598,033
Accounts receivable	67,501	52,211
Grants and contributions receivable	589,218	786,343
Due from related parties	-	35,613
Investments	<u>1,123,413</u>	<u>1,336,584</u>
Total financial assets	4,302,586	3,808,784
Donor-imposed restrictions:		
Restricted funds	<u>(479,597)</u>	<u>(1,187,636)</u>
Financial assets available at year end for current use	<u>\$ 3,822,989</u>	<u>\$ 2,621,148</u>

The Organization also has a line of credit available to meet short-term needs, as described in Note 5.

The Organization has replacement reserves and designated cash reserves for properties as part of its debt financing with New Hampshire Housing Finance Authority (NHHFA) which are only available when approved by NHHFA. As a result, these replacement reserves and designated cash reserves for properties are not considered available for general expenditure within the next year and are not reflected in the amount above. The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019
(With Comparative Totals for December 31, 2018)

3. Property and Equipment

Property and equipment consisted of the following:

	<u>2019</u>	<u>2018</u>
Land	\$ 3,764,378	\$ 3,646,598
Land improvements	650,360	602,600
Buildings and improvements	39,119,498	34,123,494
Furniture and fixtures	920,936	731,590
Equipment	604,425	558,032
Vehicles	361,153	347,711
Construction in progress	<u>850</u>	<u>12,229</u>
	45,421,600	40,022,254
Less: accumulated depreciation	<u>12,633,547</u>	<u>11,491,435</u>
Property and equipment, net	<u>\$ 32,788,053</u>	<u>\$ 28,530,819</u>

At December 31, 2019 and 2018, the Organization held \$37,087,574 and \$31,959,920, respectively, of land, land improvements, and buildings and improvements for the purpose of leasing to individuals. Accumulated depreciation on the land improvements, buildings and building improvements at December 31, 2019 and 2018 was \$9,284,428 and \$8,344,904, respectively.

4. Development in Process

At December 31, 2019, development in process consisted of various projects in process related to all of the properties owned by the Organization. As December 31, 2018, development in process consisted of costs related to the following:

Family Willows Recovery Housing Program

In response to the rising rates of opioid and other substance use issues throughout Manchester, New Hampshire and the State of New Hampshire, FIT/NHHH and Housing Benefits established The Manchester Recovery and Treatment Center (the Facility), a large-scale facility to curb the tide of substance misuse.

The Facility provides areas for agencies to provide substance use disorder treatments or services to those at varying stages of recovery. The Facility also includes Housing Benefit's Family Willows Recovery Housing Program (the Program) on the 2nd and 3rd floors. This Program provides 19 units of sober recovery housing, and accommodates approximately 40-50 women and their children. Residents in the Program have access to case management, continued outpatient treatment, self-help groups, employment workshops, and social events. Funding for the Facility was secured from the City of Manchester, NHHFA, Franklin Savings Bank, the Community Development Finance Authority (CDFA) and private foundations. Construction was completed and the Facility was placed into service in 2019.

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019
(With Comparative Totals for December 31, 2018)

5. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$350,000. During the term of the agreement, the interest rate on any outstanding principal balance shall be equal to the base rate, as defined by the financial institution, with a floor of 4% (4.75% at December 31, 2019). As of December 31, 2018, the outstanding balance was \$145,000. There was no outstanding balance as of December 31, 2019.

6. Long-Term Debt

Long-term debt consisted of the following:

	<u>2019</u>	<u>2018</u>
A mortgage loan payable to NHHFA in monthly payments of \$680, including interest at 1% and an escrow of \$289. The loan is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The loan is due and payable in full in January 2033.	\$ 50,142	\$ 53,707
A note payable to NHHFA. The note is noninterest bearing and is collateralized by real estate located on Amherst Street, Manchester, New Hampshire. The note is due and payable upon sale or refinancing of the property or in June 2042.	163,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$883, including interest at 5.00% for five years. After five years, the interest rate adjusts to match the then current Federal Home Loan Bank of Boston 5-year, 20-year amortizing rate plus 2.50%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in May 2034. The Organization refinanced this note in 2019.	104,019	113,185
A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 4.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	48,028	59,226
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 7.18%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	207,307	217,397

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A mortgage note payable by Housing Benefits to NHHFA, collateralized by Bicentennial property. Monthly payments of \$1,095 include interest at 4.75% per annum until the principal and interest are fully paid with the final installment due and payable on May 1, 2034.	135,156	141,664
A noninterest bearing note payable by Housing Benefits to NHHFA, collateralized by Bicentennial property and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 28, 2034. This is nonrecourse.	85,018	85,018
A noninterest bearing note payable by Housing Benefits to NHHFA, collateralized by Bicentennial property and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 28, 2033. This note is nonrecourse and is subordinate to the \$85,018 note payable.	336,955	336,955
A noninterest bearing note payable by Housing Benefits to Merrimack County, collateralized by Bicentennial property and various financing instruments. The note is due and payable in full in May 2033.	260,000	260,000
A noninterest bearing note payable by Housing Benefits to NHHFA, collateralized by Millyard II property and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable upon sale or refinancing of the property or in May 2031. This loan is nonrecourse.	445,068	449,877
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Millyard II property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on September 1, 2032.	207,057	220,274
A note payable by Housing Benefits to the City of Manchester, New Hampshire, collateralized by Millyard II property and various financing instruments. A payment of interest shall be made annually no later than August 1 each year based on 42.5% of the net cash flow, as defined. In any year where the Debt Coverage Ratio, as defined, exceeds 1.15 to 1, principal payments shall be made no later than August 1 in an amount that will result in a 1.15 to 1 Debt Coverage Ratio. All unpaid amounts are due and payable in full on August 1, 2031. This note is nonrecourse.	226,725	226,725

FIT/NHNNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A noninterest bearing note payable by Housing Benefits to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by Millyard II property. Payment of principal is due and payable on December 31, 2031. This note is nonrecourse.	250,000	250,000
A mortgage note payable by Housing Benefits to the City of Manchester Community Improvement Program, collateralized by Millyard Families I real estate. The note is noninterest bearing and is due and payable in January 2027.	230,000	230,000
A second mortgage note payable by Housing Benefits to CDFFA, collateralized by Millyard Families I real estate. Monthly payments of \$1,121 include principal and interest at 2% per annum. The final installment is due and payable on June 15, 2022.	32,773	45,430
A mortgage note payable by Family Bridge to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on August 30, 2034.	850,000	850,000
A promissory note payable by Family Bridge to TD Bank, N.A., collateralized by real estate. Monthly payments of \$3,953 include principal and interest at 4.33%. The note is payable in full in November 27, 2023 and is guaranteed by FIT/NHNNH, Inc. and Family Mill.	415,323	432,921
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is noninterest bearing with annual payments of 50% of net cash flow payable by October 1. The outstanding principal is due by October 1, 2034. The note is collateralized by real estate and is nonrecourse.	600,000	600,000
A mortgage note payable by Family Willows to NHHFA, collateralized by real estate and personal property. The note bears no interest and is to be repaid from 50% of available surplus cash annually with all remaining principal due on July 9, 2037.	516,277	543,384
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is noninterest bearing and has an annual payment of \$9,091 payable on October 1. All outstanding principal is due by October 2029. The note is collateralized by real estate and is nonrecourse.	81,817	90,908

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 4.75%, based on the prime rate capped at 6%. The note is payable in full on June 27, 2033 and is guaranteed by FIT/NHHH, Inc. and Big Shady Tree.	251,100	263,103
A mortgage note payable by Housing Benefits to NHHFA, collateralized by School & Third Street real estate and personal property. Monthly payments of \$2,775 include principal and interest at 8% per annum. The note is due in February 2021.	40,664	69,285
A second mortgage note payable by Housing Benefits to NHCLF, collateralized by School & Third Street real estate and personal property. The note bears no interest and monthly payments of \$2,775 will commence on April 15, 2021 and continue until maturity in October 2039.	617,613	617,613
A mortgage note payable by Housing Benefits to NHHFA, collateralized by Belmont Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by December 2040.	413,735	413,575
A privately-financed mortgage note collateralized by property located at South Main Street in Concord, New Hampshire. Monthly payments of \$3,158 include principal and interest at 6.25% per annum. The property was sold and the note was paid in 2019.	-	332,432
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Lowell Street real estate and personal property. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full in August 2040.	34,628	34,628
A second, noninterest bearing, mortgage note payable from Housing Benefits to the City of Manchester, New Hampshire, collateralized by Lowell Street real estate. Annual payments equal to the greater of 25% of net cash flow, as defined, or \$4,000 commenced in October 2012 and continue until the maturity date in June 2041.	160,022	168,022

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A noninterest bearing promissory note payable from Housing Benefits to NHHFA collateralized by a mortgage and security agreement on Lowell Street real estate. The note is to be forgiven 1/15th annually over the low-income housing tax credit compliance period which ends in 2026, subject to compliance with certain requirements. During 2019 and 2018, \$131,267 was recognized as revenue and support in the consolidated statement of activities.	853,230	984,497
A mortgage note payable from Housing Benefits to NHHFA, collateralized by Dover real estate and personal property. The noninterest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2028.	216,148	216,672
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce Street. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due annually by October 1. The note is due in full by October 1, 2045.	572,808	582,808
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 167 Lake Avenue and personal property located at 161 South Beech Street, Unit 2. Monthly payments of \$2,137 include principal and interest at 4.35%. The note is due in full by April 2024. The Organization refinanced this note in 2019.	386,216	388,731
A vehicle loan payable in monthly payments of \$488, including interest at 4.06%. The loan is due in September 2020 and is collateralized by the related vehicle.	4,237	9,892
A vehicle loan payable in monthly payments of \$760, including interest at 5.374%. The loan is due in November 2020 and is collateralized by the related vehicle.	5,989	13,979
A vehicle loan payable in monthly payments of \$308, including interest at 4.75%. The loan is due in October 2023 and is collateralized by the related vehicle.	12,930	-

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A mortgage note payable to NHHFA, collateralized by the real estate at Lake Avenue, Manchester, New Hampshire. The non-interest bearing note requires annual payments in amounts equal to 50% of surplus cash. The note is payable in full by June 2045.	750,000	750,000
A mortgage note payable to TD Bank, N.A., collateralized by real estate located at 641 Hayward Street, Manchester, New Hampshire. Monthly payments of \$1,091 include principal and interest at 4.25%. The note is due in full by January 2040.	177,428	183,916
A mortgage note payable to Peoples United Bank, collateralized by Hope House. Monthly payments of \$2,270 include principal and interest at 4.94%. The note is due in full by January 2027.	373,411	382,018
A construction loan payable to Franklin Savings Bank, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. Housing Benefits has the ability to draw up to \$825,000 on the promissory note. Monthly payments including principal, interest and escrow of \$7,003 are due over a 30 year period starting September 2018 at 4.90% interest.	724,146	770,113
A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located at 267 Wilson Street, Manchester, New Hampshire. The note has a borrowing limit of \$720,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by November 1, 2047.	720,000	692,891
Three vehicle loans collateralized by an activity bus payable to Ford Credit in monthly payments of \$392 at 5.90% annual interest rate. The loan is due and payable in March 2022.	28,611	40,633
A noninterest bearing mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 267 Wilson Street, 2nd Floor. The note has a borrowing limit of \$1,655,323. As costs are incurred Housing Benefits is to be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow, as defined, or \$5,000 are due by October 1 commencing October 1, 2019. The note is due in full by October 1, 2047.	1,458,182	1,133,816

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

<p>A noninterest bearing mortgage note payable to the City of Manchester, collateralized by real estate located at 267 Wilson Street, 3rd Floor. The note is funded by the City of Manchester's Community Improvement Program and the City of Manchester's Affordable Housing Trust Funds. The note has a borrowing limit of \$531,252. As costs are incurred, Housing Benefits is to be reimbursed by the City of Manchester. Annual payments in the amount of 25% of net cash flow, as defined, are due by October 1 commencing October 1, 2019. The note is due in full by December 1, 2047.</p>	531,252	495,225
<p>A noninterest bearing construction loan payable to NHHFA, collateralized by real estate located in Wolfeboro, New Hampshire. The note has a borrowing limit of \$780,000. Annual payments in amounts equal to 25% of surplus cash. The note is due in full by December 1, 2047.</p>	780,000	780,000
<p>A mortgage note payable to NHHFA and is collateralized by the real estate and personal property. The mortgage is insured by the U.S Department of Housing and Urban Development through the Housing Finance Agency Risk Sharing Program authorized by Section 542(c) of the Housing and Community Development Act of 1992. Monthly payments of \$6,745 are due for principal and interest at 4.20%. All remaining principal is due on May 1, 2059.</p>	1,558,090	-
<p>A technical assistance note payable to NHHFA to provide support to the Organization for renovations at Angie's Shelter. If the renovation project is approved, NHHFA is expected to be the lead lender on renovations. If the renovation project is not approved NHHFA will forgive the borrowings. The noninterest bearing note payable is due at the time of closing on the construction loan.</p>	41,627	13,879
<p>A noninterest bearing note payable to the City of Manchester Community Improvement Program through the Affordable Housing Trust Funds, collateralized by real estate located at 199 Manchester Street. Annual payments of \$6,000 are due by October 1 commencing October 1, 2010. The note was paid off in 2019.</p>	-	6,000

FIT/NHHH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

A note payable to CDFA, collateralized by real estate located at 199 Manchester Street, Manchester, New Hampshire. Principal only payments are due for the first 18 months, at which time monthly payments include principal and interest at 2.0% will be required until December 2021.

	<u>28,924</u>	<u>46,767</u>
	15,985,939	14,760,449
Less current portion	317,739	1,116,180
Less unamortized deferred costs	<u>57,530</u>	<u>40,252</u>
	<u>\$ 15,610,670</u>	<u>\$13,604,017</u>

Surplus cash for the purposes of these disclosures is as defined in the respective loan agreements.

Principal maturities of the above notes over the next five years and thereafter are as follows:

2020	\$ 317,739
2021	245,311
2022	223,202
2023	544,247
2024	663,538
Thereafter	<u>13,991,902</u>
	<u>\$ 15,985,939</u>

Interest expense charged to operations, including amortization of deferred costs of \$14,131, was \$221,658 and \$229,713 in 2019 and 2018, respectively.

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

7. Net Assets

At December 31, 2019 and 2018, net assets without donor restrictions are fully available to support operations of the Organization.

Net assets with donor restrictions were as follows:

	<u>2019</u>	<u>2018</u>
Investments to be maintained in perpetuity, income is to support general operations	\$ <u>25,000</u>	\$ <u>25,000</u>
Funds maintained with donor restrictions temporary in nature:		
The Family Place - services	81,933	53,540
Scholarships	8,764	8,264
VISTA program	-	48,118
Housing programs	37,500	-
Direct care for clients	88,784	95,410
Community Gardens	-	10,333
Hope House	21,067	131,440
Family Willows Recovery Housing Program	-	264,238
NHNN merger	12,779	345,003
Substance use disorder services	119,760	170,677
NHNN programs	17,344	35,613
Passage of time	<u>66,666</u>	<u>-</u>
Total funds maintained with donor restrictions temporary in nature	<u>454,597</u>	<u>1,162,636</u>
Total net assets with donor restrictions	\$ <u>479,597</u>	\$ <u>1,187,636</u>

FIT/NHNH, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019
(With Comparative Totals for December 31, 2018)

Net assets released from net assets with donor restrictions were as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of purpose restrictions:		
Operating releases		
The Family Place - services	\$ 26,607	\$ -
Scholarships	-	3,500
VISTA program	48,116	57,325
Direct care for clients	71,083	84,324
Community Gardens	2,000	-
Hope House	107,175	-
NHNH merger	122,810	96,706
Substance use disorder services	374,438	45,324
NHNH programs	<u>107</u>	<u>5,746</u>
	<u>752,336</u>	<u>292,925</u>
Capital project releases		
Hope House	-	216,016
Family Willows Recovery Housing Program	264,238	143,796
NHNH programs	<u>35,616</u>	<u>-</u>
	<u>299,854</u>	<u>359,812</u>
	<u>\$ 1,052,190</u>	<u>\$ 652,737</u>

8. Commitments

Under the terms of the Limited Partnerships' Regulatory Agreements with NHHFA, each Limited Partnership is required to make deposits to various escrow accounts to fund expected future costs.

Each Limited Partnership has entered into a Land Use Restriction Agreement with NHHFA, as a condition of the allocation of low-income housing tax credits by NHHFA. Pursuant to the covenant, the Limited Partnerships are required to remain in compliance with Code Section 42 for the compliance period and an extended use period, unless terminated sooner.

FIT/NHNN, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

December 31, 2019

(With Comparative Totals for December 31, 2018)

9. Retirement Plan

The Organization has a tax deferred retirement plan which is available to all employees working greater than 25 hours a week. All employees are eligible to participate and are fully vested with the first contribution. The Organization matches contributions at 100% up to 3% of compensation. The Organization contributed \$71,543 and \$63,053 during the years ended December 31, 2019 and 2018, respectively.

10. Noncontrolling Interest

Noncontrolling interest, as shown in the consolidated statement of financial position, represents investments by limited partners in the Limited Partnerships as follows:

<u>Limited Partner</u>	<u>Property</u>	<u>2019</u>	<u>2018</u>
New Hampshire Housing Equity Fund, Inc.	Bicentennial	\$ -	\$ 105,749
JP Morgan Chase	Bicentennial	-	213,791
BCCC, Inc.	Family Bridge	10	10
Boston Capital Corporate	Family Bridge	766,943	970,818
BCCC, Inc.	Family Willows	10	10
Boston Capital Midway	Family Willows	<u>1,835,370</u>	<u>1,919,020</u>
		<u>\$ 2,602,333</u>	<u>\$ 3,209,398</u>

11. Uncertainty

Subsequent to December 31, 2019, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating the temporary shut-down of business in many sectors and imposing limitations on travel and the size and duration of group meetings. Most sectors are experiencing disruption to business operations and may feel further impacts related to delayed government reimbursement, volatility in investment returns, and reduced philanthropic support. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impacts to the Organization as of March 31, 2020, management believes that a material impact on the Organization's consolidated financial position and results of future operations is reasonably possible.

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, the Organization has considered transactions or events occurring through March 31, 2020, which was the date the consolidated financial statements were available to be issued. Management has not evaluated subsequent events after that date for inclusion in the consolidated financial statements.

SUPPLEMENTARY INFORMATION

FIT/NHNN, INC. AND SUBSIDIARIES
Consolidating Statement of Financial Position
December 31, 2019

ASSETS

	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outfitters	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	With Donor Restriction	Eliminations	Total
Current assets											
Cash and cash equivalents	\$ 1,101,620	\$ 45,800	\$ 174,687	\$ 79,805	\$ 638,881	\$ 7,963	\$ 84,537	\$ 1,250	\$ 387,931	\$ -	\$ 2,522,454
Accounts receivable	82,056	12,775	36,398	-	-	-	-	8,448	-	(72,174)	87,501
Grants and contributions receivable	420,456	-	-	-	94,296	7,800	-	-	66,666	-	589,218
Prepaid expenses	23,824	14,537	17,710	8,478	690	375	742	1,356	-	-	65,512
Due from related party	1,271,127	-	58,401	77,118	71,313	-	2,038	-	-	(1,479,997)	-
Other current assets	4,126	15,612	39,629	-	-	-	-	-	-	-	59,367
Total current assets	2,903,009	88,724	326,805	163,401	805,180	16,138	87,317	11,052	454,597	(1,552,171)	3,304,052
Replacement reserves											
Reserve cash designated for properties	67,352	111,926	228,952	-	-	-	-	20,160	-	-	428,390
Related party notes receivable	54,522	253,218	704,857	-	-	-	-	-	-	-	1,012,597
Accrued interest receivable on related party note	1,725,799	-	-	-	-	-	-	-	-	(1,725,799)	-
Investments	1,152,963	-	-	-	1,098,413	-	-	-	25,000	(1,152,963)	1,123,413
Investment in related entities	1,196,347	-	25,051	-	-	-	-	-	-	(1,220,398)	1,000
Property and equipment, net	3,696,865	7,564,974	19,944,469	19,017	1,540,691	1,585	2,504	18,148	-	-	32,788,053
Development in process	155,686	-	-	-	-	-	-	-	-	-	155,686
Other assets	-	-	50,000	-	30,638	-	-	-	-	-	80,638
Total assets	\$ 10,952,343	\$ 8,018,842	\$ 21,280,134	\$ 182,418	\$ 3,474,922	\$ 17,723	\$ 89,821	\$ 49,360	\$ 479,597	\$ (5,651,331)	\$ 38,893,829

LIABILITIES AND NET ASSETS

Current liabilities											
Current portion of long-term debt	\$ 104,728	\$ 53,156	\$ 135,518	\$ 5,989	\$ 18,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 317,739
Accounts payable	36,140	76,907	48,096	2,007	68,489	3,551	1,913	2,628	-	(72,174)	167,557
Accrued expenses	221,598	719,517	486,288	17,156	68,289	12,155	-	-	-	(1,152,963)	372,038
Due to related entities	49,429	97,496	1,164,010	-	2,646	152,770	-	13,646	-	(1,479,997)	-
Other current liabilities	4,572	17,419	38,925	-	-	-	755	-	-	-	59,671
Total current liabilities	416,467	984,495	1,870,835	25,152	157,772	168,476	2,688	16,274	-	(2,705,134)	917,005
Long-term debt, net of current portion and unamortized deferred costs	1,691,782	3,687,871	11,946,260	-	10,576	-	-	-	-	(1,725,799)	15,610,670
Total liabilities	2,108,249	4,652,366	13,817,095	25,152	168,348	168,476	2,668	16,274	-	(4,430,933)	16,527,675
Net assets											
Net assets without donor restrictions - controlling interest	8,844,114	764,143	7,463,039	157,266	3,306,574	(150,753)	87,153	33,086	-	(1,220,398)	19,284,224
Net assets without donor restrictions - noncontrolling interest	-	2,602,333	-	-	-	-	-	-	-	-	2,602,333
Total net assets without donor restriction	8,844,114	3,366,476	7,463,039	157,266	3,306,574	(150,753)	87,153	33,086	-	(1,220,398)	21,886,557
Net assets with donor restrictions	-	-	-	-	-	-	-	-	479,597	-	479,597
Total net assets	8,844,114	3,366,476	7,463,039	157,266	3,306,574	(150,753)	87,153	33,086	479,597	(1,220,398)	22,366,154
Total liabilities and net assets	\$ 10,952,343	\$ 8,018,842	\$ 21,280,134	\$ 182,418	\$ 3,474,922	\$ 17,723	\$ 89,821	\$ 49,360	\$ 479,597	\$ (5,651,331)	\$ 38,893,829

FIT/NHNN, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2019

	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outfitters	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Eliminations	Without Donor Restrictions Total	With Donor Restrictions	Total
Revenue and support												
Federal, state and other grant support	\$ 3,534,888	\$ -	\$ 327,427	\$ -	\$ 687,713	\$ 149,178	\$ 4,000	\$ -	\$ (417,844)	\$ 4,285,362	\$ 344,151	\$ 4,629,513
Rental income, net of vacancies	277,824	815,439	1,285,731	-	24,833	11,491	-	101,910	(157,098)	2,359,730	-	2,359,730
Thrift store sales	-	-	-	573,355	-	-	-	-	-	573,355	-	573,355
Public support	1,053,732	-	18,687	-	971,788	-	6,744	-	-	2,050,951	-	2,050,951
Tax credit revenue	268,238	-	-	-	-	-	-	-	-	268,238	-	268,238
Special events	238,073	-	-	-	280,164	-	-	-	-	518,237	-	518,237
Property management fees	818,048	-	-	-	-	-	-	-	(818,048)	-	-	-
Developer fees	101,545	-	-	-	-	-	-	-	-	101,545	-	101,545
VISTA program revenue	75,368	-	-	-	-	-	-	-	-	75,368	-	75,368
Unrealized gain on investments	-	-	-	-	252,431	-	-	-	-	252,431	-	252,431
Gain (loss) on disposal of assets	212,848	(1,871)	-	(745)	-	158	-	-	-	210,190	-	210,190
Interest income	99,194	4,738	11,282	-	-	-	-	2	(95,890)	19,326	-	19,326
In-kind donations	93,579	-	4,895	-	7,210	-	-	-	-	105,484	-	105,484
Investment income	-	-	-	-	21,969	-	-	-	-	21,969	-	21,969
Forgiveness of debt	-	-	131,267	-	-	-	-	-	-	131,267	-	131,267
Medicaid reimbursements	674,861	-	-	-	-	-	-	-	-	674,861	-	674,861
Other income	164,992	25,488	119,895	18,983	29,891	33,240	2,927	598	(169,174)	226,840	-	226,840
Net assets released from restrictions for operations	752,336	-	-	-	-	-	-	-	-	752,336	(752,336)	-
Total revenue and support	8,365,126	843,794	1,898,984	591,593	2,275,599	194,067	13,671	102,510	(1,658,054)	12,627,290	(408,185)	12,219,105
Expenses												
Program activities	6,052,671	1,230,070	2,002,397	432,690	1,446,523	270,942	11,242	89,582	(1,593,716)	9,942,401	-	9,942,401
Fundraising	567,545	-	228,885	-	203,958	-	-	-	-	1,000,388	-	1,000,388
Management and general	859,813	-	102,851	-	180,586	-	-	-	(64,338)	1,078,712	-	1,078,712
Total expenses	7,480,029	1,230,070	2,333,933	432,690	1,831,067	270,942	11,242	89,582	(1,658,054)	12,021,501	-	12,021,501
Excess (deficiency) of revenue and support over expenses	885,097	(386,276)	(434,949)	158,903	444,532	(76,875)	2,429	12,928	-	605,789	(408,185)	197,604
Net assets released for capital projects	264,238	-	-	-	35,616	-	-	-	-	299,854	(299,854)	-
Partnership distributions	-	(7,317)	-	-	-	-	-	-	-	(7,317)	-	(7,317)
Equity transferred resulting from dissolution of Limited Partnership	-	(559,959)	559,959	-	-	-	-	-	-	-	-	-
Change in net assets	\$ 1,149,335	\$ (953,549)	\$ 125,007	\$ 158,903	\$ 480,148	\$ (76,875)	\$ 2,429	\$ 12,928	\$ -	\$ 898,326	\$ (708,039)	\$ 190,287

FIT/NHNN, INC. AND SUBSIDIARIES
Consolidating Statement of Functional Expenses
Year Ended December 31, 2019

	Program Activities											Eliminations	Total	
	Families In Transition - Operating	Limited Partnerships	Housing Benefits	Family Outfitters	New Horizons for New Hampshire	Manchester Emergency Housing	New Hampshire Coalition to End Homelessness	Wilson Street Condominium Association	Program Activities Total	Fundraising	Management and General			
Salaries and benefits														
Salaries and wages	\$ 2,427,122	\$ -	\$ 689,449	\$ 248,403	\$ 796,026	\$ 149,585	\$ -	\$ -	\$ 4,290,585	\$ 400,818	\$ 603,736	\$ -	\$ 5,295,139	
Employee benefits	267,221	-	89,057	11,728	63,312	10,985	-	-	442,303	41,883	82,042	-	548,228	
Payroll taxes	179,538	-	47,309	19,882	61,740	11,183	-	-	319,632	30,036	44,292	-	393,960	
Total salaries and benefits	2,873,881	-	805,815	280,013	921,078	171,733	-	-	5,052,520	472,737	710,070	-	6,235,327	
Advertising	18,309	-	-	29,078	2,506	-	500	-	50,391	2,441	3,662	-	56,494	
Application and permit fees	-	-	-	-	522	-	-	-	522	52	4,341	-	4,915	
Bad debts	3,245	3,323	6,834	-	-	-	-	-	13,402	-	-	-	13,402	
Bank charges	6,542	999	-	7,466	-	126	238	77	15,448	872	5,554	-	21,874	
Condominium association fees	-	-	70,558	-	-	-	-	-	70,558	-	-	(58,488)	12,072	
Consultants	12,312	-	2,269	2,714	20,142	2,392	-	-	39,829	4,168	5,377	-	49,374	
Depreciation	152,477	388,631	444,126	10,304	57,775	204	1,019	166	1,034,702	131,224	73,404	-	1,239,330	
Events	-	-	-	385	-	-	480	1,309	2,174	145,581	-	-	147,755	
Food	-	-	22,863	-	101,197	-	-	-	124,060	-	-	-	124,060	
General insurance	27,104	41,632	41,046	2,331	19,019	5,523	742	11,588	148,985	15,214	11,245	-	175,444	
Interest expense	46,818	107,445	159,725	660	747	-	-	-	315,395	1,615	538	(95,890)	221,658	
Management fees	83,135	211,078	538,305	-	-	-	-	24,963	857,479	-	-	(850,755)	6,724	
Meets and entertainment	3,498	-	-	-	-	-	-	-	3,498	466	783	-	4,747	
Membership dues	5,681	-	280	-	267	-	500	-	6,728	757	1,136	-	8,621	
Merger expenses	110,014	-	-	-	-	-	-	-	110,014	-	38,672	-	146,686	
Office supplies	144,365	1,998	5,526	8,895	23,748	69	231	64	184,896	21,594	32,098	-	238,588	
Participant expenses	76,919	2,839	2,834	-	9,864	43,148	4,000	-	139,602	-	-	-	139,602	
Postage	7,804	-	144	8	4,574	11	24	-	12,565	1,493	2,182	-	16,240	
Printing	22,909	-	-	982	12,716	-	72	62	36,741	4,311	6,309	-	47,361	
Professional fees	86,658	42,175	19,929	4,000	4,658	775	500	4,036	162,731	12,014	37,895	-	212,640	
Related entity expenses	1,386,595	-	(832,737)	(19,547)	-	-	-	-	534,311	-	-	(534,311)	-	
Rent	-	-	-	34,274	-	-	-	-	34,274	-	64,338	(98,612)	-	
Rental subsidies	306,386	-	-	-	26,249	-	-	-	332,635	-	-	-	332,635	
Repairs and maintenance	48,605	142,438	237,679	26,813	113,593	18,596	-	35,894	623,418	73,992	43,911	(20,000)	721,321	
Staff development	31,270	-	-	200	2,093	-	1,405	-	34,968	4,376	6,538	-	45,882	
Taxes	48,933	118,489	197,931	1,709	-	75	75	-	367,212	-	-	-	367,212	
Technology support	142,830	2,941	2,637	525	17,292	2,850	1,357	-	170,232	20,752	30,914	-	221,898	
Telephone	61,684	719	31,929	2,618	12,108	3,082	-	1,594	113,734	9,421	13,981	-	137,136	
Travel	35,316	-	-	2,326	1,737	-	99	-	39,478	4,881	7,299	-	51,658	
Utilities	32,814	182,809	226,800	22,308	65,879	15,947	-	10,029	556,586	60,222	26,851	-	643,659	
VISTA program	206,331	2,556	-	-	-	-	-	-	208,887	-	-	-	208,887	
Workers' compensation	70,236	-	17,904	14,630	28,759	6,613	-	-	138,142	12,205	17,952	-	168,299	
Total expenses	\$ 6,052,671	\$ 1,230,070	\$ 2,002,397	\$ 432,690	\$ 1,446,523	\$ 270,942	\$ 11,242	\$ 89,582	\$ 11,536,117	\$ 1,000,388	\$ 1,143,050	\$ (1,658,054)	\$ 12,021,501	

**Families in Transition
Board of Directors**

Board of Directors

Scott W. Ellison, Chair
COOK, LITTLE, ROSENBLATT & MANSON, PLLC, Partner
Board member since 2018

Roy Tillsley, Vice Chair
Bernstein Shur, Shareholder
Board member since 2018

Robert Bartley, Treasurer
President, CPA, CFP, Bartley Financial Advisor
Board member since 2018

Frank Sagllo, Co-Treasurer
Howe, Riley & Howe, PLLC.
Board member since 2018

Kristi Scarpone, Secretary
First, Corporate and Foundation Relations
Board member since 2018

Dick Anagnost, At Large
President, Anagnost Companies
Board member since 2018

Heather Whitfield, At Large
Vice President, Commercial Lending, People's United Bank
Board member since 2018

David Cassidy, Past Co-Chair
Senior Vice President, Eastern Bank
Board member since 2018

Colleen Cone,
Sr. Director Employee Relations Greater Boston Area, Comcast
Board member since 2018

Alison Hutcheson
Merchants Fleet Management, Associate Director of Sales Administration
Board member since 2018

AnnMarie French
Executive Director, NH Fiscal Policy Institute
Board member since 2018

Brian Hansen
Team Engineering, Project Manager
Board member since 2018

Brian Mikol
Spectrum Marketing, Co-Owner
Board member since 2018

Jack Olson
Retired
Board member since 2018

Kitten Stearns
Realtor, Coldwell Banker Residential Brokerage
Board member since 2018

Mary Ann Aldrich
Dartmouth Hitchcock, Sr. Advisor Community & Relations
Board member since 2018

Roy Ballentine
Executive Chairman, Ballentine Partners, LLC
Board member since 2019

Sarah Jacobs
Manchester School District Coordinator
Board member since 2018

Sean Leighton
Captain – Investigative Division Commander, City of Manchester Police Department
Board member since 2019

Wayne McCormick, CFP
Steward Partners Managing Director Wealth Manager
Board member since 2018

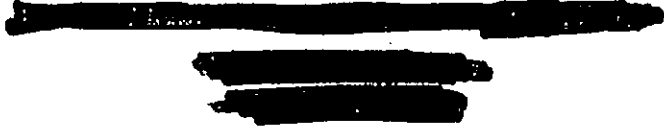
Rev. Gayle Murphy
Minister At Large
Board member since 2020

Michael McCormick
*Anthem- Chief of Staff & Sales Effectiveness Director,
Commercial Business Division, Manchester NH*
Board member since 2020

Michael Simoneau
Members First Credit Union, SVP, Community Outreach Officer
Board member since 2021

Chad Campbell
SilverTech Inc., Director of Strategic Accounts
Board member since 2021

Meghan E. Shea, LICSW, MLADC



OBJECTIVE

Continue to utilize and expand the clinical and management skills have I attained from my professional and academic training to secure a position in a nonprofit setting.

EDUCATION / LICENSURE

Master – Licensed Alcohol and Drug Counselor	September 2010- Present
Licensed Independent Clinical Social Worker	October 22, 2012-Present
Master of Social Work, University of New Hampshire	May 2010
▪ Graduated with an MSW from the Advanced Standing Program	
Bachelor of Art, Social Work, University of New Hampshire	May 2006
▪ Graduated with an BSW with GPA of 3.41	

EMPLOYMENT

Vice President, Clinical & Supportive Services

Families in Transition-New Horizons

December 20th, 2017 – present

- Receivership-Interim Executive Director of Serenity Place
- Oversees all clinical and supportive services at Families in Transition-New Horizons including emergency shelter, transitional and permanent supportive housing, Intensive Outpatient Services, Outpatient services, Recovery Housing and programming.
- Quality of control of healthcare facilities licensure.
- Oversight of fidelity of evidence based practices and models.
- Oversight of staff competencies and required trainings for best practices across the agency.
- Supervision of agency program managers and housing director.
- Provide clinical supervisor for licensure and certifications.
- Quality control of all billing policies and procedures.

Clinical Director

Families in Transition

Sept 1st, 2016- December 2017

- Oversee and manage Sr. Housing Program Manager who supervises the supportive services department with up to 25 staff providing housing (emergency, transitional and permanent) and supportive services with capacity to serve 200 homeless individual and families. Supportive services encompass individual case management, therapy, psycho-educational workshops, pro-social family activities and crisis intervention.
- Oversee the Family Willows Program Manager who supervises 11 clinical staff who conduct co-occurring treatment to women only
- Develop and staff Recovery Housing program and implementation of newest housing and supportive service programming
- Develop and oversight Open Doors outpatient programming for all transitional housing programs of FFT
- Ensure quality programming across Families in Transitions clinical department
- Provide training within the organization and community on substance misuse in NH.
- Administer all program policies and procedure for Families In Transition's various Supportive Service
- Oversight of billing components of all levels of Co-occurring treatment.

Therapist

January 2014- Present

Bedford Family Therapy

- Treat a caseload of 15 clients in a private outpatient group practice

- Utilize various evidence based practices CBT, DBT, and Seeking Safety skills to help clients meet their own individual goals
- Conduct Drug and Alcohol assessments
- Active participant in DWI Offender Program providing mandated outpatient session for individuals coming from the Impaired Drivers Program
- Participate in weekly supervision with other licensed clinicians part of the private group practice.

Clinical & Supportive Service Manager

March 7th, 2016- August 31st, 2016

Families In Transition

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Manage the day to day operations for the Housing program of Families in Transition consisting of over 200 apartment units in New Hampshire.
- Provide clinical and administrative supervision for a total of 14 staff for Families In Transition
- Ensure compliance with budgetary and financial goals.
- Maintain compliance with State, Federal, Accreditation, Contract and Insurance regulations.
- Administer all program policies and procedure for Families In Transition's various Clinical Programs.

Program Manager of the Family Willow Substance Use Treatment Program September 2014-2016

Families In Transition

- Manage the day to day operations for the Family Willows Substance Use Program including six staff members
- Transitioned the program from grant funded to billing all commercial insurances
- Increased accessibility of treatment from 86 clients in 2013 to 250 in 2016.
- Provided clinical and administrative oversight of the FW Substance Use Treatment Program
- Carried a caseload of 12-15 individual clients providing co-occurring evidence base therapeutic interventions.
- Facilitated Intensive Outpatient treatment in a group setting on a weekly basis to group of 12 women.
- Provided training and education to staff on clinical intervention and best practices in the group setting.

Therapist

May 2010- September 2014

Families In Transition

- Facilitated Intensive Outpatient Programming in a group setting daily for up to 12 clients
- Carried a caseload of up to 15 people for individual therapy.
- Provided crisis services for the hotline of Families In Transition
- Conducted Substance Use Disorder Assessments for incoming clients
- Produced treatment plans, progress notes and supporting documentation in a timely manner
- Helped implement new curriculum changes in the treatment programming

MSW Intern

May 2009 to May 2010

Bedford Counseling – Mental Health Center of Greater Manchester

- Conducted intake interviews for new, adult clients and develop comprehensive psycho-social assessments to include diagnosis and substance use assessments
- Provided psychotherapeutic intervention services to twenty-two individuals using brief treatment and cognitive behavioral interventions
- Attended therapeutic workshops pertaining to dual-diagnosis, behavioral health and client driven treatment planning

Case Manager

June 2006- May 2010

Families In Transition

- Provided in home case management services to 30 individuals and families to enhance housing stability among the homeless population.
- Provided crisis hotline coverage for all clinical programming of Families In Transition
- Conducted program interviews for the community support program
- Maintained all files with updated documentation, clear and concise progress notes and treatment plans
- Facilitated workshops to help enhance overall wellness to participants of the program
- Collaborated with community partners to increase referral resources

PROFESSIONAL MEMBERSHIPS

Providers Association Board of Directors-Vice President of Treatment July 2014 to Present
NH Alcohol & Drug Abuse Counselors Association January 2012 to Present
Member of the Manchester Substance Use Collaborative March 2012 to Present

PRESENTATIONS

**NH Association for infant mental health workshop Helping Parents Be Parents:
Addressing Substance Use and Trauma in a Family System- Loon Mountain June 2015**

**Providers Association: Addressing Substance Misuse in the Home Environment March 31*,2016 at
Wentworth Douglas Hospital in Dover, NH**

REFERENCES – AVAILABLE UPON REQUEST

Kristen McGuigan, LICSW

Education

BOSTON UNIVERSITY, TYNGSBORO, MA
Masters of Social Work

SEPTEMBER 2006-MAY 2009

RIVIER COLLEGE, NASHUA, NH
Bachelor of Arts in Human Development

SEPTEMBER 2004-MAY 2006

- Minor in Social Work

NEW HAMPSHIRE TECHNICAL INSTITUTE, CONCORD, NH
Associates Degree in Early Childhood Education

SEPTEMBER 2002- MAY 2004

Licenses

Licensed Independent Clinical Social Worker in Massachusetts and New Hampshire

Experience

FAMILIES IN TRANSITION, MANCHESTER, NH

OCTOBER 2016-PRESENT

Child and Family Program Manager

- Provide individual therapy to children/adolescence and in-home family counseling
- Supporting families whom struggle with substance use, trauma and homelessness
- Facilitate therapeutic play groups and parenting groups

Program Manager/ Child and Family Therapist

OCTOBER 2009- OCTOBER 2012

- Provide trauma-informed therapeutic services to homeless children and families
- Manage the trauma-informed therapeutic preschool and afterschool program
- Provide supervision to clinical staff and early educators whose responsibility levels vary
- Complete psychosocial assessments, develop treatment plans, and DECA/BERS assessment tools
- Provide individual therapy, family therapy, parenting workshops, staff trainings, group therapy and crisis intervention

PSYCHOTHERAPY ASSOCIATES OF NORTH READING, NORTH READING, MA

JULY 2013- PRESENT

Licensed Independent Clinical Social Worker

- Provide individual and family counseling to children, adolescences, and adults
- Provide service to adolescences during the transition into college and adulthood
- Offer art and play therapy services to children ages 3-15 years old
- Conduct psychotherapy assessments and formulate treatment plans

ELLIS MEMORIAL, BOSTON, MA

OCTOBER 2012- MAY 2014

Clinical Supervisor

- Oversee clinical services for children being offered in the agency, including supervision to clinical staff and interns
- Provide therapeutic services to children and families enrolled in Ellis's educational programming
- Enroll and oversee services for children that have open cases with the Department of Children and Families
- Offer in-house trainings and on-going support to early childhood providers
- Create and implement behavior management strategies to ensure success for children within the programs

MOORE CENTER SERVICES INC., MANCHESTER, NH

NOVEMBER 2008- OCTOBER 2009

Case Manager, Children Services

- Assist families with children diagnosed with developmental disabilities and participate in crisis intervention planning
- Oversee and manage child budget to provide services through the In Home Support program
- Attend children's individual education plan (IEP) meetings and collaborate with school systems on behalf of children's education

BASTIER SEALS RESIDENTIAL FACILITY CO-OCCURRING UNIT, MANCHESTER, NH

SEPTEMBER 2008- MAY 2009

Master Level Clinical Intern

- Participate in individual and group therapy with adolescents with substance abuse diagnoses
- Develop curriculum for group therapy
- Involvement with drug court and the New Hampshire court system
- Participated in training for Therapeutic Crisis Intervention

HIGH PLAIN ELEMENTARY, ANDOVER, MA

SEPTEMBER 2007 - MAY 2008

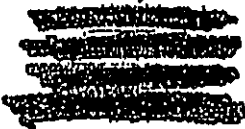
Master Level Clinical Intern

- Led individual, group, and family therapy sessions employing a variety of techniques
- Provided emotional and behavioral support to clients with autism, ADHD, OCD, PDD-NOS, GAS and depression
- Served as liaison between staff and families on mental health issues and child development

Trainings

- Certified trainer in Suicide Prevention through NAMI (National Association of Mental Illness) 2010
- Certified trainer of Dr. Brazelton Touchpoints child development model (Harvard University) 2011
- Certified Disaster Case Manager Supervisor (Catholic Charities) March 2014
- Faculty member participating on a team with mental health professionals, to help implement the Trauma-Informed Early Education and Care Systems Breakthrough Collaborative. Created and implemented trauma-informed curriculum training to early childhood educators. (BOSTON PUBLIC HEALTH COMMISSION, BOSTON MA) AUGUST 2013-SEPTEMBER 2014

Timothy Prince



OBJECTIVE: Seeking a job with growth and stability.

SKILLS & ACCOMPLISHMENTS

FACILITIES MAINTENANCE:

- Coordinated repairs and maintenance of office buildings, apartments, group homes operated by a large community mental health facility
- Managed maintenance on 185 acre campground with over 250 campsites
- Remained on-call overnight and weekends ability to handle all situations as they occurred.
- Replaced defective electric switches and other fixtures
- Repaired plumbing
- Repaired plaster, sheet rock, concrete and some painting
- Performed dam management and maintenance mandated by State of New Hampshire
- Worked on a five year project with contractors and engineers to phase 5 leach fields and individual hookups to 200 existing sites
- Worked with IT hooking up new computers and running network cables
- Trained in procedures for removal and disposal of Bio-Hazardous material

EQUIPMENT OPERATION:

- Equipment backhop, excavator, fork lift, walkie stacker, scissor lift, small hydrostat tractor, snow removal equipment, blowers, mowers and trimmers
- Power tools - chain saw, concrete saw, drills, etc.
- All hand tools - carpentry, electrical and plumbing

ADMINISTRATIVE/MANAGEMENT:

- Coordinated scheduling of contractors, including electricians, painters, plumbers and HVAC
- Managed small maintenance crews
- Requisitioned supplies for maintenance department, store and individual buildings
- Obtained job permits for projects from local government offices
- Oversaw camp security and worked closely with local law enforcement
- Assisted customers and clients with requests and problem resolution
- Reconciled register and did daily bank deposits

WORK ETHIC

- Dedicated, loyal and hard working
- Reliable and adaptable
- Work well independently or as part of a team

WORK EXPERIENCE

Receiving Associate, Walmart-Dunnellon, FL

2007-2008

Service Facility Worker, Greater Manchester Mental Health, Manchester NH

2004-2006

Maintenance Manager/Assistant Manager, Silver Sands RV Resort Chester, NH

1991-2003

Rebecca Pichardo

Self-starter, highly motivated and eager to learn. A hard worker willing to take on challenges. A positive attribute as an active member of a team.

Authorized to work in the US for any employer

Work Experience

Assistant Program Director

CareOne - Lowell, MA

2018 to Present

Assist the Program Director in managing and running a 160 bed Neurobehavior facility
Supervised a team of over 100 therapeutic and recreational staff members
Created and implemented therapeutic, clinical and recreational activities for residents
Developed and ran staff appreciation incentives for employees
Conducted monthly meetings and trainings regarding staff approach, teamwork, behavior modification and morale boosters
Collaborated directly with Administrator, Program Director, Director of Nursing, and Assistant Director of Nursing
Created, trained and oversaw behavior and reinforcement plans for residents

Clinical Specialist

CareOne - Lowell, MA

2016 to 2017

Responsibilities
Worked at a 160 bed Neuropsychiatric nursing home facility
Was responsible for running over 10 clinical groups weekly ranging from Personal Accountability, Anger Management, Alcoholic Anonymous and Conflict Mediation
Held individual counseling sessions with residents with mental health diagnosis such as Schizophrenia, Borderline Personality Disorder, Bipolar, PTSD, Substance Abuse and Depression/ Anxiety Disorder
Developed and implemented behavior and reinforcement plans
Complemented MDS's and Care Plans, including other paperwork and meetings regarding residents insurance requirements
Conducted investigations regarding resident complaints and allegations

Quality Assurance Assistant

Compassion - Norfolk, VA

2015 to 2016

Responsibilities
Agency is required to submit various forms of paperwork and documentation to Medicaid on a daily, weekly, and quarterly basis.
Worked directly under QA Department Head.

Reviewed and edited paperwork submitted by all of Compassion counselors.
Was responsible for collecting and submitting necessary paperwork from a team of 10 counselors.

Lead Counselor

Compassion - Norfolk, VA
2014 to 2016

Responsibilities

Agency responsible for providing direct care in the school and community setting for children ages 5-22 years with behavioral and emotional challenges and cognitive and developmental delays.

Worked with adolescents in a public, inner city middle school.

Worked with adolescents on coping skills, identifying and expressing their emotions, decreasing maladaptive behaviors, and appropriate communication skills.

Wrote daily progress notes, weekly progress notes, quarterlies, ISP's and discharge reports.

Worked directly with families to help them appropriately assist their child, addressed any concerns, and/or assisted families in finding additional community resources

Special Education Teacher

New Horizon - Newport News, VA
2013 to 2014

Responsibilities

- Regional public school serving students with autism, developmental disabilities, communication deficits and severe maladaptive behaviors.

- Worked with students in a middle school, self-contained classroom

- Worked with students aged eleven to twelve on IEP goals and objectives, ASOL goals, ADL's, independence, vocational, and social skills.

- Worked with students on community-based instruction in community settings.

- Implemented F.B.A, B.I.P., behavioral procedure plans, data collection, and elopement plans.

Behavior Therapist/ QMHP

Family Priorities - Williamsburg, VA
July 2012 to August 2013

Responsibilities

- Agency is responsible for working with children inside their homes on maladaptive behaviors, ADL's, and communication

- Worked with children with autism, mental retardation, mental health disorders, and developmental disabilities

- Provided parent training to help families implement procedures outside of sessions

- Conducted clinical assessments

- Implemented behavioral service plans

- Worked with children at-risk at being removed from their families home

- Provided counseling to children with mental health disorders and their families

- Supervised by a Certified Behavioral Analyst.

Behavior Therapist

EMG Consulting - Virginia Beach, VA
August 2010 to November 2010

Responsibilities

- Agency is responsible for working with children inside their homes on academics and maladaptive behaviors
- Used the QBS method to create and set-up systems within the house
- Used ABA methods
- Worked with parents to understand their child's disability and maladaptive behaviors
- Supervised by a Certified Behavioral Analyst

Special Education Teacher

SECEP - Norfolk, VA
August 2008 to November 2010

Responsibilities

- Regional public school serving students with autism, mental retardation, mental health disorders, at-risk youth and severe maladaptive behaviors
- Worked with students in a center based self-contained classroom
- Worked with students aged fifteen to twenty-two on IEP goals and objectives, transitional goals, ASOL goals, ADLs, independence, vocational, and social skills
- Worked with students on community-based instruction in community settings.
- Implemented F.B.A, B.I.P, behavioral procedure plans, data collection, and elopement plans

Education

MA In Special Education

University of Phoenix - Phoenix, AZ
2009 to 2013

BA In Rehabilitation and Disability Studies

Springfield College - Springfield, MA
2004 to 2008

Skills

Social Work, Behavioral Health, Mental Health

Certifications/Licenses

Licensed Social Worker

June 2018 to October 2019

Ann-Elise Bryant

Objective

Seeking a position as Housing Advocate

Education

Gordon College

Bachelor of Arts in Psychology and Sociology

GPA 3.57

Wenham, MA

May 2010

Honors: *Barrington Scholar* for academic performance in, and impact on, the Psychology department and campus; one student from each department chosen; *Dean's List*; graduate cum laude

Experience

Supportive Services Case Manager

Somerville Homeless Coalition, Somerville, MA

March 2014- Present

- Responsible for an active case load of 12-18 individuals and families who formerly experienced homelessness and now are in recovery from substance abuse addiction and/or mental health diagnoses
- Provide services in the home and community as outlined on an Individual Service Plan (ISP) in conjunction with supports to promote retention of permanent housing, sobriety, and symptom management
- Respond to crisis situations (including relapse) and utilize Harm Reduction tactics to promote client safety
- Produce documentation of all client interactions and maintain up-to-date ISPs and assessments
- Attend and participate in team meetings and assist in streamlining client services through the development and updating of protocols and policies, as well as providing training for new case managers through shadowing opportunities

Supported Employment Specialist

Genesis Behavioral Health, Laconia, NH

January 2013- February 2014

- Supported an active case load of 25-30 individuals with Severe and Persistent Mental Illness (SPMI) primarily with employment search and school related activities in the community using an Individualized Service Plan (ISP) to provide optimal treatment within a team approach
- Documented all interactions with clients to maintain continuity of care within and, if necessary, outside of agency
- Provided emergency services such as Crisis Intervention, support to local hospital emergency rooms, and/or contact of local authorities when necessary
- Facilitated more effective, streamlined processes for working in conjunction with local agencies, as well as within the Supported Employment team in the areas of service provision to clients and new hire training

Research Data Coordinator

Institute for Community Inclusion, Boston, MA

November 2010- December 2011

- Conducted research related activities (e.g. interviews, transcribing, literature reviews) on two projects focused on aiding individuals with disabilities
- Worked as a member of a research team and attended, and sometimes led, team meetings

References available upon request

Ann-Elise Bryant

References

1. Michael (Mike) Libby, LCSW
 - Work: 617-623-6111 (ask for Mike Libby)
 - Deputy Director, direct Supervisor, Somerville Homeless Coalition
 - Office phone between the hours of 9-5

2. Mark Lane
 - Work: 617-623-6111 (ask for Mark Lane)
 - Supportive Services Senior Case Manager, Somerville Homeless Coalition
 - Office phone between the hours of 9-5

3. Dominique Whiton
 - Former co-worker/personal friend of 2 years
 - Cellphone: 603-254-2366

MATTHEW D. GROSS

PROFILE

15 years' work experience in the Human Service field, in various roles such as case management and managerial positions. Top skills and qualifications include the ability to lead, recruit, communicate effectively, problem solve and build interpersonal relationships.

HIGHLIGHTS

Case Management

- Operations Oversight of Case Management
- Family Therapy
- Youth Tracking
- Writing Detailed Court Reports
- Crisis Intervention

Community Relations

- Strong Verbal & Written Communication
- Community Partnerships
- Knowledgeable about social issues and community resources
- Family & Youth Relationships

Supervision

- Interviewing & Hiring
- Staff Training
- Staff Supervision
- Multi-Site Supervision
- Commitment to Learning

PROFESSIONAL EXPERIENCE

Waypoint (formally Child and Family Services) - Concord, NH

Parent Aide Program Supervisor, October 2017- July 2020

Responsible for growing the Parent Aide Program by building community relations with the Division for Children, Youth and Families (DCYF) to promote the agency's services in order to cultivate and increase referrals. Additional responsibilities included recruiting, retaining and supervising staff to provide quality services.

Impact & Results:

- Doubled the number of staff over a period of 2 years
- Quadrupled the number of referrals from DCYF due to consistent positive relations and marketing of quality services
- Developed and expanded new territories to continue to grow the entire program
- Sustained staff for longer periods of time due to exceptional leadership skills & quality training practices

Case Manager/ Family Therapist, October 2012- October 2017

Responsibilities included working to build stronger families and improve their futures by providing counseling and support for court referred youth and parents in their homes. Counseling included extensive work with teenagers and parents struggling with social issues such as alcoholism, substance abuse, and domestic violence. This position required the management of in-home and foster care cases as assigned, while working in partnership with the referral source and other stakeholders while developing, maintaining and disseminating all case related documentation to clients, families and referents.

Impact & Results:

- Reunification of families and children and prevention of removal of children through goal setting and the development of treatment plans which were assessed for progress every 30 days
- Building trusting community relationships with DCYF through providing quality services and working in collaboration to achieve court appointed goals
- Promoted to current position of Parent Aide Program Supervisor as a result of my ability to build relationships and manage workload above and beyond expectations

The Moore Center- Manchester, NH

Family Directed Services Program Case Manager, January 2009- October 2012

This position provided the oversight and coordination of services for clients in the Family Directed Services department and the Independent Living Program. Responsibilities included:

- Developing and writing the client's service agreements with oversight to that the developmental, medical and therapeutic needs were met.
- Financial duties to consistently review client's consolidated budgets in order to make sure funds were balanced and therapeutic needs were paid for.
- Maintaining close relationships with vendors who provided external contracted services to clients.

Residential Cases Manager (2006- 2009)

This position was provided the daily oversight of client files for record audits. Responsibilities included:

- The coordination of medication services by closely working with Manchester Mental Health
- Assist clients with meeting all their medical and mental health needs
- Generating client demographics
- Completing referrals for placements
- Database entry

Residential Coordinator (2006)

This position's primary duty was coordinating various residential services for adults with developmental disabilities. Responsibilities included:

- Supervision for shared home providers to ensure the level of care and safety they were providing to clients.
- Monitoring and tracking of financial ledgers
- Handle the applications for anyone who applied to be a shared homes care provider from the point of processing the applicant, interviewing, and hiring while getting them enrolled in agency trainings and onboarding.

Supported Employment Specialist (2005-2006)

This position included direct support for adults with developmental disabilities in order to help them obtain or maintain successful employment based on their needs. Primary responsibilities included:

- Maintaining strong relationships with local business and direct oversight of the clients' personal jobs.
- Billing of the job sites and completing 90/10 forms for where the clients worked was another essential component of the position.

EDUCATION

Southern New Hampshire University- Manchester, NH

Bachelor of Arts in Psychology, May 2005
Minor in Sociology

Associates of Arts in Liberal Arts, May 2003

References can be provided from supervisors, staff and community partners

FIT/NHHH, Inc.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Meghan Shea	Chief Programs Officer	105,000	0%	-
Kristen McGuigan	VP of Clinical Services	82,620	10%	8,262
Tim Prince	Assistant Manager	67,779	20%	13,556
Rebecca Pichardo	Director of Shelter Operations	72,828	50%	36,414
Ann-Elise Bryant	Director of Supportive Services	60,000	30%	18,000
Matthew Gross	Program Manager	52,000	50%	26,000

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Helping Hands Outreach Ministries, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$405,272
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case



Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/21/2021
Date

DocuSigned by:
Christine Santaniello
00004FF6E8484...
Name: Christine Santaniello
Title: Director

3/19/2021
Date

Helping Hands Outreach Ministries, Inc.
DocuSigned by:
Lawrence Nice
5000510FE142453...
Name: Lawrence Nice
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/31/2021

Date

DocuSigned by:



D5CAR202E32C4AE

Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

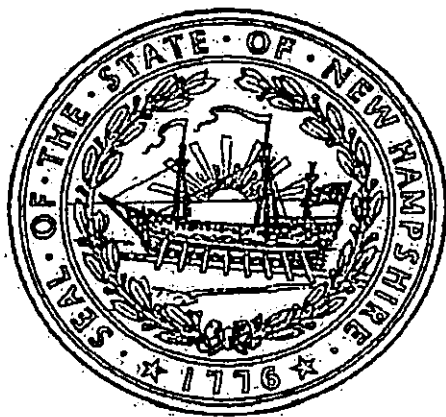
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HELPING HANDS OUTREACH MINISTRIES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on January 11, 1988. 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: 125185

Certificate Number: 0005317446



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 26th day of March A.D. 2021.

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

William M. Gardner,
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
Helping Hands Outreach Ministries, Inc.

Business ID
125185

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005317272	03/26/2021	03/26/2021	Revival	N/A
0005317270	03/26/2021	03/26/2021	Nonprofit Report	2020
0005305269	01/01/2021	01/01/2021	Admin Dissolution/Suspension	N/A
0004772990	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003025948	01/08/2015	01/08/2015	Annual Report	2015
0000634435	05/17/2011	05/17/2011	Reinstatement	2010
0000634434	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000634433	10/08/2010	10/08/2010	Reminder Letter	N/A
0000634427	01/26/2005	01/26/2005	Annual Report	2005
0000634432	06/01/2000	06/01/2000	Annual Report	2000
0000634431	01/24/1995	01/24/1995	Annual Report	1995
0000634430	09/18/1991	09/18/1991	Change of Business Address	N/A
0000634429	08/28/1990	08/28/1990	Annual Report	1990
0000634428	01/11/1988	01/11/1988	Business Formation	N/A

Page 1 of 1, records 1 to 14 of 14

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NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF VOTE

I, Dana Teufel, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Helping Hands Outreach Ministries, Inc.
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on 01/20/2021:
(Date)

RESOLVED: That the Executive Director of Helping Hands Outreach Ministries, Inc
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 19th day of March, 2021.
(Date Contract Signed)

4. Lawrence Nice is the duly elected _____ Executive Director _____
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

Dana Teufel
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 23rd day of MARCH, 2021.

By Dana Teufel
(Name of Elected Officer of the Agency)

Arlene C. Weinstein
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Arlene C. Weinstein, Notary Public
Commission Expires: My Commission Expires May 20, 2025



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

03/29/2021

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).

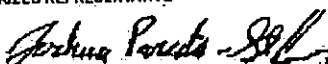
PRODUCER FIAI/Cross-Insurance 1100 Elm Street Manchester NH 03101		CONTACT NAME: Janice Jobin PHONE (A/C No. Extn): (603) 669-3218 FAX (A/C No.): (603) 645-4331 E-MAIL ADDRESS: jjobin@crossagency.com	
INSURED Helping Hands Outreach Ministries Inc 50 Lowell Street Manchester NH 03101		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Harleysville Worcester Ins Co	NAIC #: 26182
		INSURER B: Harleysville Ins Co.	23582
		INSURER C: NorGuard Ins Co	31470
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES CERTIFICATE NUMBER: 21-22 AM/20-21 WC 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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			MPA00000099914Y	01/01/2021	01/01/2022	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Professional Liability \$ 1,000,000 COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			BA 00000099916Y	01/01/2021	01/01/2022	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			CMB00000099915Y	01/01/2021	01/01/2022	<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
C	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/A	HEWC197854 (3a.) NH	04/17/2020	04/17/2021	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER State of New Hampshire, Department of Health and Human Services 129 Pleasant Street Concord NH 03301	CANCELLATION 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  AAI, CRIS
---	--

Mission of Helping Hands Outreach Ministries, Inc.

Helping Hands Outreach Center's mission is to help homeless men who are motivated to live sober, responsible lives.

HELPING HANDS OUTREACH MINISTRIES, INC.

FINANCIAL REPORT

YEAR ENDED JUNE 30, 2020

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JOHN RILEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANT

P.O. Box 431

LACONIA, NEW HAMPSHIRE 03247

Cell 603-731-9854 johnrileycpa@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Helping Hands Outreach Ministries, Inc.
Manchester, New Hampshire

We have audited the accompanying financial statements of Helping Hands Outreach Ministries, Inc. which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility


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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Helping Hands Outreach Ministries, Inc. as of June 30, 2020, and the results of its operations, changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Laconia, New Hampshire
December 8, 2020

HELPING HANDS OUTREACH MINISTRIES, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

ASSETS

CURRENT ASSETS

Cash and equivalents	\$ 78,021
Deposits	500
	<u>78,521</u>

PROPERTY AND EQUIPMENT, at cost

Land and buildings	892,912
Building improvements	76,842
Furniture and equipment	72,993
	<u>1,042,747</u>
Less accumulated depreciation	<u>(347,610)</u>
	<u>695,137</u>

OTHER ASSETS

Debt issuance costs, net of amortization	<u>8,425</u>
	<u>\$ 782,083</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 6,327
Current maturities of long-term debt	25,266
	<u>31,593</u>

OTHER LIABILITY, long-term debt less current maturities

531,782

NET ASSETS

Unrestricted net assets	218,708
Temporarily restricted net assets	-
	<u>218,708</u>
	<u>\$ 782,083</u>

See Notes to Financial Statements

HELPING HANDS OUTREACH MINISTRIES, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

UNRESTRICTED NET ASSETS

Revenue and Support:

Support - individuals, corporations and churches	\$ 24,575
Rents	6,750
Program service revenues	165,281
Fundraising	-
Interest income	5
	<u>196,611</u>
Net assets released from restrictions	<u>129,580</u>
	<u>326,191</u>

Functional expenses:

Program services	297,647
Management and general	4,615
Fundraising	-
	<u>302,262</u>
Increase in unrestricted net assets	<u>23,929</u>

TEMPORARILY RESTRICTED NET ASSETS

Support - public agencies	117,080
Support - corporations	12,500
Net assets released from restrictions	
Satisfaction of donor-imposed restrictions	<u>(129,580)</u>
Increase in temporarily restricted net assets	<u>-</u>

Operating income	23,929
OTHER INCOME, Small Business Administration grant, Paycheck Protection Program	<u>25,600</u>
Net income	49,529
NET ASSETS, beginning of year	<u>169,179</u>
NET ASSETS, end of year	<u>\$ 218,708</u>

See Notes to Financial Statements

HELPING HANDS OUTREACH MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020

	Program Services	Management & General	Fundraising	Total
Automobile expense	\$ 1,329	\$ -	\$ -	\$ 1,329
Salaries and wages	136,554	-	-	136,554
Payroll taxes	11,166	-	-	11,166
Depreciation and amortization	21,524	-	-	21,524
Employee benefit - health insurance	1,348	-	-	1,348
Insurance - worker compensation	6,010	-	-	6,010
Outside services	598	-	-	598
Occupancy:				
Insurance - building	10,136	-	-	10,136
Repairs and maintenance	14,845	-	-	14,845
Utilities	45,219	-	-	45,219
Equipment rental	850	-	-	850
Office supplies and expense	1,504	1,504	-	3,008
Bank service charges	49	49	-	98
State & local fees	246	-	-	246
Advertising	-	-	-	-
Professional dues	55	-	-	55
Professional fees	3,062	3,062	-	6,124
Shelter supplies	12,938	-	-	12,938
Gendron House supplies	5,202	-	-	5,202
Interest expense	20,597	-	-	20,597
Telephone & internet	1,804	-	-	1,804
Professional memberships & dues	55	-	-	55
Staff appreciation	195	-	-	195
Staff continuing education	370	-	-	370
Other direct program expenses	1,991	-	-	1,991
	<u>\$ 297,647</u>	<u>\$ 4,615</u>	<u>\$ -</u>	<u>\$ 302,262</u>

See Notes to Financial Statements

HELPING HANDS OUTREACH MINISTRIES, INC.
STATEMENT OF CASH FLOWS
Year Ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in net assets	\$ 49,529
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:	
Depreciation	21,293
Amortization	231
(Increase) in deposits	(500)
(Decrease) in accounts payable and accrued expenses	(240)
Net cash provided by operating activities	<u>70,313</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Payments for debt issuance cost	<u>(8,656)</u>
Net cash (used in) investing activities	<u>(8,656)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of note payable	
Net repayments of long-term debt	<u>(11,033)</u>
Net cash (used in) financing activities	<u>(11,033)</u>

Net (decrease) in cash and cash equivalents	50,624
Cash and cash equivalents, beginning of year	<u>27,397</u>
Cash and cash equivalents, end of year	<u>\$ 78,021</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Cash payments for:	
Interest	<u>\$ 20,597</u>

SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITIES

Net proceeds from refinancing of debt	\$ 116,495
Payoff of line of credit	(24,828)
Payoff of long-term debt	<u>(91,667)</u>
	<u>\$ -</u>

See Notes to Financial Statements

HELPING HANDS OUTREACH MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization:

Helping Hands Outreach Ministries, Inc. (the Ministry) is a New Hampshire nonprofit corporation organized to provide services to the needy such as transitional housing, food, clothing and other services so as to provide relief from poverty and distress in the community. The Ministry is supported primarily through donor contributions and grants.

Significant Accounting Policies

Basis of accounting:

The financial records of the Ministry are maintained on the accrual basis of accounting.

Financial Statement Presentation:

The Ministry adheres to the Presentation of Financial Statements for Not-for-Profit Organizations topic of the FASB Accounting Standards Codification as expressed in FASC ASC 958-205. Under ASC 958-205, the Ministry is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. As of June 30, 2020, the Ministry had no permanently restricted net assets.

The Ministry accounts for contributions received in accordance with FASB ASC 958-605. In accordance with ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. ASC 958-310 requires that unconditional promises to give (pledges) be recorded as receivables and recognized as revenues.

Cash and Cash Equivalents:

For purpose of the statement of cash flows, the Ministry considers cash and cash equivalents to include only cash on hand, cash in checking accounts, and certain savings accounts; certificates of deposit and money market accounts if readily available for current operations.

Promises to Gives:

Contributions are recognized when the donor makes a promise to give to the Ministry, that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets if restrictions expire within the fiscal year in which the contribution is recognized. All other donor-restricted contributions are reported as temporarily or permanently restricted net assets depending upon the nature of the restrictions. When a restriction expires, temporarily restricted assets are reclassified to unrestricted net assets.

HELPING HANDS OUTREACH MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Tax Status:

The Ministry is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, any income from activities not directly related to the Ministry's tax-exempt purpose is subjected to taxation as unrelated business income. In addition, the Ministry qualifies for the charitable contribution deduction under Section 170(b)(1)(A) of the Code, and has been classified as an organization that is not a private foundation under Section 509(a).

Property and Equipment:

Property and equipment are recorded at cost if purchased or, if contributed, at fair market value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets of 5 to 39 years.

The Ministry's policy is to capitalize property and equipment acquisitions and improvements that either increase the value of an asset or increase the estimated useful life of an asset.

Use of Estimates:

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

Donated Materials, Facilities and Services:

Donated materials and facilities are recorded as contributions and as property and equipment or expense in the period received at fair value. SFAS 116 requires unconditional promises to give materials and facilities to be recorded as contributions even though the Ministry may not receive the assets or benefits until a future period.

HELPING HANDS OUTREACH MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 1. NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Shelter Furnishings:

Furnishings for the shelter operated by the Ministry consist primarily of donated furniture and fixtures. No amounts for donated shelter furnishings have been reflected on the statement of financial position, as the Ministry does not deem such amounts to be materially sufficient to warrant capitalization. Purchased shelter furnishings are generally expensed in the year of purchase.

Functional Expenses:

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Accounts Receivable:

Accounts receivable do not include an allowance for doubtful accounts since the Ministry believes all amounts to be collectible.

NOTE 2. IN-KIND DONATIONS

A substantial number of volunteers have donated significant amounts of time to the Ministry's programs and support services. However, no amounts have been reflected in the statement of activities for contributed services as no objective basis is available to measure the value of such services. Contributed services include services in such areas as counseling, distribution of food, clothing and household goods, computer programming and maintenance, management, accounting and finance, legal and professional, fundraising and administrative support.

In accordance with generally accepted accounting principles, no amounts are reflected in the statements of operations for donated goods that are received by the Ministry and redistributed to the ultimate beneficiaries. Donated services of \$640 have been reflected in the financial statements, relating to professional fees valued at \$3,140 for which the Ministry was billed \$2,500.

NOTE 3. RESTRICTIONS ON NET ASSETS

As of June 30, 2020, there were no temporarily restricted net assets.

HELPING HANDS OUTREACH MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020

NOTE 4. LONG-TERM DEBT

Details of the Ministry's note payable and long-term debt are as follows:

Long-term debt:

Note payable, bank, with an adjustable rate of interest (4.67% at June 30, 2020), due in initial monthly installments of \$752 through October 2044, collateralized by real estate	\$ 130,314
Note payable, bank, with interest at 5.55%, due in monthly installments of \$3,196 through September 2027, collateralized by real estate	225,776
Note payable, other financing entity, with interest at 0%, due in annual installments of \$14,985 beginning January 1, 2023 through April 2036	<u>200,958</u>
	557,048
Less: current maturities	(25,266)
Long-term debt	<u>\$ 531,782</u>

At June 30, 2019, the Ministry's debt with TD Bank consisted of a demand note payable in the amount of \$24,828 and a mortgage in the amount of \$91,667. These notes matured on August 20, 2019. The Ministry refinanced these loans with Eastern Bank (Manchester, NH). This refinanced debt amounted to \$130,314 at June 30, 2020.

The Ministry is in substantial compliance with the terms of its debt agreements.

Future maturities of long-term debt are as follows:

<u>Year ending June 30:</u>	
2021	\$ 25,266
2022	27,011
2023	28,817
2024	38,237
2025	47,787
Thereafter	<u>389,930</u>
	<u>\$ 557,048</u>

The City of Manchester (New Hampshire) has agreed to temporarily defer repayment of its loan in the outstanding amount of \$200,958. Repayment in the annual amount of \$14,985 will re-commence in January 2023 until repaid. This note carries a 0% rate of interest.

HELPING HANDS OUTREACH MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2020

NOTE 5. ECONOMIC DEPENDENCY

The Ministry receives a substantial portion of its support from federal and state government entities. A significant reduction in the level of this support, if it were to occur, might have an effect on the Ministry's ability to deliver its programs and conduct its activities.

NOTE 6. CONTINGENCIES

The facility from which the Ministry operates is not in technical compliance with the Federal Code Requirements of the Americans with Disabilities Act (ADA). Management has estimated that a cost of \$65,000 would be required to bring the facility up to code standards. The Ministry's ability to receive future grant awards could be negatively impacted should the Ministry's facility not be brought into compliance with the ADA in the near future.

The Ministry has adopted FASB Interpretation No. 48, *Accounting for Uncertainties in Income Taxes* (FASB ASC 740). Accordingly, management has evaluated the Ministry's tax positions and has concluded that the Ministry has maintained its tax-exempt status, does not have any significant unrelated business taxable income and has taken no uncertain tax positions that require adjustment or disclosure in the financial statements at June 30, 2020.

The Ministry files Form 990. With few exceptions, the Ministry is no longer subject to U.S. federal tax examinations for years prior to 2016.

NOTE 7. SUBSEQUENT EVENTS

The Ministry has evaluated subsequent events through December 8, 2020, the date which the financial statements were available to be issued, and has not evaluated subsequent events after that date. No subsequent events were identified that would require disclosure in the financial statements for the period ended June 30, 2020.

NOTE 8. SMALL BUSINESS ADMINISTRATION GRANT

On April 21, 2020, the Ministry applied for and received a Paycheck Protection Program (PPP) loan in the amount of \$25,600 from the United States Small Business Administration as part of the CARES Act response to the Covid-19 pandemic. While the proceeds were initially in the form of a loan, under the terms of the PPP, if the Ministry disburses the funds for eligible expenses within a specific time period, the loan will be forgiven. The Ministry has applied for forgiveness under the provisions of the PPP and it believes that such forgiveness will be realized. Due to the reasonable expectation that the loan will be forgiven, the proceeds have been treated as a grant and have been separately stated as such on the Statement of Activities.

HELPING HANDS OUTREACH CENTER
BOARD OF DIRECTORS
March, 2021

Stephen Mitchell, Chairman, began 11/8/2017
Network Solutions Architect, Netscout Corp.

Terry Smith, Secretary, began 5/1/2018
Real Estate/Business Consultant, currently unemployed

Dana Teufel, Treasurer began 11/16/2017
Retired Software Professional

Mary Chevalier, began 7/11/2018
Director, 1269 Café, Now called "12" a homeless service center in Manchester, NH
She is also the Manager of her family business CPIN in Londonderry, NH

Jock Dyer, began 9/12/2019
Retired engineer, business owner, Dyer Engineering

Madeline C. Hutchings, Attorney, began 9/01/2020
Attorney for Sheehan, Phinney, Bass & Green PA

Lawrence Nice, began employment 8/1/2017
Executive Director Helping Hands Outreach (non-voting)

LAWRENCE W. NICE

CAREER GOAL

Application of evidence-based practices to assist homeless adults with substance use issues drug/alcohol mis-use issues in societal re-integration by promoting pro-social decision making – supervision of emergency and transitional housing plus treatment services.

EMPLOYMENT

2017-2021 Executive Director of Helping Hands Outreach Ministries - Daily oversight of a homeless shelter for 32 men, and a transitional living home for 17 men. Oversee a full-time LADC who runs an Intensive Outpatient Program, a part-time Case Manager, contracted accountant, part-time House Manager, part-time volunteer Chaplain/Life Coach. Duties include financial management, fund raising, grant writing, maintenance, decision-making regarding incoming residents as well as those being discharged, and program oversight.

1988-2017 New Hampshire Department of Corrections, Concord, NH
Corrections Counselor, Case Manager – Assisting inmates with societal re-integration including counseling, co-facilitating treatment groups with Master LADC, teaching evidence-based classes - Thinking for a Change, job development, resume writing, referral to community treatment providers, health insurance enrollment.
As the Institutional Parole Officer at NH State Prison for Men, enabled men to secure employment, housing, mental health and substance mis-use treatment. Re-Entry expert at the Calumet Halfway House for 16 years and 2 years at the Manchester Probation Parole Office further enhancing societal re-integration through teamwork with Greater Manchester agencies.

1984-1988 Trinity Evangelical Church, North Reading, Massachusetts
Assistant Pastor, supervised Christian Education, youth programs, visitation

1976-1980 Christian Fellowship School, Laconia, NH
Taught all High School subjects, Coached Soccer

1974-1976 The New Hampton School, New Hampton, NH
Instructor of Chemistry, Physics, SAT Math Prep
Coached Cross Country, Nordic Skiing, Dorm Advisor

EDUCATION

1980-1982 Oral Roberts Theological Seminary, Tulsa, Oklahoma
Master of Divinity, emphasis in counseling

1969-1973 Tufts University, Medford, Massachusetts
B.A., Double Major, History and Religion

GUY L. TORGERSEN
LADC - NH License #1207

Phone : (603) 809-9007

Email: guy@helpinghandoutreach.net

CAREER OBJECTIVE: Utilize my twenty years of prison volunteering and small group experience, combined with my recovery coaching and case management experience, to help those that struggle with substance use disorder and build a life-time of long-term recovery.

PROFESSIONAL EXPERIENCE

Helping Hands Outreach Ministries
LADC

June 2016-Present

Provide complete and holistic LADC and Case Management services for 20 men in the Helping Hands Transitional Shelter and 16 men in long term sober housing at the Gendron House in Manchester, New Hampshire.

- Responsible for intake biopsychosocial assessment, benefits and needs assessment, goal setting, treatment planning, and progress monitoring of residents.
- Bi-weekly meetings with residents to ensure they are following their recovery plans.
- Advocate, coordinate, and refer residents to third party agencies including recovery services, social services, and faith-based services.
- Implement life skill plans including trigger/craving management, anger management, time management, money management, stress management, resume writing, continuing education and job search skills.
- Coordinate and communicate with New Hampshire Department of Corrections case managers to help paroled inmates have a safe and sober place to live when released.
- Co-facilitate Intensive Outpatient Program, Three Strands Treatment, part of Helping Hands Outreach Ministries

Hope for New Hampshire Recovery Community Center
Recovery Coach/CRSW

October 2015-Present

- Responsible for peer recovery coaching and intakes for members of Hope for New Hampshire Recovery.
- Facilitate All Recovery and Smart Recovery meetings.
- Designed and implemented a new Home Comers curriculum for men and women released from prison.
- Lead facilitator for prison Home Comers group.
- New Hampshire licensed Certified Recovery Support Worker June 2016.
- Counseled inbound substance abuse and recovery calls via State 211 service.

EDUCATION

NHTI, Concord's Community College, Associate Degree in Addiction Counseling	2018
Master of Business Administration in Finance, DePaul University, Chicago, IL	1985
Bachelor of Science in Management, DePaul University, Chicago, IL	1981

PROFESSIONAL DEVELOPMENT-NAADAC

Working with Individuals Diagnosed with Personality Disorders, January 10, 2018
 Acceptance-Commitment Therapy in Addiction Treatment and Relapse Prevention, December 20, 2017
 Issues of Complicated Grief: Effectively Working with Families After a Death, May 19, 2017
 Opiate Addiction and Treatment Options, March 29, 2017
 Narcan Train the Trainers, February 2016
 Certified Recovery Support Worker-State of New Hampshire-June 2016
 HIV Trends and Treatment-New Hampshire Training Institute on Addictive Disorders-February 2016
 Substance Abuse Counseling Skills and Core Functions-New Hampshire Training Inst. on Addictive Disorders-February 2016
 Mental Health First Aid USA-National Council for Community Behavioral Health-February 2016
 Smart Recovery Facilitator Training-Certification January 14, 2016

Resume — Terry Ickes

EMPLOYMENT

Helping Hands Outreach Center, 50 Lowell Street, Manchester, NH 03103

House Manager: Live-in position, 20 hours per week, supervises 25-35 men in a temporary residence, supervises volunteer cooking and office staff. Deals with disciplinary issues.

Safe Station Respite (Serenity Place) 6/1/17-2/1/18

140 Central Street, Manchester, NH 03101

Assistant Manager: 12 am to 9 am, did laundry, set up coffee and breakfast for morning and cover shifts as needed.

Safe Station Respite (Helping Hands) 10/14/16-6/1/17

140 Central Street

Manchester, NH 03101

Assistant Manager: Work 12 am to 9 am, do laundry, set up coffee and breakfast for morning and cover shifts as needed.

Reason for leaving: Responsibility shifted from Helping Hands to Serenity Place

Ellis Crowe Solutions 09/15/2015-11/23/15

1001 Elm Street Suite 202, Manchester, NH 03104

Phone fundraiser: Call phone lists and solicit people for donations

Callogix 08/26/2013-01/17/2014

540 Commercial St, Manchester, NH 03103

Customer Service Representative: Answered phones for multiple clients and took orders for certain clients and troubleshoot issues and resolved issues for the customer. Made notes in computer of steps taken to resolve issues and comments from customer on orders or issues.

Dunkin Donuts 5/13/2013-8/16/2014

570 Mast Road, Manchester, NH 03103

Cashier: Made and served coffee, cleaned the restaurant as a team member

EDUCATION

Key West High School, High School Diploma, General Studies, Key West, Florida

Helping Hands Outreach Ministries, Inc.
Homeless Shelter, Helping Hands Outreach Center at 50 Lowell Street, Manchester, NH

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Larry Nice	Executive Director	\$56,000	50%	\$28,000
Guy Torgersen	Treatment Director	\$42,000	20%	\$8,400
Terry Ickes	House Manager	\$18,000	50%	\$9,000
Tim Lanigan	Life Coach	\$18,000	50%	\$9,000
Total				\$54,400

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Hundred Nights, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$434,964
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
 - 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

- progress, and performance, which includes, but is not limited to:
- 2.3.5.1. Reviewing policies and procedures for services provided.
 - 2.3.5.2. Reviewing financial analyses.
 - 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
 - 2.3.5.4. Reviewing Data and HMIS entry standards.
 - 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
 - 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
 - 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
- 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/18/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

3/18/2021
Date


Hundred Nights, Inc.
DocuSigned by:
Mindy Cambiar
Name: Mindy Cambiar
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

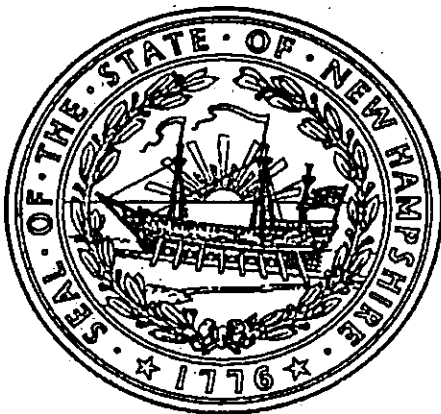
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that HUNDRED NIGHTS, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 24, 2011. 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: 657855

Certificate Number: 0005298326



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 18th day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
Hundred Nights, Inc.

Business ID
657855

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004834934	03/10/2020	03/10/2020	Nonprofit Report	2020
0004767330	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003025452	01/07/2015	01/07/2015	Annual Report	2015
0002872051	08/24/2011	08/24/2011	Business Formation	N/A

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NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Teresa Starkey, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Hundred Nights Inc
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 11, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Mindy (Melinda) Cambiar (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Hundred Nights Inc to enter into contracts or agreements with the State
(Name of Corporation/LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/18/21

Teresa Starkey
Signature of Elected Officer
Name: Teresa J Starkey
Title: Secretary, Board of Directors



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/19/2021

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 Masiello Insurance Agency, Inc. An Optisure Risk Partner 69A Island Street, Suite 1 Keene NH 03431	CONTACT NAME: Janice Sargent	
	PHONE (A/C, No. Ext): (603) 283-1847	FAX (A/C, No):
	E-MAIL ADDRESS: janice.sargent@optisure.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Ace American Insurance Company	NAIC # 22667C
INSURED Hundred Nights Inc PO Box 833 ATTN Mindy Cambiar Keene NH 03431	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES CERTIFICATE NUMBER: 20-21 Certificate 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
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMPOP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	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	6S62UB5B92659-3-20	04/06/2020	04/06/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Homeless Shelter

CERTIFICATE HOLDER Department of Health & Human Services 129 Pleasant Street Concord NH 03431	CANCELLATION 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



HUNDRED NIGHTS INC.

Reaching for the Warmth of Home

Emergency Shelter & Open Doors Resource Center

P.O. Box 833

17 Lamson Street

Keene, NH 03431

(603) 352-5197

www.hundrednightsinc.org

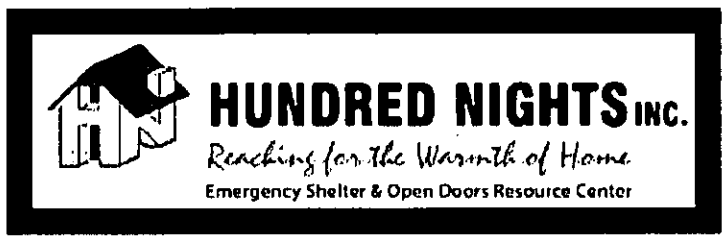
Tax ID: 45-2798171

Hundred Nights, Inc. Mission Statement

The mission of Hundred Nights, Inc. is to provide shelter and crisis related services to the displaced or homeless. Our goal is to collaborate with and enable the community to see, hear, and support those among us who are equally deserving of dignity but who currently lack the means to live independently. Our vision is a community whose members, regardless of means, are equally valued and supported.



The mission of Hundred Nights, Inc. is to provide shelter and crisis related services to the displaced or homeless. Our goal is to collaborate with and enable the community to see, hear and support those among us who are equally deserving of dignity but who currently lack the means to live independently. Our vision is a community whose members, regardless of means, are equally valued and supported.



REVIEWED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2019 AND 2018

**ANDERSON & GILBERT, INC.
295 PARK AVENUE
KEENE, NH 03431
603.357.1928
WWW.AGTAXFOLKS.COM**

To the Board of Directors

HUNDRED NIGHTS, INC.
PO BOX 833
17 LAMSON STREET
KEENE NH 03431

We have reviewed the accompanying statement of financial position of Hundred Nights, Inc. as of December 31, 2019, and the related statements of operations and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Hundred Nights, Inc.

A review consists principally of inquires of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Susan L Gilbert, CPA

Keene, New Hampshire
November 16, 2020

HUNDRED NIGHTS, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018

Assets

	2019	2018
Current Assets		
Cash & Cash Equivalents	\$ 171,447	\$ 88,978
Prepaid Expenses	<u>\$ -</u>	<u>\$ 840</u>
Total Current Assets	\$ 171,447	\$ 89,818
Property and Equipment		
Furniture and Equipment	\$ 34,140	\$ 34,140
Leasehold Improvements	\$ 9,362	\$ 9,362
Less: Accumulated Depreciation	<u>\$ (20,470)</u>	<u>\$ (17,078)</u>
Net Property and Equipment	\$ 23,032	\$ 26,424
Other Assets		
Long Term Investments	<u>\$ 366</u>	<u>\$ 303</u>
Total Other Assets	\$ 366	\$ 303
Total Assets	<u>\$ 194,845</u>	<u>\$ 116,544</u>

Liabilities and Net Assets

	2019	2018
Current Liabilities		
Accounts Payable & Accrued Expenses	\$ 9,196	\$ 4,957
Deferred Revenue	<u>\$ 42,228</u>	<u>\$ 10,000</u>
Total Current Liabilities	\$ 51,424	\$ 14,957
Total Liabilities	\$ 51,424	\$ 14,957
Net Assets		
Unrestricted Net Assets, Beginning of the Year	\$ 101,587	\$ 87,864
Change in Net Assets	\$ 41,785	\$ 13,808
Unrealized Gain (Loss) on Investments	<u>\$ 49</u>	<u>\$ (85)</u>
Total Net Assets	<u>\$ 143,421</u>	<u>\$ 101,587</u>
Total Liabilities and Net Assets	<u>\$ 194,845</u>	<u>\$ 116,544</u>

HUNDRED NIGHTS, INC.
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2019 AND 2018

	2019	2018
Revenue		
Contributions	\$ 192,404	\$ 158,776
Grants	\$ 40,450	\$ 43,563
Monadnock United Way	\$ 41,488	\$ 38,370
Government	\$ 112,001	\$ 45,950
Special Events	\$ 32,466	\$ 29,989
Program Service Fees	\$ 164,240	\$ 117,171
Investment/Interest Income	<u>\$ 175</u>	<u>\$ 88</u>
Total Revenue	\$ 583,224	\$ 433,907
Operating Expenses		
Salaries & Benefits	\$ 233,923	\$ 181,087
Occupancy	\$ 64,260	\$ 60,237
Program Supplies	\$ 159,598	\$ 116,831
Office & Facility Supplies	\$ 17,058	\$ 13,828
General & Administrative Expense	\$ 17,562	\$ 10,999
Fundraising Expenses	\$ 12,354	\$ 8,368
Professional Fees	\$ 13,170	\$ 8,080
Telephone & Communications	\$ 6,059	\$ 5,297
Insurance	\$ 8,501	\$ 10,301
Depreciation Expense	\$ 3,392	\$ 2,790
Client Assistance & Support	<u>\$ 5,562</u>	<u>\$ 2,282</u>
Total Operating Expenses	<u>\$ 541,439</u>	<u>\$ 420,099</u>
Change in Net Assets	<u>\$ 41,785</u>	<u>\$ 13,808</u>

HUNDRED NIGHTS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018 AND 2017

	2019	2018
Cash Flows from Operating Activities		
Change in Net Assets		
Change in Net Assets	\$ 41,785	\$ 13,808
Total Change in Net Assets	\$ 41,785	\$ 13,808
Adjustments to Change in Net Assets		
Adjustments to reconcile Change in Net Assets to Net Cash:		
Depreciation Expense	\$ 3,392	\$ 2,790
Unrealized Gain (Loss) on Investments	\$ 49	\$ (85)
(Increase) Decrease in the Following Assets:		
Prepaid Expenses	\$ 840	\$ (840)
Increase (Decrease) in the Following Liabilities:		
Accounts Payable & Accrued Expenses	\$ 4,239	\$ 1,367
Deferred Revenue	\$ 32,228	\$ 50
Total Adjustments	\$ 40,748	\$ 3,282
Net Cash Provided By (Used In) Operating Activities	\$ 82,533	\$ 17,090
Cash Flows from Investing Activities		
Capital Expenditures, Net of Disposals	\$ -	\$ (8,999)
(Increase) Decrease in Long Term Investments	\$ (64)	\$ 71
Net Cash Provided By (Used In) Investing Activities	\$ (64)	\$ (8,928)
Cash at Beginning of the Year		
Cash at Beginning of the Year	\$ 88,978	\$ 80,816
Total Cash at Beginning of the Year	\$ 88,978	\$ 80,816
Cash at End of the Year	\$ 171,447	\$ 88,978

**HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2019 and 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Hundred Nights, Inc., “the Organization,” is a not-for-profit corporation organized in New Hampshire in 2011. The Organization is exempt from income tax under Internal Revenue Code Section 501(c) (3).

The Organization is a community organization providing shelter and crisis related services to the displaced or homeless. The Organization’s goal is to collaborate with and enable the community to see, hear, and support members of society who are equally deserving of dignity, but currently lack the means to live independently. The Organization’s vision is a community where all members of society, regardless of means, are equally valued and supported.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with short-term maturities, excluding any assets limited as to use. For the year ending December 31, 2019 and 2018 cash and cash equivalents includes a checking and two savings accounts. The Board designated \$50,000 in 2019, to be held in reserve in a savings account for current and future capital campaign expenditures. The Board designated \$20,000 in 2018, to be held in reserve in a savings account, the funds can only be used upon a board vote and requires two signatures. During 2019, the Board voted to use \$15,000 of these funds for operating expenses.

Assets Limited as to Use

Assets limited as to use consist of assets designated by the board and restricted by donors. For the year ended December 31, 2019 and 2018 there were no restricted assets.

HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2019 and 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are carried at cost. Maintenance repairs and minor renewals are expensed as incurred. Major renewals, betterments and leasehold improvements are capitalized. Depreciation is computed on the straight-line method, using half-year convention in the year of acquisition and the year of disposal, and is provided over the estimated useful life of each class of depreciable assets. Leasehold improvements are being depreciated over 39 years and at the end of the lease if not renewed any undepreciated value will be taken.

NOTE 2 – FUNCTIONAL EXPENSES

The Organization provides shelter and a resource center for homeless individuals in the Monadnock region. Expenses related to providing these services are as follows:

	2019	2018
Program Expenses	\$ 432,736	\$ 322,855
Administrative and General	81,800	75,451
Fundraising Expenses	26,903	21,793
Total	<u>\$ 541,439</u>	<u>\$ 420,099</u>

NOTE 3 – COMMITMENT AND CONTINGENCIES

The Organization leases its office, shelter and resource center facilities from Timoleon and Kiriaky Chakalos under a lease agreement updated as of May 2019. In September 2019, the Chakalos transferred through sale the building lease to Patricia Moreno, the Organizations lease terms were transferred to the new owner of the building. The lease is for a 1-year term beginning July 1, 2019 and ending June 30, 2020. There is an option to extend the lease for an additional 2-year period beginning July 1, 2020, this option was exercised at the same monthly rent. The lease payments for 2019 are \$4000 per month for a total of \$48,000. The future minimum lease payments for 2020 are \$48,000.

NOTE 4 – DEFERRED REVENUE

Deferred Revenue consists of funds received to be used for future expenses, activities and events. As of December 31, 2019, and 2018 this amount is \$42,228 and \$10,000, respectively and is primarily funds designated for operations in the following year.

HUNDRED NIGHTS, INC.
NOTES TO FINANCIALS STATEMENTS
DECEMBER 31, 2019 and 2018

NOTE 5 – DONATED GOODS AND SERVICES

The Organization receives significant donations of volunteer time which are not recognized in these statements. For the year ending December 31, 2019 and 2018 there was volunteer labor with an estimated value of \$260,884 and \$196,675, respectively. Additionally, there are significant donations of food, supplies and clothing, which have been recorded as Gifts in Kind at their fair market value. The total of program supplies donated in 2019 and 2018 is \$159,598 and \$116,831, respectively. Also recorded as Gifts in Kind are discounted services provided of \$4,643 and \$340, for the year ended December 31, 2019 and 2018, respectively. The food, clothing and supplies are also listed in these financial statements as Program Supplies and the discounted services are recorded as expenses in the appropriate categories.

NOTE 6 – RETIREMENT PLAN

The Organization adopted a Simple IRA plan for its employees who work more than 30 hours per week. The Organization matches 100% of the employee contributions up to 3% of compensation. For the year ended December 31, 2019 and 2018 the matching contribution to eligible employees amounted to \$2,414 and \$2,354, respectively.

NOTE 7 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 16, 2020, which is the date the financial statements were available to be issued. The Organization does not believe that any events requiring recognition or disclosure occurred between December 31, 2019 and November 16, 2020 except as noted below. The Organization has not reviewed events occurring after the report date for their potential impact on the information contained in these financial statements.

In March 2020, the Covid-19 Pandemic started impacting business due to the closure of non-essential businesses. The impact to the Organization has been the need to provide additional safety protocols during the pandemic for the guest. The Organizations funding sources have not been negatively impacted. Major fundraising events have been rescheduled or canceled or gone to alternative virtual events which will impact 2020 revenues from fundraising negatively.

The Organization did apply for and receive a PPP & EIDL Loans totaling \$93,200. These loans will be forgiven loans as they were used to cover payroll and allowed benefits during the allotted period. Additionally, almost \$55,000 was received in grant income from the Emergency Relief Funds allocated for the State of NH, these funds are to be used for regular operations and to supplement the increased expenditures due to safety requirements of Covid-19.

Hundred Nights, Inc. 2021Redacted Board of Directors List

Jan Peterson – Board Chair, Advocacy and Governance Committees

Chuck Mobilia – Board Vice-Chair – Governance and Facilities Committees

Dick Newton – Treasurer – Finance and Facilities Committees

Teresa Starkey – Secretary – Development and Advocacy Committees

Nancy Newton – Advocacy and Development Committees

Brian Conefrey – Finance Committee

Jim Duffy – Advocacy Committee

Roberta Heinonen – Development Committee

Doug Iosue – Advocacy and Facilities Committees

Jan Manwaring – Development Committee

Andrew Madison – Development Committee

Nikki Sauber – Advocacy Committee Chair

Dyllin Bates – Advocacy Committee

Chris Coates – Advocacy and Facilities Committees

Roye Ginsberg – Advocacy Committee

MELINDA CAMBIAR RFA-2020-DEHS-01-STATE 3.2.3. RESUME

EXPERIENCE

Executive Director, Hundred Nights, Inc.

2013 - Present

General Position Description:

The Executive Director is responsible for the overall management of the organization, including program development, resource allocation, and business operations. The Director inspires and leads a diverse team of staff, advises and informs the board of directors, and champions the organization's vision, goals, and values.

Key Responsibilities Include:

Lead the strategic operation and administration of the organization. Oversee development, implementation, quality, measurement, and promotion of programs, products and services.

Serve as spokesperson for the organization and promote its mission, programs, and values. Establish and build strong collaborative relationships with community groups, donors, volunteers, clients, government officials, and the press. Collaborate with organizations providing complementary services.

Lead and inspire staff to accomplish the goals of the organization and understand and fully embrace the mission and values.

Work with Board of Directors to ensure adequate funds from diverse, ongoing revenue streams to sustain and further the organization's mission and programs.

Spearhead fundraising efforts, including motivating staff and volunteers to embrace and support fundraising goals and efforts.

Build strong relationships with the Board of Directors and work together with the board in governance best practices, responsibilities, board composition, risk management, finance, legal, and fundraising.

Update the board on programs and funding and communicate any issues with potential to affect the organization and its mission, provide reports to the Board as directed.

Work with Board of Directors on the development, implementation, and periodic assessment of a strategic plan including goals, objectives, and timelines.

Direct staff, finance committee, and board in budget preparation, effectively manage resources within budget guidelines.

Ensure the organization is compliant with required nonprofit regulations at the federal, state and local levels and is transparent and accurate in all its records and documents.

Implement and maintain best practices for planning, programs, fundraising, finance, risk management, and HR.

Stay current in developments and trends in the nonprofit sector and issues relevant to the mission and make recommendations as appropriate.

Professional Photographer

With former University of Michigan professor Dr. Sarah Aclego

2010 - Present

- Traveled to research field sites and photographed scientists in the field in Alaska, Canadian Rockies, Iceland and Greenland.

Founder, Executive Director, The Community Kitchen

1982 - 2006

- Started a local "soup kitchen" and food distribution site for people in need.

EDUCATION

1998 Honorary PHD in Humane Letters

Franklin Pierce University
Rindge, NH 03461

1986 Master of Science in Community Economic Development

New Hampshire College, now Southern NH University
Manchester, NH 03101

1983 Bachelor of Arts, Independent Major in History and Economics

Keene State College
Keene, NH 03431

Additional Knowledge, Skills:

- Dedication and commitment to the organization's mission and values.
- Progressive experience in management at a leadership level.
- Broad experience in planning, budgeting, managing, and working with a board of directors.
- Extensive experience in fundraising including planning, prospect development, donor stewardship, and grants.
- Demonstrated ability to build donor and community relationships.
- Leadership experience in strategic planning.
- Solid knowledge of nonprofit accounting principles and financial procedures.
- Exceptional interpersonal, verbal and written communication skills, including public speaking.
- Outstanding leadership, networking, and motivational skills.
- An innovative, strategic thinker with initiative and passion.
- Has personal knowledge of and oversight of staff in all aspects of case management.

JEFFREY E NASS

RFA-2020-DEHS-01-STATE 3.2.3.

OBJECTIVE

To aid the people of our community experiencing homelessness by providing shelter and resources.

SKILLS & ABILITIES

Assess individuals' and families' needs for well-being and obtaining housing.
Develop an individualized plan with the types of services and assistance programs to meet their needs

Assist individuals and families with accessing emergency shelter.
Assist individuals and families with applying for and accessing permanent housing.
Assist individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.

Assist individuals and families with accessing community providers and supports, for including but not limited to, mental health services, substance use treatment, medical care, employment, veterans benefit, financial and food assistance, and education supports.

Certification, knowledge and use of HMIS

EXPERIENCE

Shelter Administrator, Hundred Nights, Inc.
Keene, NH

2014 - 2016
2017 - present

- To provide overnight safe shelter and collection of personal information for case planning and data entry.

Resource Center Manager, Hundred Nights, Inc.
Keene, NH

2016 - 2017

- To provide a safe environment to anyone in need of resources, including food and day shelter.

EDUCATION

Hunterdon Central High School - NJ - Diploma

- You might want to include your GPA here and a brief summary of relevant coursework, awards, and honors.

COMMUNICATION

- Ability to speak to groups or individuals clearly in person, on the telephone, or via email to express the mission and needs of Hundred Nights, Inc.

Jeffrey Nass

LEADERSHIP

- Former Boy Scout Leader and served on Scouting committees for over 10 years
- Supervisor at Hundred Nights, Inc. over 5 years

REFERENCES

Courtney Fairbrother
Personal Reference
802-376-6990

Anthony Capestany
Personal Reference
978-549-7557

Timothy Peloquin
Personal/Professional Reference
603-381-5333

Nicole Wood

EDUCATION

BA INTERNATIONAL RELATIONS AND WOMEN'S AND GENDER STUDIES | MAY 2020

Keene State College | Keene, New Hampshire, United States

- 3.87 GPA, Magna Cum Laude, member of the Morris-August Honors Program
- Recipient of the Ann Britt Waling Award (May 2019)
- Safe Space and Student Support Network Certified

THE WASHINGTON CENTER | FALL 2018 | WASHINGTON, D.C.

Program Track: International Affairs, 3.7 GPA

PROFESSIONAL EXPERIENCE

ADMINISTRATIVE ASSISTANT | HUNDRED NIGHTS, INC. | AUGUST 2020 – PRESENT

- Manages donations (both financial and in-kind), fulfills administrative duties and database entry
- Conducts monthly assessments for United Way and USDA inventories to assess shelter's need and impact
- Interacts and partners with fellow community agencies to alleviate homelessness in Keene, NH

TUTOR | KSC ASPIRE PROGRAM | MARCH 2017 – PRESENT

- Partner with students to help them fully understand course material and develop better study skills
- Create supplemental material to assess student knowledge and encourage comprehension
- Experienced in Anthropology, Women and Gender Studies, Geography, Political Science, Psychology

AMERICORPS NCCC MEMBER | KSC TRIO | JULY - AUGUST 2019

- Served as a Residential Teaching Assistant for LINKS, a 6-week pre-college program
- Supervised 29 residents, conducted room checks, organized weekly extra-curricular events
- Facilitated teacher instruction, held daily study sessions, oversaw the academic success of 11 students
- Fulfilled same AmeriCorps position in Summer 2018 (July to August 2018)

INTERN | U.S. PEACE CORPS AGENCY | SEPT 2018 - DEC 2018

- Assisted the Office of Overseas Programming and Training Support (OPATS) for 15 weeks
- Drafted reports for the U.S. Congress regarding Peace Corps-taught languages abroad
- Created materials that were implemented during trainings in countries Senegal and Vanuatu
- Constructed Excel spreadsheets to organize and monitor department resources

CONFERENCES AND PUBLICATIONS

U.S. DELEGATE | UNITED NATIONS - BANGKOK, THAILAND | FEB 2020

- Attended the "2020 Peace Summit for Emerging Leaders" in Bangkok, Thailand from Feb. 4-7, 2020
- Represented the United States and Keene State College and trained as a Humanitarian Affairs Peace Ambassador

PUBLISHED | UNDERGRADUATE JOURNAL OF GLOBAL CITIZENSHIP | SPRING 2021

"Neocolonial Discourse Within the Peace Corps: Problematic Implications for Intercultural Relationship-Building"

FOREIGN LANGUAGE

SPANISH | CAPABLE OF WRITTEN AND ORAL COMMUNICATION

- Proficiency through successful navigation in foreign, immersive environments
- Five years of formal Spanish instruction

HANNAH MOFFAT

Education

KEENE STATE COLLEGE

Psychology Major, Addictions Minor

I am currently a senior with a 3.500 GPA

KEENE HIGH SCHOOL

• Diploma

• May 2017

Skills & Abilities

• Time management

• Microsoft Excel and Word

Ability to work in stressful situations

Strong work ethic

Leadership skills

Organizational skills

Experience

CASE MANGAGER | HUNDRED NIGHTS, INC. | NOVEMBER 2020 - PRESENT

To ensure the safety and wellbeing of overnight guests including keeping daily logs and communication with supervisors. To assist guest in filling out forms and obtain documentation. Work with individuals to obtain housing and identification documents.

SERVER | MARGARITA'S | JUNE 2020 - JUNE 2020

I was cross trained in serving and expedition. I am also a certified trainer.

SERVER/FOUNTAIN/HOSTESS | FRIENDLY'S | MARCH 2016 - APRIL 2019

I was promoted to manager after one year of working with the company. I would travel to different stores all over New England to assist when needed.

MICHAEL J HITCHCOCK

PAST EMPLOYERS

Hundred Nights, Inc. Shelter Manager (Jeff Nass) – Keene, NH (603)3525197 – From: 6/2020 to Present

To ensure the safety and wellbeing of shelter guest, staff and volunteers. Data entry, cleaning and following all procedures

Hundred Nights, Inc. Overnight Shelter Assistant (Jeff Nass) – Keene, NH (603)352-5197
From: 1/2020 - Present

To ensure the safety and wellbeing of overnight guests including keeping daily log and communication with supervisors

MasterDry Cleaning and Restoration (Jim Milburn) – Montverde, FL – (407)469-3953 – From: 06/2018 To: 11/2018

Carpet Cleaning with understanding of motored equipment

Veranda Apartments(Crystal Kennedy) – Mt Dora, FL – (888)515:2577 – From: 08/2017 To: 06/2018

Groundskeeper – responsible for upkeep and maintained property

Service Master (Bob Foley) - Keene, NH - (603)352-6101 - From: 06/2012 To: 09/2016

Cleaning – General office cleaning of carpets and floors

EXPERIENCE

Crew Chief/Supervisor - Fork lift operator - Water/Fire damage restoration – Mold remediation – Commercial office cleaning – Commercial/Residential truck-mount carpet/upholstery cleaning – Strip/wax/buff floors – Post-construction clean ups – Auto detailing – Organizing cleaning schedules for work crews – Use of industrial floor sweepers/scrubbers – Scissor lift operation - Power wash exterior house cleaning – Warehouse – shipping/receiving – Inventory – Delivery driver (non-CDL) – Merchandising – Communication with coworkers

EDUCATION

Keene High School – Keene, NH – Received diploma in June, 1994

General Studies / Industrial Communications / Construction Trades / Radio Broadcast

REFERENCES

Josh Ripley / professional: (603)313-1865

Verne Gage / professional: (603)256-3000

Bob Foley / professional: (603)352-6102

Diana Worcester

Employment History

11/2019 - Present Hundred Nights Inc/Assistant Shelter Intake Manager
11/2011 - 4/2019 Hundred Nights Inc/Volunteer - Shelter intakes and overnights.
7/2012 - Present Cheshire Medical Center/Conifer Health Solutions - Finance, Accounts Receivables, Billing and Insurance Representative
12/2009 - 7/2012 Monadnock Community Hospital - Billing and Insurance Rep
2004-8/2009 Connecticut River Bank - Client Service Manager for Infinex Investments

Profile

- Extensive background working with people in team environments.
- Experienced with computers and office procedures.
- Demonstrated success in personnel development.
- Acquired customer service and marketing skills.
- Versatile, cooperative and dedicated.

Summary of Experience

- Management - Administrative - Personnel
- Follow and implement policies and procedures
 - Implemented new services to generate increase in revenue
 - Supervised services to assure quality and completeness.
 - Collaborated with marketing groups to promote and build sales.
 - Maintained positive customer relations.
 - Managed inventory and ordering.
 - Experience using Windows and Microsoft office, word, excel, internet
 - Established and implemented computerized system to streamline processes
 - Screened, interviewed and hired personnel; experience in terminating employees
 - Trained personnel and monitored progression of their work.
 - Coordinated work schedules to assure complete coverage,
 - Conducted employee evaluations.

Education

Berlin Vocational Technical College, Berlin NH
Completed Food Service Management.
Penn State University, State College, PA
Completed Dietetic Technician.
Keene State College, Keene NH
Completed Business Management

Professional Skills:

- Exceptional interpersonal, analytical, time management and multi-tasking skills.
- Reliable and goal driven with a dedicated team player attitude, ability to work under pressure and meet goal quotas.
- Have worked in all areas of client/customer service from in person to telephone and computer, always in a most courteous, confidential and professional manner. General office duties from accounts receivable, schedules, deliveries, multi phone and computer skills needed as well as various levels in financial /banking business. Ability to work with groups or independently to meet work needs.

Community Involvement:

Active volunteer with several organizations in the community over the last twenty years: Center Stage Cheshire County, the Samaritans, Women's Crisis Center, Hospice, hospital visitations with the United Church of Christ, Monadnock United Way, The Community Kitchen, the Monadnock Humane Society, the Colonial Theatre of Keene. Always willing to help and go the extra step to meet the needs of others.

PAMELA MALISKA

EXPERIENCE

11/2016 – CURRENT

ASSISTANT MANAGER RESOURCE CENTER, HUNDRED NIGHTS, INC.

Helping guests with basic needs, safe food handling practices, preparing food and serving, maintaining records and database entries

11/2016 – CURRENT

JANITORIAL, HUNDRED NIGHTS, INC.

Laundry, vacuuming, disinfecting, and general cleaning of the facilities.

1/2014 – 1/2015

Sander/Repairer, Porto-Lite

Sanding and repairing shutters and house blinds.

1/2011 – 12/2013

Home Healthcare Relative provider, HCS

Provide essential needs including transportation, medical needs, companionship

EDUCATION

Monadnock Regional High School

Graduated in 1980 with Diploma

SKILLS

- Attention to detail
- Able to multitask
- Data entry

- Communication
- Quick learner
- Adaptability

Jonathan Monson

Education

MONADNOCK REGIONAL HIGH SCHOOL

- Diploma
- June 2017

Skills & Abilities

- Time management
- Microsoft Excel

Ability to work in stressful situations
Strong work ethic

Leadership skills

Experience

OVERNIGHT SHELTER ASSISTANT | HUNDRED NIGHTS, INC. | JUNE 2020 - PRESENT

To ensure the safety and wellbeing of overnight guests including keeping daily logs and communication with supervisors.

COOK | LONGHORN | JUNE 2019 - JUNE 2020

I was cross trained to work at several different stations on the cook line. I learned time management skills and gained the ability to work under pressure.

LINE COOK/MANAGER | FIVE GUYS | JUNE 2017 - JUNE 2019

I was promoted to manager after one year of working with the company. I would travel to different stores all over New England to assist when needed.

CHECKOUT/MAINTENANCE | MARKET BASKET | JUNE 2015 - JUNE 2017

I was cross-trained in several areas including checkout and maintenance. I was open minded and able to work whenever they needed.

Hundred Nights Inc

Key Personnel List

Name	Job Title	Salary/Wages	% Paid from this Contract	Amount Paid from this Contract
Mindy Cambiar	Executive Director	\$55,080	50%	\$27,540
Jeff Nass Sr	Operations Director	\$34,320	100%	\$34,320
Nicole Wood	Assistant to Executive Director & Operations Director	\$30,128	100%	\$30,128
Hannah Moffat	Case Manager	\$23,400	0%	\$0
Michael Hitchcock	Shelter Manager	\$30,128	50%	\$15,064
Diana Worcester	Asst Shelter Manager	\$8,008	100%	\$8,008
Pam Maliska	Asst Resource Center Manager & Cleaning	\$17,914	100%	\$17,914

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Lakes Region Community Developers ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.4, Contractor Address, to read:
193 Court Street, Laconia, NH 03246
2. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
3. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$204,991
4. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not

limited to:

- 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case Management Services that include, but are not limited to:
- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for

- low threshold eligibility programs.
- 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance, progress, and performance, which includes, but is not limited to:
 - 2.3.5.1. Reviewing policies and procedures for services provided.
 - 2.3.5.2. Reviewing financial analyses.
 - 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
 - 2.3.5.4. Reviewing Data and HMIS entry standards.
 - 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies/he-m300.html
 - 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
 - 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
 5. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/25/2021

Date

DocuSigned by:

Christine Santaniello

B08064FF5CED484

Name: Christine Santaniello

Title: Director

Lakes Region Community Developers

3/24/2021

Date

DocuSigned by:

Carmen Lorentz

B4B3E08F8BC7413

Name: Carmen Lorentz


Title: Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

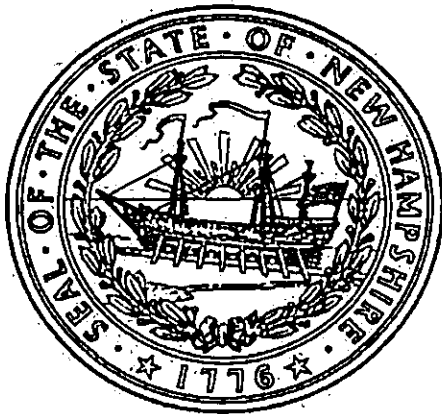
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that LACONIA AREA COMMUNITY LAND TRUST, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on October 18, 1988. 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; and the attached is a true copy of the list of documents on file in this office.

Business ID: 136017

Certificate Number: 0005279133



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 5th day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name	Business ID
Laconia Area Community Land Trust, Inc.	136017

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005278877	03/04/2021	03/04/2021	Revival	N/A
0005278874	03/04/2021	03/04/2021	Nonprofit Report	2020
0005305487	01/01/2021	01/01/2021	Admin Dissolution/Suspension	N/A
0005011864	09/25/2020	09/25/2020	Amendment	N/A
0004775939	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003235352	01/27/2016	01/27/2016	Reinstatement	N/A
0003198946	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0000725589	12/22/2010	12/22/2010	Annual Report	2010
0000725588	10/08/2010	10/08/2010	Reminder Letter	N/A
0000725587	09/24/2007	09/24/2007	Change of Business Address	N/A
0000725586	12/29/2005	12/29/2005	Annual Report	2005
0000725585	01/08/2001	01/08/2001	Annual Report	2000
0000725584	03/20/1995	03/20/1995	Annual Report	1995
0000725583	12/04/1990	12/04/1990	Annual Report	1990
0000725582	10/18/1988	10/18/1988	Business Formation	N/A

Page 1 of 1, records 1 to 15 of 15

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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State of New Hampshire

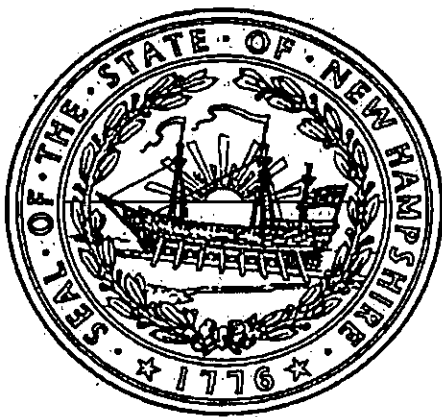
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that LAKES REGION COMMUNITY DEVELOPERS is a New Hampshire Trade Name registered to transact business in New Hampshire on October 20, 2017. 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; and the attached is a true copy of the list of documents on file in this office.

Business ID: 781051

Certificate Number: 0004935662



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 23rd day of June A.D. 2020.

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

William M. Gardner
Secretary of State



State of New Hampshire
Department of State



Business Name : LAKES REGION COMMUNITY DEVELOPERS

Business ID : 781051

Filing History

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0003662536	10/20/2017	10/20/2017	Trade Name Registration	N/A

Trade Name Information

Business Name	Business ID	Business Status
---------------	-------------	-----------------

Name History

Name	Name Type
No Name Changes found for this business.	

Principal Information

Name	Title
	Applicant

CERTIFICATE OF AUTHORITY

I, Dana Nute, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Officer of Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on December 16, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Carmen R. Lorentz (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: _____

Dana Nute Digitally signed by Dana Nute
Date: 2021.03.18 14:26:57 -04'00'

Signature of Elected Officer
Name: Dana Nute
Title: Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/18/2021

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 Melcher & Prescott Insurance 426 Main Street Laconia NH 03246	CONTACT NAME: Heather Dockham PHONE (A/C, No, Ext): (603) 524-4535 E-MAIL ADDRESS: hdockham@melcher-prescott.com	FAX (A/C, No):
	INSURER(S) AFFORDING COVERAGE	
INSURED Laconia Area Community Land Trust INC.DBA Lakes Reg 193 Court St Laconia NH 03246-3642	INSURER A: Cincinnati Insurance Co	NAIC # 10677
	INSURER B: Security National Ins Company	19879
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** CL2131806531 **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 SUBR INSD WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		ECP 0364381	01/01/2019	01/01/2022	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 - COM/POP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$		ECP 0364381	01/01/2019	01/01/2022	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
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 <input checked="" type="checkbox"/> Y N/A	SWC1317749	01/01/2021	01/01/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

State of NH - Dept of Health & Human Services 129 Pleasant Street Concord NH 03301-3857	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 
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Mission Statement

We create opportunities for the Lakes Region to thrive by developing healthy homes, creating vibrant community assets, and engaging residents.

**Laconia Area Community Land Trust, Inc.
d/b/a Lakes Region Community Developers**

Financial Report and
Supplementary Information

December 31, 2020 and 2019

Nesseralla & Company, LLC
A Public Accounting Firm

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
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NESSERALLA & COMPANY, LLC
A Public Accounting Firm

Phone (603) 369-3812

Email accountants@nesscocpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Laconia Area Community Land Trust, Inc.
d/b/a Lakes Region Community Developers
Laconia, New Hampshire

Report on the Financial Statements

We have audited the accompanying consolidated statement of financial position of Laconia Area Community Land Trust, Inc. (a non-profit corporation) d/b/a Lakes Region Community Developers, as of December 31, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Laconia Area Community Land Trust, Inc. d/b/a Lakes Region Community Developers as of December 31, 2020, and the changes in its net assets, functional expenses and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Summarized Comparative Information

We have previously audited Laconia Area Community Land Trust, Inc. d/b/a Lakes Region Community Developers' December 31, 2019 financial statements, and expressed an unmodified opinion on those financial statements in our report dated March 25, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Additional Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 22, 2021 on our consideration of Laconia Area Community Land Trust, Inc. d/b/a Lakes Region Community Developers' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Laconia Area Community Land Trust, Inc. d/b/a Lakes Region Community Developers' internal control over financial reporting and compliance.

Nesseralla & Company, LLC

Plymouth, Massachusetts

March 22, 2021

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

ASSETS	2020	2019
Current Assets		
Cash (Note 1)	\$ 1,750,977	\$ 1,416,123
Tenant rents and subsidy receivable (Notes 1 & 16)	58,012	86,170
Grants and contributions receivable (Note 15)	1,233,656	904,066
Other receivables	1,632	6,344
Prepaid expenses	41,515	64,657
Total Current Assets	3,085,792	2,477,360
Restricted Cash		
Cash - permanently restricted (Note 13)	68,533	63,041
Restricted reserves (Note 3)	883,933	520,537
Tenant security deposits held in trust	68,783	59,016
Total Restricted Cash	1,021,249	642,594
Fixed assets, at cost - net of accumulated depreciation (Note 4)	9,227,083	6,356,819
Noncurrent Assets		
Projects under development (Note 5)	205,848	676,297
Investments in marketable securities at fair market value (Note 6)	429,486	347,394
Developer fees receivable (Note 7)	618,194	352,147
Notes and operating advances receivable from related parties (Note 7)	1,397,764	1,355,636
Investments in related partnerships (Note 7)	100	100
Total Noncurrent Assets	2,651,392	2,731,574
Total Assets	\$ 15,985,516	\$ 12,208,347

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

LIABILITIES AND NET ASSETS	2020	2019
Current Liabilities		
Current portion of long-term debt (Note 9)	\$ 81,741	\$ 69,452
Equity equivalent investment (Note 8)	-	110,000
Accounts payable	35,045	32,383
Due to related party	-	15,723
Prepaid rent	13,777	7,080
Accrued expenses	62,530	18,912
Total Current Liabilities	193,093	253,550
Long-term Liabilities		
Long-term debt, net of current portion and debt issuance costs (Notes 9 & 10)	5,442,912	4,004,046
Line of credit payable (Note 11)	-	55,148
Tenant security deposits payable	68,647	58,503
Total Long Term Liabilities	5,511,559	4,117,697
Total Liabilities	5,704,652	4,371,247
Net Assets		
Without donor restrictions	7,252,869	5,133,188
With donor restrictions (Note 12)	3,027,995	2,703,912
Total Net Assets	10,280,864	7,837,100
Total Liabilities and Net Assets	\$ 15,985,516	\$ 12,208,347

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF ACTIVITIES
DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

	Other Operating Programs	Real Estate Development	Total Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
Revenue and Other Support						
Contributions	\$ 165,505	\$ -	\$ 165,505	\$ -	\$ 165,505	\$ 38,354
In-kind donations (Note 14)	22,080	-	22,080	-	22,080	4,700
Grants (Note 15)	349,880	-	349,880	1,156,405	1,506,285	1,835,036
Resident service fees (Note 7)	26,208	-	26,208	-	26,208	25,376
Rental income and land lease revenue (Note 19)	894,237	-	894,237	-	894,237	891,678
Subsidy income (Note 16)	207,010	-	207,010	-	207,010	329,948
Developer fees (Note 7)	-	504,000	504,000	-	504,000	260,221
Management incentive fees (Note 7)	-	10,876	10,876	-	10,876	2,281
Net assets released from restrictions (Note 12):	511,217	321,105	832,322	(832,322)	-	-
Total Revenue and Support	2,176,117	835,981	3,012,098	324,083	3,336,181	3,385,594
Functional Expenses (Note 17)						
Program Services:						
Transitional Services	15,934	-	15,934	-	15,934	16,776
Tenant Support	172,884	-	172,884	-	172,884	83,403
Real Estate Development	-	244,068	244,068	-	244,068	278,244
Rental Properties	903,883	-	903,883	-	903,883	1,218,274
Asset Management	166,788	-	166,788	-	166,788	72,322
Community Building & Engagement	108,401	-	108,401	-	108,401	53,509
Supporting Services:						
Fundraising	64,318	-	64,318	-	64,318	99,023
General and Administrative	130,912	-	130,912	-	130,912	172,298
Total Functional Expenses	1,563,120	244,068	1,807,188	-	1,807,188	1,993,849
Change In Net Assets Before Non-operating Income and Expenses	612,997	591,913	1,204,910	324,083	1,528,993	1,391,745
Non-operating Income (Expenses)						
Capital distributions from a related party (Note 7)	3,277	-	3,277	-	3,277	5,158
Unrealized gain (loss) on investment (Note 6)	84,403	-	84,403	-	84,403	64,265
Realized gain on investment (Note 6)	10,200	-	10,200	-	10,200	1,438
Investment income	40,582	-	40,582	-	40,582	46,591
Inherent contribution (Note 23)	898,306	-	898,306	-	898,306	-
Loss on disposal of fixed assets (Note 4)	-	-	-	-	-	(8,227)
Recovery of discount on note payable (Note 9)	(7,332)	-	(7,332)	-	(7,332)	(7,050)
Discount on notes receivable (Note 7)	(94,665)	-	(94,665)	-	(94,665)	(350,045)
Total Non-operating Income (Expenses)	914,771	-	914,771	-	914,771	(247,870)
Change in Net Assets	1,527,768	591,913	2,119,681	324,083	2,443,764	1,143,875
Net Assets, beginning of year	5,133,188	-	5,133,188	2,703,912	7,837,100	6,693,225
Transfers	591,913	(591,913)	-	-	-	-
Net Assets, end of year	\$ 7,252,869	\$ -	\$ 7,252,869	\$ 3,027,995	\$ 10,280,864	\$ 7,837,100

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

	Program Services							Fundraising	General and Administrative	2020 Total Functional Expenses	2019 Total Functional Expenses
	Transitional Housing	Tenant Support	Real Estate Development	Rental Properties	Asset Management	Community Building & Engagement	Total Program Services				
Salaries and wages	\$ 10,154	\$ 68,850	\$ 160,651	\$ -	\$ 110,712	\$ 59,582	\$ 409,949	\$ 41,412	\$ 87,681	\$ 539,042	\$ 500,406
Payroll taxes and benefits	2,038	13,816	32,237	-	22,216	11,956	82,263	8,310	17,595	108,168	128,828
Training and education	29	1,402	1,431	-	171	286	3,319	113	199	3,631	8,811
Insurance	176	1,762	2,202	58,941	1,039	1,735	65,855	687	1,208	67,750	70,668
Advertising	-	-	-	-	-	-	-	-	-	-	1,659
Professional fees	951	9,512	11,890	14,713	5,612	9,369	52,047	3,710	6,516	62,273	39,185
Management fees	-	-	-	90,147	-	-	90,147	-	-	90,147	100,892
Depreciation (Note 4)	907	9,068	11,335	155,014	5,350	8,932	190,606	3,536	6,210	200,352	188,519
Interest - amortization of debt issuance costs	-	-	2,333	2,141	-	-	4,474	-	-	4,474	4,474
Bad debt expense	-	-	-	13,083	-	-	13,083	-	-	13,083	24,379
Interest expense	509	5,095	6,369	35,440	3,006	5,018	55,437	1,987	3,490	60,914	61,255
Repairs and maintenance	103	5,027	1,284	211,290	606	1,012	219,322	401	703	220,426	411,942
Utilities	112	1,123	1,404	64,208	663	1,107	68,617	438	770	69,825	100,337
Snow and trash removal	40	400	500	39,982	236	394	41,552	156	274	41,982	52,895
Property taxes	125	1,246	1,558	126,121	735	1,228	131,013	486	854	132,353	159,458
Water and sewer	9	87	109	76,309	51	86	76,651	34	60	76,745	83,313
Postage	18	1,172	228	-	108	180	1,706	71	125	1,902	1,913
Dues and subscriptions	77	771	963	-	455	759	3,025	301	527	3,853	2,787
Supplies	199	1,987	2,484	-	1,172	1,957	7,799	775	1,362	9,936	8,099
Telephone	49	494	618	-	292	487	1,940	193	339	2,472	3,746
Travel	-	364	775	-	-	-	1,139	-	-	1,139	4,674
Take the Wheel expense	-	31,386	-	-	-	-	31,386	-	-	31,386	-
Supportive Housing operating support (Note 21)	-	-	-	-	11,780	-	11,780	-	-	11,780	-
Miscellaneous	438	19,322	5,697	16,494	2,584	4,313	48,848	1,708	2,999	53,555	35,609
Total Functional Expenses	\$ 15,934	\$ 172,884	\$ 244,068	\$ 903,883	\$ 166,788	\$ 108,401	\$ 1,611,958	\$ 64,318	\$ 130,912	\$ 1,807,188	\$ 1,993,849

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

	2020	2019
Cash Flows From Operating Activities		
Change in Net Assets Before Non-operating Income and Expenses	\$ 1,528,993	\$ 1,391,745
Adjustments to reconcile change in net assets before non-operating income and expenses to net cash provided by operating activities		
Depreciation	200,352	188,519
Amortization of debt issuance costs	4,474	4,474
Release of equity equivalent investment mortgage	(110,000)	-
(Increase) decrease in the following assets:		
Tenant rents and subsidy receivable	33,077	(75,680)
Grants and contributions receivable	(329,590)	(401,460)
Other receivables	4,712	(5,804)
Prepaid expenses	24,923	(22,072)
Tenant security deposits	(687)	987
Increase (decrease) in the following liabilities:		
Accounts payable and accrued expenses	40,381	(6,845)
Due to related party	(15,723)	15,723
Prepaid rents	4,295	(3,339)
Tenant security deposits	1,068	(3,284)
Net Cash Provided By Operating Activities	<u>1,386,275</u>	<u>1,082,964</u>
Cash Flows From Investing Activities		
Projects under development	470,449	(577,713)
Capital distributions	3,277	5,158
Purchase of mutual funds	(7,489)	-
Sale of mutual funds	-	7,479
Investment income	40,582	46,591
Purchase of property, equipment and other assets	(1,358,606)	(850,715)
Acquisition of limited partner interest	167,899	-
Sale of assets to a related party	-	(197,171)
Net Cash Used In Investing Activities	<u>(683,888)</u>	<u>(1,566,371)</u>

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020
(with comparative totals for December 31, 2019)

	2020	2019
Cash Flows From Financing Activities		
Receipt (deferral) of development fees	24,248	47,741
Deferral of developer fees	(290,295)	(2,295)
Related party repayment of loans and advances	49,895	5,437
Advances and loans to related parties	(206,688)	(721,726)
Proceeds from mortgages and notes	531,970	1,103,994
Repayment of mortgages and notes	(52,627)	(70,313)
Proceeds from a line of credit	500	55,148
Repayments against a line of credit	(55,648)	-
Net Cash Provided By Financing Activities	<u>1,355</u>	<u>417,986</u>
Net Increase (Decrease) In Cash and Restricted Cash	703,742	(65,421)
Cash and Restricted Cash, beginning of year	<u>1,999,701</u>	<u>2,065,122</u>
Cash and Restricted Cash, end of year	<u>\$ 2,703,443</u>	<u>\$ 1,999,701</u>
Breakdown of Cash and Restricted Cash, end of year:		
Cash	\$ 1,819,510	\$ 1,479,164
Restricted reserves	883,933	520,537
	<u>\$ 2,703,443</u>	<u>\$ 1,999,701</u>
Cash Paid During The Year For:		
Interest (including \$1,236 and \$12,913 capitalized in 2020 and 2019, respectively)	<u>\$ 61,130</u>	<u>\$ 72,466</u>

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. Summary of Significant Accounting Policies

Program Mission

Laconia Area Community Land Trust, Inc. ("LACL T"), doing business as Lakes Region Community Developers ("LRCD"), is incorporated under the laws of the State of New Hampshire as a non-profit corporation. LRCD's mission is to create opportunities for the Lakes Region to thrive by developing healthy homes, creating vibrant community assets, and engaging residents.

Program Services

LRCD develops and supports its operations through strategic management of critical functions. Through staff effort and board oversight, the functions of accounting, fundraising, accountability to and support from the community and funding sources, and organization management and development are maintained to ensure the organization's integrity and sustainability. LRCD serves the community through six programs as follows:

Transitional Housing

LRCD's Transitional Housing Program serves families and individuals who are homeless or at imminent risk of homelessness. Rents are subsidized by LRCD while the households work to address barriers to permanent housing, stabilize their health, and secure employment.

Tenant Support

LRCD residents who desire support services are provided with a full range of support and life skills training. A resident services coordinator assists families to retain their housing, strengthen family stability and enhance economic self-sufficiency.

Real Estate Development

LRCD develops a range of real estate to respond to housing and community development needs in the New Hampshire Lakes Region. This includes affordable rental homes for households of low-income, affordable starter homes for households of moderate income, supportive housing facilities for targeted low-income populations, and community facilities for non-profit organizations meeting critical needs in the community.

Rental Properties

LRCD retained the services of a third-party management agent for its portfolio of properties effective April 1, 2006.

Asset Management

LRCD provides asset management services related to its portfolio of properties.

Community Building & Engagement

LRCD works with residents to develop leadership skills, help them obtain living wage jobs, and partner with them to strengthen protective factors at the family and community level to increase every family's chance at a successful life.

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. Summary of Significant Accounting Policies (continued)

Basis of Presentation

Financial statement presentation follows recommendations of the Financial Accounting Standards Board in its Accounting Standards Codifications ("ASC") 958-205, *Financial Statements of Not-for-Profit Organizations*. Under ASC 958-205, LRCD is required to classify and report net assets in two groups - net assets with donor restrictions and net assets without donor restrictions - based on the existence or absence of donor-imposed restrictions and the nature of those restrictions.

Principles of Consolidation

The accompanying financial statements do not include the accounts of affiliated for-profit real estate entities. Based on the provisions of ASC 810, *Consolidation*, LRCD determined that the presumption of control for the entities in which LRCD is the general partner had been overcome, and as a result the financial statements of those entities are not required to be consolidated.

On December 30, 2020, LRCD acquired the limited partner interest of MFH Limited Partnership ("MFH") which required its accounts to be consolidated on these financial statements. See Note 23. Certain adjustments were made on the statements to eliminate related party transactions from the consolidated financial statements.

Organizational Structure

LACLT is incorporated under the laws of the State of New Hampshire as a non-profit corporation. MFH was organized under the Uniform Limited Partnership Act of the State of New Hampshire.

The following are for-profit entities, which are wholly- or majority-owned by LRCD and act in the capacity of general partner in limited partnerships. The activity of these entities is immaterial to the consolidated financial statements and has been excluded from the consolidated financial statements.

- LACLT Corporation
- EASTLACLT, LLC
- Winni River Housing Corp
- GVK3 Housing Corp
- HHA Housing Corp

Cash and Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with a maturity of three months or less. Restricted cash is not considered cash equivalents.

Revenue Recognition

The accompanying financial statements were prepared using the accrual basis of accounting, the purpose of which is to record revenues when they are earned or awarded and record expenses when they are incurred.

Rental revenue attributable to residential leases are recorded when due from residents, generally upon the first day of each month. Leases are for periods of up to one year, with rental payments due monthly. Other revenue results from fees for late payments, cleaning, damages, and laundry facilities and is recorded when earned.

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. Summary of Significant Accounting Policies (continued)

Accounts Receivable – Recognition of Bad Debts

Accounts receivable are considered fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made. Accounting principles generally accepted in the United States require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Estimates

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

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability is measured by a comparison of the carrying amount to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived asset is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. No impairment losses were recognized during the years ended December 31, 2020 and 2019.

Advertising

Advertising costs are expensed as they are incurred.

Income Taxes

LRCD is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended, except for income taxes on "unrelated business income", if any. For the years ended December 31, 2020 and 2019, LRCD did not have any "unrelated business income" subject to income taxes; accordingly, no provision for income taxes for these entities has been included in the consolidated financial statements.

MFH is a pass-through entity for income tax purposes and, as such, is not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and reported by its partners on their respective income tax returns. Accordingly, these consolidated financial statements do not reflect a provision for income taxes for these entities.

Provisions of ASC 740 have been adopted related to the subsequent recognition and measurement of tax positions. This guidance requires recognition of the financial statement impact of a tax position when it is more-likely-than-not that the position will be sustained upon examination. No uncertain tax positions were identified that qualify for either recognition or disclosure in the consolidated financial statements.

Income tax returns are subject to examination by the Internal Revenue Service ("IRS") for a period of three years. While no income tax returns are currently being examined by the IRS, tax years since 2017 remain open.

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

LRCD determines the fair market values of its financial assets and liabilities, as well as non-financial assets and liabilities, that are recognized or disclosed at fair value on a recurring basis in accordance with generally accepted accounting principles, based on the fair value hierarchy established under ASC 820 *Fair Value Measurements*.

Level 1: Quoted prices in active markets for identical assets or liabilities. LRCD's Level 1 assets include short- and long-term investments that are measured at fair value on a recurring basis. See Note 6.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. LRCD currently has no Level 2 assets or liabilities that are measured at fair value on a recurring basis.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include items where the determination of fair value requires significant management judgment or estimation. LRCD currently has no Level 3 assets or liabilities that are measured at fair value on a recurring basis.

Subsequent Events

Events that occur after the statement of financial position date but before the consolidated financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of financial position date require disclosure in the accompanying notes. Management evaluated the activity of LRCD through March 22, 2021 and concluded that no subsequent events have occurred that would require recognition in the consolidated financial statements or disclosure in the notes to the consolidated financial statements.

Reclassifications

Certain items in the December 31, 2019 financial statements have been reclassified to conform to the current year's classifications. These reclassifications had no effect on net assets.

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

2. Financial Assets and Liquidity

The following table reflects the financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

	2020	2019
Cash and restricted cash	\$ 2,772,226	\$ 2,058,717
Tenant rents and subsidy receivable	58,012	86,170
Grants and contributions receivable	1,233,656	904,066
Other receivables	1,632	6,344
Investments in marketable securities at fair market value	429,486	347,394
Financial assets, at year-end	<u>4,495,012</u>	<u>3,402,691</u>
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	(1,451,432)	(1,132,163)
Restricted by donor for capital projects in perpetuity	(68,533)	(63,041)
Reserves restricted by regulatory or loan agreements	(883,933)	(520,537)
Security deposits restricted by lease agreements	(68,783)	(59,016)
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,022,331</u>	<u>\$ 1,627,934</u>

LRCD's operations are substantially supported by restricted contributions and rental income. Because a donor's restriction requires resources to be used in a particular manner or in a future period, LRCD must maintain sufficient resources to meet those responsibilities to its donors. Some rental properties have regulatory and loan restrictions which require adequate reserves. Security deposits from rental tenants are held until the lease is terminated. Therefore, these financial assets may not be available for general expenditure within one year. LRCD's liquidity management policy requires that cash reserves and liquidity are maintained and managed on an ongoing basis to ensure the capability to meet all obligations, while also having at least \$500,000 in liquid funds available to pay pre-development costs associated with real estate development projects or to pursue other strategic opportunities. LRCD adopted an investment policy with an objective to maximize return on invested assets while minimizing risk and expenses.

3. Restricted Reserves

Avery Hill

LRCD entered into a Regulatory Agreement with the New Hampshire Housing Finance Authority ("NHHFA") in connection with the mortgage on Avery Hill. See Notes 9 and 24. The Agreement requires LRCD to make monthly deposits in the amount of \$450 into a reserve for replacements. Withdrawals from this account cannot be made without the consent of NHHFA. Restricted cash balances for the Avery Hill property were as follows:

	2020	2019
Replacement reserve	\$ 61,364	\$ 66,412
Operating reserve	23,911	23,785
Real estate tax escrow	9,039	1,826
Insurance escrow	5,030	2,589
Residual receipts reserve	115	114
Total	<u>\$ 99,459</u>	<u>\$ 94,726</u>

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

3. Restricted Reserves (continued)

Pine Hill

LRCD entered into a Regulatory Agreement with NHHFA in connection with the mortgage on Pine Hill. See Notes 9 and 24. The Agreement requires LRCD to make monthly deposits in the amount of \$625 into a reserve for replacements. Withdrawals from this account cannot be made without the consent of NHHFA. Restricted cash balances for the Pine Hill property were as follows:

	2020	2019
Replacement reserve	\$ 76,056	\$ 70,481
Operating reserve	9,014	8,967
Tax and insurance escrow	10,693	11,020
Total	\$ 95,763	\$ 90,468

LNI

LRCD entered into a Regulatory Agreement with NHHFA in connection with the mortgage on LNI. See Notes 9 and 24. The Agreement requires LRCD to make monthly deposits in the amount of \$750 into a reserve for replacements. Withdrawals from this account cannot be made without the consent of NHHFA. Restricted cash balances for the LNI property were as follows:

	2020	2019
Replacement reserve	\$ 103,661	\$ 117,400
Operating reserve	73,763	73,375
Tax and insurance escrow	14,514	7,152
Total	\$ 191,938	\$ 197,927

Compass House

LRCD entered into a Regulatory Agreement with NHHFA in connection with the mortgage on Compass House. See Notes 9 and 24. The Agreement requires certain restricted reserves to be established and maintained. Withdrawals from these accounts cannot be made without the consent of NHHFA. Restricted cash balances for the Compass House property were as follows:

	2020	2019
Replacement reserve	\$ 6,010	\$ -
Operating reserve	10,951	-
Real estate tax escrow	2,504	-
Insurance escrow	7,512	-
Special rental reserve	167,078	-
Total	\$ 194,055	\$ -

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

3. Restricted Reserves (continued)

Harvey Heights

LRCD entered into a Regulatory Agreement with USDA Rural Development ("RD") in connection with the mortgage on Harvey Heights. See Notes 9 and 24. The Agreement requires LRCD to make monthly deposits in the amount of \$1,400 into a reserve for replacements. Withdrawals from this account cannot be made without the consent of RD. Restricted cash balances for the Harvey Heights property were as follows:

	2020	2019
Replacement reserve	\$ 150,928	\$ 127,026
Tax and insurance escrow	10,903	10,390
Total	<u>\$ 161,831</u>	<u>\$ 137,416</u>

MFH

In accordance with the partnership agreement and mortgage on the property, MFH is required to establish and maintain certain restricted reserves. See Notes 9 and 24. Restricted cash balances for MFH were as follows:

	2020	2019
Replacement reserve	\$ 59,759	\$ -
Operating reserve	49,937	-
Tax and insurance escrow	11,593	-
Water and air testing reserve	19,598	-
Total	<u>\$ 140,887</u>	<u>\$ -</u>

LRCD acquired the limited partner interest of MFH on December 30, 2020 so the balances as of December 31, 2019 have not been included on these consolidated financial statements.

4. Fixed Assets

Fixed assets are carried at cost. Maintenance repairs and minor renewals are expensed as incurred, while more extensive improvements, renewals and betterments are capitalized. Provision for depreciation is provided over the estimated useful lives of the respective assets, on a straight-line basis, over three to forty years. Depreciation expense for the years ended December 31, 2020 and 2019 was \$200,352 and \$188,519, respectively. During the year ended December 31, 2019, fixed assets were disposed for a loss of \$8,227.

LRCD's fixed assets consisted of the following, recorded at cost, at December 31:

	2020	2019
Land and improvements	\$ 2,558,181	\$1,583,021
Building and improvements	9,789,846	6,237,225
Equipment	105,829	50,656
Total	<u>12,453,856</u>	<u>7,870,902</u>
Less: accumulated depreciation	<u>(3,226,773)</u>	<u>(1,514,083)</u>
Property and Equipment, net	<u>\$ 9,227,083</u>	<u>\$6,356,819</u>

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

5. Projects Under Development

LRCD capitalizes all costs for projects under development. If a project is determined infeasible, the costs are expensed in the year of determination.

Court Street Office

During the year ended December 31, 2019, LRCD incurred costs related to a new administrative office in Laconia, NH. The property was purchased on March 21, 2019. The \$750,783 of development costs were placed in service and capitalized during the year ended December 31, 2019.

Upper Ladd

During the year ended December 31, 2018, LRCD incurred costs related to a potential affordable housing development in Meredith, NH. During the year ended December 31, 2019, LRCD determined the project was infeasible and the \$750 balance was written off.

Compass House

During the years ended December 31, 2020 and 2019, LRCD incurred costs related to development of the prior administrative office into a group house for women in recovery from substance use disorder. The outstanding project under development balance at December 31, 2019 was \$549,643. During the year ended December 31, 2020, an additional \$263,426 of costs were incurred. The balance of \$834,000 was capitalized during the year ended December 31, 2020.

Pine Hill Solar

During the years ended December 31, 2020 and 2019, LRCD incurred costs of \$105,881 and \$107,022, respectively, related to installing solar panels on the Pine Hill property. Of the balance, \$161,903 and \$51,000 was capitalized during the years ended December 31, 2020 and 2019, respectively.

Harvey Heights Ashland

During the year ended December 31, 2019, LRCD incurred costs related to rehabilitation of the Harvey Heights Ashland location. The balance of \$215,185 was sold to HHA Limited Partnership ("HHA"). See Note 24.

Harvey Heights Meredith

During the years ended December 31, 2020 and 2019, LRCD incurred costs related to rehabilitation of the Harvey Heights Meredith location. The outstanding project under development balance for the Meredith location at December 31, 2020 and 2019 was \$23,244 and 15,744, respectively.

Harriman Hill Phase 3

During the years ended December 31, 2020 and 2019, LRCD incurred costs related to a potential third phase of the Harriman Hill project in Wolfeboro, NH. LRCD entered into an option agreement for the purchase of the property by June 1, 2021, as extended. The outstanding project under development balance at December 31, 2020 and 2019 was \$133,465 and \$54,888, respectively.

Gale School

During the year ended December 31, 2020, LRCD incurred costs related to the renovation of a historic school located in Belmont, NH into a daycare and community services center. LRCD entered into a land donation agreement on May 29, 2020 to acquire the property when LRCD provides notice of intent to take title. The outstanding project under development balance at December 31, 2020 was \$49,139.

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6. Investments in Marketable Securities

LRCD's investments in marketable securities consisted of investments in mutual funds managed through Edward Jones. See Note 2.

	FMV	Cost
Mutual Funds	\$ 429,486	\$ 312,537
Common Stocks	-	-
Total	\$ 429,486	\$ 312,537

7. Related Party Transactions

Notes and Advances Receivable

LRCD entered into a long-term promissory note agreement with Mechanic School Limited Partnership. Interest accrues annually at the rate of 3.1%. The principal and accrued interest are due in their entirety on March 7, 2036. The note receivable balance outstanding at December 31, 2020 and 2019 was \$30,000 and \$30,000, respectively. The accrued interest receivable balance at December 31, 2020 and 2019 was \$17,192 and \$16,262, respectively.

LRCD entered into a non-interest-bearing promissory note agreement with MFH during the year ended December 31, 2018. The original maturity date of December 31, 2019 was extended until December 31, 2021. The note receivable balance at December 31, 2019 was \$20,000. The balance at December 31, 2020 has been eliminated from the financial statements through consolidation.

LRCD entered into a promissory note agreement with Boynton Road Limited Partnership. Interest accrues at the rate of 3%. The principal and accrued interest are due in their entirety on January 20, 2039. The note receivable balance at December 31, 2020 and 2019 was \$17,000 and \$17,000, respectively. The accrued interest receivable balance at December 31, 2020 and 2019 was \$3,582 and \$3,072, respectively.

LRCD entered into a 1% promissory note agreement with Lochmere Meadows Affordable Housing Limited Partnership ("Lochmere I") during the year ended December 31, 2011. Monthly principal and interest payments of \$563 are due through January 31, 2031. The note receivable balance at December 31, 2020 and 2019 was \$123,311 and \$128,803, respectively.

LRCD entered into a \$324,000 non-interest-bearing promissory note agreement with Lochmere I during the year ended December 31, 2012. The entire outstanding balance of the note shall be due and payable in full on April 25, 2029. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note receivable balance at December 31, 2020 and 2019 was \$227,638 and \$218,883, respectively.

LRCD made operating deficit loans to Harriman Hill Affordable Housing Limited Partnership ("HHAHLP") to cover operating deficits. Operating deficit loans accrue interest at 8% compounded annually and are payable from cash surplus. The balance outstanding was \$20,200 and \$20,200 at December 31, 2020 and 2019, respectively. The balance of deferred interest receivable at December 31, 2020 and 2019 was \$11,713 and \$8,534, respectively.

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7. Related Party Transactions (continued)

Notes and Advances Receivable (continued)

LRCD entered into a \$32,000 non-interest-bearing promissory note agreement with HHAHLP during the year ended December 31, 2013. The entire outstanding balance of the note shall be due and payable in full on November 1, 2030. The note receivable balance at December 31, 2020 and 2019 was \$32,000 and \$32,000, respectively.

LRCD entered into a \$400,000 non-interest-bearing promissory note agreement with Harriman Hill II Limited Partnership during the year ended December 31, 2014. The entire outstanding balance of the note shall be due and payable in full on June 24, 2028. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note receivable balance at December 31, 2020 and 2019 was \$281,035 and \$270,226, respectively.

LRCD entered into a \$439,000 promissory note agreement with River's Edge Laconia Limited Partnership during the year ended December 31, 2015. The loan accrues interest at 5% per annum with payments due at 50% of annual cash surplus. The entire outstanding balance of the note shall be due and payable in full on May 3, 2045. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note and deferred interest receivable balance at December 31, 2020 and 2019 was \$210,809 and \$194,783, respectively.

LRCD entered into a \$285,000 non-interest-bearing promissory note agreement with GVK3 Limited Partnership during the year ended December 31, 2017. The entire outstanding balance of the note shall be due and payable in full on June 11, 2057. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note receivable balance at December 31, 2020 and 2019 was \$67,094 and \$64,513, respectively.

LRCD entered into a \$350,000 non-interest-bearing promissory note agreement with HHA during the year ended December 31, 2019. The entire outstanding balance of the note shall be due and payable in full 15 years from the date of rehabilitation completion, which has not occurred as of December 31, 2019. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note receivable balance at December 31, 2020 and 2019 was \$202,117 and \$194,343, respectively.

LRCD entered into a \$475,000 non-interest-bearing promissory note agreement with HHA during the year ended December 31, 2019. The entire outstanding balance of the note shall be due and payable in full on July 11, 2049. As of December 31, 2019, only \$300,380 of the balance had been advanced. During the year ended December 31, 2020, an additional \$180,120 was advanced which exceeds the face value of the note by \$5,500 due to additional grant funds. The loan has been discounted to its present value using an implied interest rate of 4%. The discounted note receivable balance at December 31, 2020 and 2019 was \$154,073 and \$92,613, respectively.

LRCD paid development costs on behalf of HHA during the year ended December 31, 2019. The balance receivable was \$0 and \$44,404 at December 31, 2020 and 2019, respectively.

Payables

LRCD owes HHA for the net operating income earned between the purchase date of July 11, 2019 and July 31, 2019 as a portion of the income and expense incurred prior to the sale applied to after it. The balance due was \$0 and \$15,723 at December 31, 2020 and 2019, respectively.

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7. Related Party Transactions (continued)

Management Incentive Fees

LRCO entered into management incentive fee agreements with certain limited partnerships in which it is a general partner. Management incentive fees receivable totaled \$1,632 and \$0 at December 31, 2020 and 2019, respectively. Management incentive fees earned during the years ended December 31, 2020 and 2019 are as follows:

	2020	2019
MFH	\$ 5,572	\$ 2,281
Harriman Hill II, LP	2,087	-
GVK3 LP	3,217	-
	<u>\$ 10,876</u>	<u>\$ 2,281</u>

Resident Service Fees

LRCO received resident service fees for supportive services it provides to certain partnerships in which it is affiliated as follows. Resident service fees receivable totaled \$0 and \$6,344 at December 31, 2020 and 2019, respectively. Resident service fees earned during the year ended December 31, 2020 and 2019 are as follows:

	2020	2019
MFH	\$ 4,536	\$ 4,392
River's Edge	8,064	7,808
HHAHLP	6,048	5,856
Harriman Hill II, LP	6,048	5,856
Mechanic School, LP	1,512	1,464
	<u>\$ 26,208</u>	<u>\$ 25,376</u>

Capital Distributions

LRCO received capital distributions from certain partnerships in which it is affiliated as follows:

	2020	2019
Harriman Hill II, LP	\$ 3,277	\$ -
Lochmere I	-	5,158
	<u>\$ 3,277</u>	<u>\$ 5,158</u>

Investments in Partnerships

LRCO maintains the following investments in partnerships which have been recorded at cost as of December 31, 2020 and 2019:

Partnership	Ownership %	2020	2019
HHAHLP	.009%	\$ 100	\$ 100
		<u>\$ 100</u>	<u>\$ 100</u>

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7. Related Party Transactions (continued)

Developer Fees

LRCD entered into a development services agreement with Eastern Lakes Regional Housing Coalition. The agreement called for payment of a fee in the amount of \$74,667 for the development services on a project located in Wolfeboro, New Hampshire. LRCD earned \$74,667 during the year ended December 31, 2011. LRCD was due \$28,961 and \$28,961 at December 31, 2020 and 2019, respectively. The amount due accrues interest at 8% compounded annually and is expected to be repaid from the cash flows of the partnership. The balance of deferred interest receivable as of December 31, 2020 and 2019 was \$16,109 and \$13,814, respectively.

LRCD entered into a development services agreement with River's Edge Laconia Limited Partnership. The agreement calls for payment of a fee in the amount of \$584,000 for the development services on a project located in Laconia, New Hampshire. LRCD had earned the entire fee during the year ended December 31, 2016. LRCD was due \$285,124 and \$309,372 at December 31, 2020 and 2019, respectively.

LRCD entered into a development services agreement with GVK3 Limited Partnership. The agreement calls for payment of a fee in the amount of \$400,000 for the development services on a project located in Gilford, New Hampshire. Through a shareholder's agreement, LRCD is sharing the fee with Gilford Village Knolls, Inc. at 88% and 12%, respectively. LRCD earned and received \$61,600 of the fee during the year ended December 31, 2017. LRCD earned \$290,400 and received \$246,400 of the fee during the year ended December 31, 2018. The balance was received during the year ended December 31, 2019.

LRCD entered into a development services agreement with HHA. The agreement calls for payment of a fee in the amount of \$720,000 for the development services on a project located in Ashland, New Hampshire. LRCD earned and received \$216,000 of the fee during the year ended December 31, 2019. LRCD earned \$504,000 and received \$216,000 of the fee during the year ended December 31, 2020. LRCD was due \$288,000 and \$0 at December 31, 2020 and 2019, respectively.

LRCD earned and received \$44,221 of developer fee during the year ended December 31, 2019 for its services developing the Compass House project.

8. Equity Equivalent Investment

LRCD received an equity equivalent investment in the amount of \$110,000 from Meredith Village Savings Bank during the year ended December 31, 2008. A promissory note had been entered into requiring repayment of this investment on or before December 19, 2018 or such later date as may be determined by the lender. Interest was payable at an annual rate of 3% commencing on December 19, 2009 and at maturity. The outstanding balance at December 31, 2019 was \$110,000. On January 29, 2020, Meredith Village Savings Bank made a donation of \$110,000 to LRCD during the year ended December 31, 2020 to repay the balance due in full.

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9. Long-term Debt

Long-term debt consisted of the following at December 31, 2020 and 2019:

Lender	Interest Rate	Payment Amount	Maturity Date	Collateral	Balance at 12/31/20	Balance at 12/31/19	
Bank of New Hampshire	4%	\$512/mo	January 2022	Elm Street	\$ 5,793	\$ 10,917	
Bank of New Hampshire	4%	\$428/mo	January 2022	Pearl Street	4,841	9,122	
Northway National Bank	6.5%	\$480/mo	October 2021	LNI	4,738	10,125	(a)
Meredith Village Savings Bank	3%	\$2,781/mo	December 2039	Frances Court	482,863	501,415	
NHHFA	0%	\$0	May 2027	Pine Hill	350,000	350,000	
NHHFA	0%	\$0	October 2027	Avery Hill	585,000	585,000	
NHHFA	0%	Cash surplus	July 2040	LNI	66,666	66,666	
Meredith Village Savings Bank	0%	\$0	January 2024	Frances Court	190,636	183,304	(b)
LHRA	0%	\$0	Property conveyance	Avery Hill	35,900	35,900	
Belknap County	0%	\$0	December 2030	LNI	464,000	464,000	
RD	3.5%	\$1,594/mo	July 2069	HH Meredith	742,551	751,568	(c)
CDFA	3%	\$251/mo	December 2028	Avery Hill	21,385	23,719	
NHHFA	0%	\$0	Construction closing	n/a	20,000	20,000	(d)
Meredith Village Savings Bank	4.87%	\$2,783/mo	September 2039	Court Street	516,099	524,031	
NHHFA	0%	\$0	October 2049	Compass House	1,080,256	548,286	
Bank of New Hampshire	0%	\$0	July 2034	MFH	300,000	-	(e)
City of Laconia	0%	\$0	July 2034	MFH	479,550	-	(e)
Bank of New Hampshire	1.5%	\$1,211/mo	December 2024	MFH	183,223	-	(e)
Total long-term debt					5,533,501	4,084,053	
Less: unamortized debt issuance costs					(8,848)	(10,555)	
Net long-term debt balance					<u>\$5,524,653</u>	<u>\$ 4,073,498</u>	

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9. Long-term Debt (continued)

- (a) The interest rate is adjusted every five years and is calculated by adding 2% to the five-year maturity index as published by the Federal Reserve Board, with a floor of 4.5%. Monthly principal and interest payments which reflect any change in the interest rate are due through maturity.
- (b) The loan has been discounted using an imputed interest rate of 4.0%, which resulted in a discount of \$211,005 and \$218,337 at December 31, 2020 and 2019, respectively.
- (c) Under an interest credit agreement, RD reduces monthly interest paid on the mortgage to 1%. Additionally, rents collected in excess of the base rent (overage) are remitted to RD as additional interest.
- (d) The loan is for the payment of predevelopment costs related to the Harriman Hill Phase 3 single-family development project. The loan is payable at the time of construction loan closing. If the project cannot proceed and is determined to be infeasible, then the loan shall be forgiven, and no repayment expected.
- (e) LRCD acquired the limited partner interest of MFH on December 30, 2020 so the balances as of December 31, 2019 have not been included on these consolidated financial statements.

The liability under the mortgage notes is limited to the underlying value of the real estate collateral, assignment of rents and leases plus other amounts deposited with the lender.

Maturities of long-term debt are as follows:

<u>December 31,</u>	
2021	\$ 81,741
2022	50,631
2023	50,754
2024	186,979
2025	41,376
Thereafter	<u>5,122,020</u>
Total long-term debt	5,533,501
Less: unamortized debt issuance costs	<u>(8,848)</u>
Total	<u>\$ 5,524,653</u>

10. Amortization

Debt issuance costs, net of accumulated amortization, are presented as a deduction from the carrying value of the mortgage notes payable. Debt issuance costs include finance fees of \$6,468 which are amortized over 66 months, \$13,064 which are amortized over 20 years, \$9,350 which are amortized over 30 years, \$4,343 which are amortized over 40 years, and \$7,000 which are amortized over 3 years. Amortization expense for the years ended December 31, 2020 and 2019 was \$2,141 and \$2,141, respectively. Amortization expense on debt issuance costs has been included as interest expense on the statement of functional expenses.

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11. Revolving Line of Credit

LRCO obtained a revolving line of credit in the amount of \$300,000 from Neighborworks Capital Corporation during the year ended December 31, 2018. Monthly interest is payable on the unpaid principal balance at a rate of 5.25%. All principal and interest due and payable on the maturity date, December 1, 2021. The balance outstanding at December 31, 2020 and 2019 was \$0 and \$55,148, respectively. Unamortized debt issuance costs related to the line of credit were \$2,140 and \$4,473 at December 31, 2020 and 2019, respectively, and are included in the maturities of long-term debt in Note 9.

12. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes and periods.

	2020	2019
<u>Subject to expenditure for specified purpose</u>		
Transitional Housing activities:		
Transitional shelter and intervention services	\$ 40,441	\$ 12,669
Tenant Support activities:		
Affordable car loan program	135,279	61,139
Eviction prevention	12,269	15,000
Community building survey & intern	6,751	6,751
Dental program	16,111	-
Resident services	12,500	-
Real Estate Development activities:		
Development director salary and benefits	47,357	32,848
Seminar travel expenses	7,940	7,940
Real estate development	935,461	609,094
Rental Properties activities:		
Capital expenditures	30,100	135,700
Solar work/feasibility	-	155,000
General and Administrative activities:		
Consulting expenses	61,667	61,667
Strategic planning expenses	3,009	14,208
COVID-19 related expenses	4,114	-
Administrative office renovation	117,600	12,000
	1,430,599	1,124,016
 <u>Subject to the passage of time</u>		
For periods after December 31,	20,833	3,333
 <u>Restricted in perpetuity for capital projects</u>		
NeighborWorks America Capital Fund (see Note 13)	1,576,563	1,576,563
 Total net assets with donor restrictions	\$ 3,027,995	\$ 2,703,912

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12. Net Assets with Donor Restrictions (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors.

	2020	2019
<u>Purpose restrictions accomplished</u>		
Transitional Housing expenses	\$ 73,993	\$ 60,731
Tenant Support expenses	47,003	3,861
Real Estate Development expenses	33,071	25,049
Real Estate Development loan made	180,120	650,380
Real Estate Development project under development	107,913	21,726
Rental Properties fixed assets placed in service	360,137	81,217
General and Administrative expenses	15,085	8,808
General and Administrative project under development	7,500	-
General and Administrative fixed assets placed in service	-	136,000
	824,822	987,772
 <u>Time restrictions expired</u>		
Passage of specified time	7,500	13,334
 <u>Restriction in perpetuity released by donor</u>		
NeighborWorks America Capital Fund (see Note 13)	-	-
	-	-
 Total net assets released from donor restrictions	\$ 832,322	\$ 1,001,106

13. NeighborWorks America Capital Fund

At December 31, 2020 and 2019, net assets restricted under the NeighborWorks America Capital Fund consisted of the following:

	2020	2019
Cash	\$ 68,533	\$ 63,041
Office Building	41,064	41,064
Building Improvements	640,655	640,655
Long-term Loan – Capital Projects	826,311	831,803
Net Assets	\$ 1,576,563	\$ 1,576,563

The NeighborWorks America Capital Fund represents funds provided by NeighborWorks America for capital projects. All resources granted to this fund must be maintained permanently. LRCDC is permitted to transfer or expend the income derived from capital assets in excess of the relevant Capital Fund Agreement.

LRCDC did not receive any permanently restricted grant funds from the NeighborWorks America Capital Reinvestment Fund during the years ended December 31, 2020 and 2019.

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14. In-Kind Contributions

During the years ended December 31, 2020 and 2019, audit services valued at \$22,080 and \$4,700, respectively, were donated to LRCD.

A considerable amount of volunteer time, of which no readily ascertainable value could be obtained, was not recorded on the books of LRCD for the years ended December 31, 2020 and 2019.

15. Grants and Awards

LRCD received \$1,506,265 and \$1,835,036 in grants and awards during the years ended December 31, 2020 and 2019, respectively. Grants are recorded when the awards are received.

16. Subsidy Income

LRCD has entered into a Rental Assistance Agreement with RD commencing November 1, 2016. This agreement provides for a maximum rental assistance commitment of \$273,673. The agreement was renewed effective May 2017 and provides for a maximum rental assistance commitment of \$527,314. The agreement was renewed again in 2018 and provides for a maximum rental assistance commitment of \$584,587. This agreement expires automatically upon the total disbursement of this amount but is then renewable under contract with USDA Rural Development pending congressional approval of budget authority. No subsequent renewal agreement has been received by management although rental assistance continues to be received through December 31, 2020.

LRCD has contracted with the United States Department of Housing and Urban Development ("HUD") under Section 811 of the Cranston-Gonzalez National Affordable Housing Act of 1990 as amended, to provide rental assistance payments on behalf of qualified tenants for 5 units at LRCD. The current contract expires September 30, 2026. The agreement provides for a maximum annual contract commitment of \$43,680.

MFH has contracted with HUD under Section 811 of the Cranston-Gonzalez National Affordable Housing Act of 1990 as amended, to provide rental assistance payments on behalf of qualified tenants for one unit at MFH. The current contract expires September 30, 2036. The length of the term is subject to availability, as determined by HUD, of sufficient appropriated funds.

17. Functional Allocation of Expenses

Expenses are charged to programs and supporting services directly, as applicable, and indirectly on the basis of periodic time and expense studies. General and administrative expenditures include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of LRCD.

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18. Property Lien

City of Laconia

The City of Laconia provided a Community Development Block Grant for the acquisition and renovation of the Court Street Office. The City has placed a lien on the property. The lien requires LRCD to use the property to service primarily low- and moderate-income persons through February 7, 2029.

19. Lessor

LRCD leased land on Jameson Street, Laconia, to an individual on March 21, 2003. The lease is for a period of ninety-nine years with an option to renew for an additional period of ninety-nine years. The lease calls for monthly payments of \$25.

LRCD leased office space in the 193 Court Street building to a third-party on August 5, 2019. The lease is for a period of one year with an option to renew on a month-to-month basis indefinitely for as long as LRCD does not need the space. The lease calls for monthly payments of \$550. The tenant allowed the lease to expire at the end of the original one-year term.

20. Concentration of Credit Risk

Financial instruments that potentially subject LRCD to a concentration of credit risk consist principally of cash and cash equivalents. In order to mitigate risk, LRCD has collateralization agreements with various financial institutions that hold funds in excess of federally insured limits. An Insured Cash Sweep Deposit Placement Agreement with Franklin Savings Bank allows their funds to be swept into multiple accounts as needed to fully insure the balance on hand. A Sweep Repurchase Agreement with Meredith Village Savings Bank collateralizes balances with investments in long-term bonds which are still at risk of value loss. Deposits on hand with TD Bank are fully collateralized with a letter of credit. As of December 31, 2020, the uncollateralized account balances exceeded federally insured limits by \$411,312. LRCD has not experienced any losses in such accounts.

LRCD receives approximately 45% of its funding from grants. A reduction in the funding would impair its ability to operate. LRCD's management does not anticipate a reduction in funding.

MFH operates one property located in Laconia, New Hampshire. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in the federal low-income housing subsidies or the demand for such housing.

21. Commitments and Contingencies

Affordable Housing Restrictions

LRCD received an Affordable Housing Program grant from Meredith Village Savings Bank in the amount of \$400,000 during the year ended December 31, 2014. The grant was restricted to the rehabilitation of rental real estate for the Harriman Hill Phase II project. In connection with the grant, LRCD entered into an affordable housing program agreement that stipulates the project comply with certain affordability restrictions for 20 years. If the stipulations of the agreement are not met, the grant is subject to recapture in full. LRCD believes it is in compliance with the restrictions at December 31, 2020 and 2019.

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21. Commitments and Contingencies (continued)

Affordable Housing Restrictions (continued)

LRCD has acted as sponsor for various low-income and affordable housing developments. These developments have received various forms of funding from federal, state, and local sources. The terms of these funding agreements generally require that the projects maintain affordable housing and low-income eligibility status. If such status is not maintained, LRCD may be obligated to remedy any defaults in the requirements and may be liable to repay certain amounts to investors and lenders. Management is not aware of any instances of noncompliance that would impair its assets.

MFH entered into an Affordable Housing Program Agreement in order to obtain a \$300,000 loan from Bank of New Hampshire. See Note 9. The agreement requires MFH to ensure rents and tenant incomes meet the targeting commitments outlined in the application for funding over a period of fifteen years.

Guarantees

LRCD has entered into various agreements with certain limited partnerships or their affiliated general partners whereby LRCD guarantees to loan funds to the partnerships in the event that the partnerships incur operating deficits as defined in the respective partnership agreements or fail to meet their current financial obligations. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements. The maximum potential amount of future payments under these guarantees as of December 31, 2020 was \$860,750. As of the date of this report, LRCD was not obligated for any balance over what had been paid or advanced through December 31, 2020, see Note 7.

LRCD has entered into various agreements with certain limited partnerships or their affiliated general partners whereby LRCD offers tax indemnification in the event of low-income housing tax credit recapture. LRCD's potential liability under these agreements is dependent upon IRS audits and final letters of determination of the limited partnerships' qualified basis in tax credit properties. However, management is not aware of any known liability for tax credit recapture. These agreements expire at various times based on the compliance period for each limited partnership under Internal Revenue Code Section 42. The maximum potential liability under these guarantees as of December 31, 2020 was \$16,843,166. LRCD has not been required to fund any amounts under these guarantees and has not recorded any liabilities associated with these guarantees.

LRCD has entered into various agreements with certain limited partnerships or their affiliated general partners whereby LRCD guarantees to contribute funds to the partnerships in the event that the partnerships are unable to pay the entire development fee for the construction of the property. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements. The maximum potential liability under these guarantees as of December 31, 2020 was \$748,028 relating to three limited partnerships. LRCD has not been required to fund any amounts under these guarantees and has not recorded any liabilities associated with these guarantees.

LRCD has entered into various agreements with certain limited partnerships or their affiliated general partners whereby LRCD guarantees to purchase the limited partner interest in the partnerships in the event that certain terms of the partnership agreements are not met. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements. The maximum potential liability under these guarantees as of December 31, 2020 was \$26,008,195. LRCD has not been required to fund any amounts under these guarantees and has not recorded any liabilities associated with these guarantees.

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21. Commitments and Contingencies (continued)

Guarantees (continued)

LRCD has entered into various agreements with certain limited partnerships or their affiliated general partners whereby LRCD offers indemnification in the event that the partnerships or limited partners become liable under any environmental or securities laws, or certain general partner actions or inactions. However, management is not aware of any known liability. These agreements expire at various times based on the terms of the underlying partnership or guaranty agreements. The maximum potential liability under these guarantees as of December 31, 2020 was unlimited relating to four limited partnerships. LRCD has not been required to fund any amounts under these guarantees and has not recorded any liabilities associated with these guarantees.

CDFA Award

LRCD received an award from the Community Development Finance Authority ("CDFA") on June 12, 2018 for \$300,000 in tax credits. Once LRCD has secured pledges from third parties to CDFA to purchase the tax credits, \$240,000 of grant funds will be released to LRCD. LRCD has agreed to lend all of the CDFA funds to Harriman Hill Phase 3. As of December 31, 2019, \$164,000 of pledges had been secured and \$131,200 of the grant had been recognized. As of December 31, 2020, all \$300,000 of pledges had been secured and \$240,000 of the grant had been recognized. No funds have been loaned to Harriman Hill Phase III as of December 31, 2020.

Compass House

During the year ended December 31, 2019, LRCD moved its administrative office from Union Avenue to Court Street. The vacated Union Avenue building was redeveloped to serve as an eight-bed group house for women in recovery from substance use disorder. LRCD has entered into a lease agreement with a third-party to operate the group house. The lease commenced on February 10, 2020 and has a one-year term with automatic one-year renewals. It does not call for any rent payments but is a net lease exempting LRCD from any expense related to the operation of the property. Since the revenue of the group house is dependent on the demand for services, there is a risk that the group house cannot afford to cover all operating expenses. In that situation, LRCD as owner of the property and holder of the mortgage would need to cover essential operating expenses, such as repairs and maintenance, real estate taxes, insurance, and utilities. The risk is mitigated to the extent any reserve funds are available to cover those specific expenses, see Note 3. During the year ended December 31, 2020, LRCD incurred \$11,780 of expenses related to the operation of Compass House that were not covered by tenant revenues.

22. Company Credit Cards

LRCD maintains company credit cards for seven employees with a total credit line of \$15,000. The individual credit limits range from \$1,000 to \$15,000. The balance is paid in full monthly. The balance due at December 31, 2020 and 2019 was \$0 and \$0, respectively.

23. Acquisition of Limited Partner Interest

On December 30, 2020, LRCD acquired the limited partner interest in MFH in exchange for the acquisition of the liabilities. Due to the assets of MFH exceeding the acquired liabilities, an inherent contribution from the exiting limited partner is recognized in the amount of \$898,306.

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

24. Sale of Real Estate

On July 11, 2019, the Ashland, New Hampshire, location of the Harvey Heights project was sold to HHA. The assets were sold for the assumption of debt resulting in no gain or loss on the sale.

25. Restrictive Covenants

New Hampshire Housing Finance Authority

NHHFA provided funding for the renovation of LRCD's Avery Hill, Pine Hill, LNI, and Compass House properties. LRCD entered into regulatory agreements with NHHFA in consideration for receiving the mortgage notes. LRCD must meet the provisions of those agreements until the mortgage notes are paid in full. NHHFA has also placed long-term land-use restrictions on the properties which limit the uses of the properties.

Rural Development

RD provided funding for the purchase of LRCD's Harvey Heights property. LRCD entered into a restrictive use covenant which limits the use of the property for a term of thirty years.

26. Coronavirus Pandemic

In December 2019, an outbreak of a novel strain of coronavirus ("COVID-19") has materially impacted the economic activity of the country. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. There has been no immediate impact to the LRCD's operations. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the tenants' ability to pay the required monthly rent. Operating functions that may be changed include intake, recertifications and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of tenants to continue making rental payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown. Government rental assistance may impact collection losses.

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

To the Board of Directors
Laconia Area Community Land Trust, Inc.
d/b/a Lakes Region Community Developers
Laconia, 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 consolidated financial statements of Laconia Area Community Land Trust, Inc. (a nonprofit organization) d/b/a Lakes Region Community Developers ("LRCD"), which comprise the consolidated statement of financial position as of December 31, 2020, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated March 22, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Nesseralla & Company, LLC

Plymouth, Massachusetts

March 22, 2021

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
SUPPLEMENTAL SCHEDULE OF RENTAL INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Elm (Fore) Street	44 Pearl Street	155/157 Oak Street	24 Walnut Street	334 South Main Street	199 Washington Street	79 Lincoln Street	21 Winter Street
Rental and Other Income	\$ 21,265	\$ 26,440	\$ 21,881	\$ 26,005	\$ 22,797	\$ 19,728	\$ 14,136	\$ 46,498
Subsidy Income	-	-	-	-	5,160	-	-	-
Total Income	21,265	26,440	21,881	26,005	27,957	19,728	14,136	46,498
Operating Expenses								
Insurance	1,357	714	628	856	714	628	786	2,157
Professional fees	1,058	670	655	685	700	700	730	700
Depreciation	10,977	4,277	5,356	5,134	4,007	5,784	6,641	9,277
Bad debt expense	-	-	-	-	-	-	350	-
Repairs and maintenance	13,014	1,702	1,072	1,923	2,629	1,463	4,113	11,652
Utilities	7,319	710	2,069	197	1,355	2,020	1,805	4,674
Snow and trash removal	1,615	345	345	557	517	345	423	919
Property taxes	4,875	4,062	3,490	4,988	3,880	3,171	4,350	3,887
Water and sewer	2,571	2,695	1,079	1,481	2,887	1,095	1,760	2,135
Miscellaneous	2,365	213	208	281	271	204	190	483
Management fees	3,120	1,560	1,560	2,340	2,340	1,560	1,560	3,900
Interest	339	257	-	-	-	-	-	-
Interest - amortization of debt issuance costs	634	19	-	-	-	-	-	-
Total Operating Expenses	49,244	17,224	16,462	18,442	19,300	16,970	22,708	39,784
Income (Loss)	\$ (27,979)	\$ 9,216	\$ 5,419	\$ 7,563	\$ 8,657	\$ 2,758	\$ (8,572)	\$ 6,714
Supplemental Information:								
Principal repayment of loans	5,124	4,281	-	-	-	-	-	-
Depreciation	10,977	4,277	5,356	5,134	4,007	5,784	6,641	9,277

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
SUPPLEMENTAL SCHEDULE OF RENTAL INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	23 Winter Street	Frances Court	Single Family Homes	Avery Hill	Pine Hill	LNI	Harvey Heights	Total
Rental and Other Income	\$ 22,861	\$ 88,955	\$ 21,688	\$ 140,128	\$ 177,082	\$ 169,862	\$ 70,461	\$ 889,787
Subsidy Income	11,656	-	-	-	-	-	190,194	207,010
Total Income	34,517	88,955	21,688	140,128	177,082	169,862	260,655	1,096,797
Operating Expenses								
Insurance	2,201	2,979	286	7,876	11,744	10,757	15,258	58,941
Professional fees	715	-	-	1,840	1,886	1,840	2,534	14,713
Depreciation	6,377	16,787	4,890	33,682	20,117	8,129	13,579	155,014
Bad debt expense	-	20	-	4,876	6,066	1,771	-	13,083
Repairs and maintenance	11,490	3,574	1,140	25,556	39,019	56,202	36,741	211,290
Utilities	5,559	385	-	3,612	14,710	8,114	11,679	64,208
Snow and trash removal	861	8,205	120	4,969	4,982	5,646	10,133	39,982
Property taxes	3,877	9,621	5,717	12,876	17,165	15,444	28,718	126,121
Water and sewer	2,165	6,799	995	10,540	15,144	12,105	12,858	76,309
Miscellaneous	474	483	-	3,007	3,330	3,211	1,774	16,494
Management fees	3,900	7,440	-	10,920	14,040	14,820	21,087	90,147
Interest	-	14,813	-	674	-	396	18,961	35,440
Interest - amortization of debt issuance costs	-	-	-	-	312	1,176	-	2,141
Total Operating Expenses	37,619	71,106	13,148	120,428	148,515	139,611	173,322	903,883
Income (Loss)	\$ (3,102)	\$ 17,849	\$ 8,540	\$ 19,700	\$ 28,567	\$ 30,251	\$ 87,333	\$ 192,914
<u>Supplemental Information:</u>								
Principal repayment of loans	-	18,552	-	2,334	-	5,387	9,017	44,695
Depreciation	6,377	16,787	4,890	33,682	20,117	8,129	13,579	155,014

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

ASSETS	LACLT, Inc.	MFH LP	Total	Intercompany Eliminations	Consolidated Total
Current Assets					
Cash	\$ 1,723,965	\$ 27,012	\$ 1,750,977	\$ -	\$ 1,750,977
Tenant rents and subsidy receivable	53,093	4,919	58,012	-	58,012
Grants receivable	1,233,656	-	1,233,656	-	1,233,656
Other receivables	1,632	-	1,632	-	1,632
Prepaid expenses	39,734	1,781	41,515	-	41,515
Total Current Assets	3,052,080	33,712	3,085,792	-	3,085,792
Restricted Cash					
Cash - permanently restricted	68,533	-	68,533	-	68,533
Restricted reserves	743,046	140,887	883,933	-	883,933
Tenant security deposits held in trust	59,703	9,080	68,783	-	68,783
Total Restricted Cash	871,282	149,967	1,021,249	-	1,021,249
Fixed assets, at cost - net of accumulated depreciation					
	7,515,073	1,712,010	9,227,083	-	9,227,083
Noncurrent Assets					
Projects under development	205,848	-	205,848	-	205,848
Investments in marketable securities at fair market value	429,486	-	429,486	-	429,486
Development fees receivable	618,194	-	618,194	-	618,194
Notes and operating advances receivable from related parties	1,417,764	-	1,417,764	(20,000)	1,397,764
Investment in partnerships	898,406	-	898,406	(898,306)	100
Total Noncurrent Assets	3,569,698	-	3,569,698	(918,306)	2,651,392
Total Assets	\$ 15,008,133	\$ 1,895,689	\$ 16,903,822	\$ (918,306)	\$ 15,985,516

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020

LIABILITIES AND NET ASSETS	LACLT, Inc.	MFH LP	Total	Intercompany Eliminations	Consolidated Total
Current Liabilities					
Current portion of long-term debt	\$ 69,907	\$ 31,834	\$ 101,741	\$ (20,000)	\$ 81,741
Accounts payable	33,056	1,989	35,045	-	35,045
Prepaid rent	11,375	2,402	13,777	-	13,777
Accrued expenses	58,620	3,910	62,530	-	62,530
Total Current Liabilities	172,958	40,135	213,093	(20,000)	193,093
Long-term Liabilities					
Long-term debt, less current portion shown above	4,494,740	948,172	5,442,912	-	5,442,912
Tenant security deposits payable	59,571	9,076	68,647	-	68,647
Total Long-term Liabilities	4,554,311	957,248	5,511,559	-	5,511,559
Total Liabilities	4,727,269	997,383	5,724,652	(20,000)	5,704,652
Net Assets					
Without donor restrictions	7,252,869	898,306	8,151,175	(898,306)	7,252,869
With donor restrictions	3,027,995	-	3,027,995	-	3,027,995
Total Net Assets	10,280,864	898,306	11,179,170	(898,306)	10,280,864
Total Liabilities and Net Assets	\$ 15,008,133	\$ 1,895,689	\$ 16,903,822	\$ (918,306)	\$ 15,985,516

See accompanying notes

LACONIA AREA COMMUNITY LAND TRUST, INC.
d/b/a LAKES REGION COMMUNITY DEVELOPERS
CONSOLIDATING STATEMENT OF ACTIVITIES
DECEMBER 31, 2020

	LACLT, Inc.					MFH LP	Total	Inter-Company Eliminations	Consolidated Total
	Other Operating Programs	Real Estate Development	Total Without Donor Restrictions	With Donor Restrictions	Total				
Revenue and Other Support									
Contributions	\$ 165,505	\$ -	\$ 165,505	\$ -	\$ 165,505	\$ -	\$ 165,505	\$ -	\$ 165,505
In-kind donations	22,080	-	22,080	-	22,080	-	22,080	-	22,080
Grants	349,860	-	349,860	1,156,405	1,506,265	-	1,506,265	-	1,506,265
Resident service fees	26,208	-	26,208	-	26,208	-	26,208	-	26,208
Rental income and land lease revenue	894,237	-	894,237	-	894,237	-	894,237	-	894,237
Subsidy income	207,010	-	207,010	-	207,010	-	207,010	-	207,010
Developer fees	-	504,000	504,000	-	504,000	-	504,000	-	504,000
Management incentive fees	-	10,876	10,876	-	10,876	-	10,876	-	10,876
Net assets released from restrictions:	511,217	321,105	832,322	(832,322)	-	-	-	-	-
Total Revenue and Support	2,176,117	835,981	3,012,098	324,083	3,336,181	-	3,336,181	-	3,336,181
Functional Expenses									
Program Services:									
Transitional Services	15,934	-	15,934	-	15,934	-	15,934	-	15,934
Tenant Support	172,884	-	172,884	-	172,884	-	172,884	-	172,884
Real Estate Development	-	244,068	244,068	-	244,068	-	244,068	-	244,068
Rental Properties	903,883	-	903,883	-	903,883	-	903,883	-	903,883
Asset Management	166,788	-	166,788	-	166,788	-	166,788	-	166,788
Community Building & Engagement	108,401	-	108,401	-	108,401	-	108,401	-	108,401
Supporting Services:									
Fundraising	84,318	-	84,318	-	84,318	-	84,318	-	84,318
General and Administrative	130,912	-	130,912	-	130,912	-	130,912	-	130,912
Total Functional Expenses	1,563,120	244,068	1,807,188	-	1,807,188	-	1,807,188	-	1,807,188
Change in Net Assets Before Non-operating Income and Expenses	612,997	591,913	1,204,910	324,083	1,528,993	-	1,528,993	-	1,528,993
Non-operating Income (Expenses)									
Capital distributions from a related party	3,277	-	3,277	-	3,277	-	3,277	-	3,277
Unrealized gain (loss) on investment	64,403	-	64,403	-	64,403	-	64,403	-	64,403
Realized gain on investment	10,200	-	10,200	-	10,200	-	10,200	-	10,200
Investment income	40,582	-	40,582	-	40,582	-	40,582	-	40,582
Inherent contribution	898,306	-	898,306	-	898,306	-	898,306	-	898,306
Recovery of discount on note payable	(7,332)	-	(7,332)	-	(7,332)	-	(7,332)	-	(7,332)
Discount on notes receivable	(94,665)	-	(94,665)	-	(94,665)	-	(94,665)	-	(94,665)
Total Non-operating Income (Expenses)	914,771	-	914,771	-	914,771	-	914,771	-	914,771
Change in Net Assets	1,527,768	591,913	2,119,681	324,083	2,443,764	-	2,443,764	-	2,443,764
Net Assets, beginning of year	5,133,188	-	5,133,188	2,703,912	7,837,100	898,306	8,735,406	(898,306)	7,837,100
Transfers	591,913	(591,913)	-	-	-	-	-	-	-
Net Assets, end of year	\$ 7,252,869	\$ -	\$ 7,252,869	\$ 3,027,995	\$ 10,280,864	\$ 898,306	\$ 11,179,170	\$ (898,306)	\$ 10,280,864

See accompanying notes

Lakes Region Community Developers

Board of Directors 2021

Name	Board Position	Occupation
Aaron Bassett	Chair	Director of Development Ops, NantOmics LLC
Chris Dickinson	Vice Chair	Commercial Lender, Northway Bank
Dana Nute	Secretary	General Manager, Resilient Buildings Group
Lori Borrin	Treasurer	Vice President & Mortgage Loan Officer, Meredith Village Savings Bank
Carrie Duran	Tenant Rep	Legislative Liaison at Lakes Region Community Services
Erica Gilbert	Tenant Rep	Certified Recovery Support Worker at Navigating Recovery of the Lakes Region
Jenna Goss (alternate Kylie Goss)	Tenant Rep	Jenna: Spaulding Youth Center; Kylie: self-employed
Corey Hoyt	At-large member	Marketing & Communications Manager, Mainstay Technologies
Caitlin McCurdy	At-large member	Attorney, McLane Middleton
Lisa Mure	At-large member	Consultant with JSI Research & Training Institute
Patricia Nichols	Tenant Rep	Retired third party administrator in health insurance
Ben Wilson	At-large member	Financial Advisor, Edward Jones

Kerri A. Lowe

Resident Services Coordinator

Lakes Region Community Developers

March 2018-July 2019 and March 2021 to present

- Empower residents in affordable housing to become proactive in meeting identified goals & overcoming barriers to self-sufficiency; connect to community resources with a warm hand-off
- Community building & engagement through collaboration with community organizations and coalitions in five communities
- Promote community engagement of residents in their neighborhoods & communities

ACERT Coordinator

Lakes Region Community Services

August 2019-March 2021

Connect children impacted by trauma, such as domestic violence or a parent's drug overdose, to services immediately following police involvement.

Substance Misuse Prevention Coordinator

Partnership for Public Health

November 2016-March 2018

- Community capacity building and engagement to address current substance use trends and incorporate evidence-based prevention strategies; promotion of wellness & prevention campaigns
- Provide education, technical assistance and support to local coalitions and sectors of education, safety/law enforcement, health & medical, government, business and family/community supports to prevent the onset and reduce the progression and impact of substance use
- Coordinate and facilitate community presentations aimed at raising awareness of the impact of substance misuse and reducing stigma attached to SUD and mental illness

Parent Education Facilitator

Lakes Region Community Services

2007-2018

- Empower caregivers to obtain the education and skills necessary to nurture physically, emotionally and psychologically healthy children and learn the importance of self-care and social connections while increasing parenting effectiveness and confidence.
- Sober Parenting Journey facilitator

Manager of Resource Coordination

Lakes Region Community Services

January 2016-November 2016

- Supervise & support case managers in developing and implementing individual service plans, identifying appropriate services and resources available to individuals with developmental disabilities
- Develop budgets for services for individuals entering adult disability services
- Collaborate with local organizations to provide a best practices approach to supporting underserved populations in the community

Resident Services Coordinator

Laconia Area Community Land Trust

July 2015-January 2016

- Empower residents in affordable housing to become proactive in meeting lease obligations; overcoming barriers to self-sufficiency; connect to community resources with a warm hand-off

Family Support Specialist

Lakes Region Community Services

July 2013-July 2015

- Support families in their home to strengthen protective factors, solidify family unit & increase engagement in their communities, develop & increase career & education skills
- Assist families to identify goals, develop goal plans & empower them to attain those goals
- Collaborate with community partners to connect families to appropriate area resources

***Intake & Eligibility/Quality Improvement Specialist. Lakes Region Community Services
January 2011-July 2013***

- Gather documentation and determine eligibility and for developmental disability services
- Support family through intake process, explain supports that LRCS provides, assign case manager
- Organize and present Staff Development & Training and Orientation for employees
- Ensure safe, quality services are provided to individuals & their families

***Family Support/Transition Coordinator Lakes Region Community Services
November 2001-January 2011***

- Provide support and identify resources for families with children with disabilities transitioning to adult services
- Partner with schools to provide a best practices approach to supporting children with disabilities
- Create services budget; develop and implement service plans; person-centered futures planning

***Preschool Teacher Assistant & Home Visitor Early Head Start/Belknap-Merrimack CAP
1998-2001***

- Provide developmentally appropriate education to infants & children of diverse backgrounds
- Empower families to promote learning & safe environments for their children
- Create & maintain relationships with children & families to assess their strengths & needs

Education:

Current enrollment: Master of Science, Leadership Program Granite State College

Bachelor of Science, Human Services Granite State College

- Summa Cum Laude, Merit Scholar & Community Volunteerism Award

Associate of Science, Human Services Lakes Region Community College

- Valedictorian, Outstanding Freshman of the Year, Member Phi Theta Kappa

Certifications & Relevant Experience:

- ***Certified Prevention Specialist (CPS)***, NH Prevention Certification Board, International Certification & Reciprocity Consortium
- Recovery Coach, working toward Certified Recovery Support Worker
- Coaching Approach to Communication & Peer Mentor Trainer

Current & Previous Civic/Community Leadership:

- Navigating Recovery Board of Directors, Program Advisory Council
- Family Violence Prevention Council
- Homeless Continuum of Care
- NH Association of Professional Service Coordinators
- Cash Coalition of the Lakes Region
- Community Access Team
- Thrive Laconia
- ACERT Steering Committee
- Laconia Area Community Land Trust, Board of Directors
- Lakes Region Community College Advisory Committee

Skylor Beery

EXPERIENCE

Lakes Region Community Developers, Laconia, NH - Resident Services Coordinator
September 2020-Current

Lakes Region Scholarship Foundation, Gilford, NH- Assistant Director
July to September 2020

Taylor Community, Laconia NH- Universal Worker
May 2020-September

New Beginnings, Laconia, NH — Prevention Educator and Child Advocacy Specialist
June 2018 – July 2020

- Teach healthy relationships to children in Belknap County
- Work one on one with children who have experienced any type of violence
- Focus on building strong connections with all schools in Belknap County
- Educate the community on violence
- Attend any meetings that have to do with children and families
- Work closely with police departments and other non-profits

The Crisis Center, Manhattan, KS— Parent-Child Advocate
October 2015 - May 2018

- Work one on one with children that have experienced any type of violence
- Ran children groups
- Answered phones
- Planned events for children

EDUCATION

Granite State College, Concord, NH —
May 2018 - Current
Attending GSC part-time

Kansas State University, Manhattan, KS — Family Studies and Human Services
August 2012-October 2015
Received 63 credits at KSU

SKILLS

- Communication
- Public Speaking
- Empathy
- Social Skills
- Time Management

Certifications

CPR & First Aid
Certified

LANGUAGES

English

Skylor Beery

BOARD OF DIRECTOR POSITIONS

Stand Up Laconia — *Drug Prevention and Education*

Fusion - *President of Lakes Region Young Professionals Network*

Neighbors in Need - *Laconia group that helps families financially that are in need*

ADDITIONAL INFORMATION

I am a part of the Leadership Lakes Region 2020 class

Lakes Region Community Developers

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Skylor Beery	Resident Services Coordinator	\$47,000	25%	\$11,750
Kerri Lowe	Resident Services Coordinator	\$54,000	25%	\$13,500
Carmen Lorentz	Executive Director	\$119,022	0%	\$0
Stuart LaSalle	Finance Director	\$96,445	0%	\$0

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Marguerite's Place ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$327,536
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/19/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

3/19/2021
Date

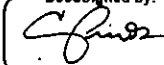
Marguerite's Place
DocuSigned by:
Hannah Stohler
Name: Hannah Stohler
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/19/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

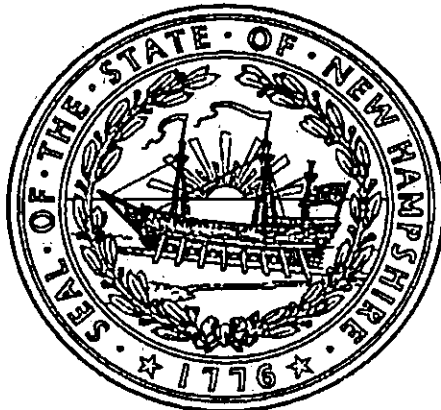
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MARGUERITE'S PLACE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 21, 1993. 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: 193531

Certificate Number: 0005300477



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 19th day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
MARGUERITE'S PLACE, INC.

Business ID
193531

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004765521	01/15/2020	01/15/2020	Change of Officer/Director	N/A
0004765535	01/15/2020	01/15/2020	Nonprofit Report	2020
0003040449	01/30/2015	01/30/2015	Change of Officer/Director	N/A
0003026790	01/09/2015	01/09/2015	Annual Report	2015
0000863272	03/03/2011	03/03/2011	Reinstatement	2010
0000863271	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000863270	10/08/2010	10/08/2010	Reminder Letter	N/A
0000863269	12/21/2005	12/21/2005	Annual Report	2005
0000863268	08/15/2000	08/15/2000	Annual Report	2000
0000863267	01/11/1995	01/11/1995	Annual Report	1995
0000863266	02/22/1994	02/22/1994	Amendment	N/A
0000863265	07/21/1993	07/21/1993	Business Formation	N/A

Page 1 of 1, records 1 to 12 of 12

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Richard Guidoboni, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Marguerite's Place, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 25, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Hannah Stohler (may list more than one person)
(Name and Title of Contract Signatory)

Is duly authorized on behalf of Marguerite's Place, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for **thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 5/19/21

Richard J. Guidoboni
Signature of Elected Officer
Name: RICHARD J. GUIDOBONI
Title: BOARD CHAIR



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/19/2021

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 Eaton & Berube Insurance Agency, LLC 11 Concord St Nashua NH 03064	CONTACT NAME: Cathy Beauregard	
	PHONE (A/C, No, Ext): 603-882-2766	FAX (A/C, No): 603-886-4230
E-MAIL ADDRESS: cbeauregard@eatonberube.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Philadelphia Insurance Company		23850
INSURER B: Eastern Alliance Insurance Group		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED MARGPLA-01
 Marguerite's Place, Inc. & MP Housing
 85 Palm Street
 Nashua NH 03060

COVERAGES CERTIFICATE NUMBER: 1959311811 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	<input checked="" type="checkbox"/> 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:			PHPK2201583	11/1/2020	11/1/2021	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
							MED EXP (Any one person)	\$ 20,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 3,000,000
							PRODUCTS - COMP/OP AGG	\$ 3,000,000
								\$
A	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/>			PHPK2201583	11/1/2020	11/1/2021	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 <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 0			PHPK2201583	11/1/2020	11/1/2021	EACH OCCURRENCE	\$ 2,000,000
							AGGREGATE	\$ 2,000,000
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	01-0000136389-00	11/1/2020	11/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT	\$ 500,000
							E.L. DISEASE - EA EMPLOYEE	\$ 500,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Workers Compensation - NH, no Excluded officers.

CERTIFICATE HOLDER State of NH Department of Health & Human Services 129 Pleasant Street Concord NH 03301	CANCELLATION 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



MARGUERITE'S PLACE
Where Safety & Strength Begin

Mission Statement of Marguerite's Place, Inc.

Marguerite's Place, Inc. helps women with children achieve self-sufficiency by providing them with safe, stable, transitional housing along with emotional, educational and supportive services.

Marguerite's Place, Inc.

Financial Statements
December 31, 2019

HOUDE & COMPANY PROFESSIONAL ASSOCIATION

Certified Public Accountants

Marguerite's Place, Inc.
Nashua, New Hampshire
December 31, 2019

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HOUDE & COMPANY
PROFESSIONAL ASSOCIATION
Certified Public Accountants

215-A MAIN STREET NASHUA, N.H. 03060
(603) 882-2785 FAX (603) 882-0227 WWW.HOUDECPA.COM

PAUL E. HOUDE, C.P.A.
PETER J. HOUDE, C.P.A.

RAYMOND L. HOUDE, C.P.A.
(1905-1985)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Marguerite's Place, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Marguerite's Place, Inc. (a New Hampshire incorporated nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Marguerite's Place, Inc. as of December 31, 2019, and the results of its activities and changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Houde & Company

Houde & Company
Professional Association

Nashua, New Hampshire
September 3, 2020

Marguerite's Place, Inc.
Statement of Financial Position
December 31, 2019

Assets

Cash and cash equivalents	\$	166,957
Investments		1,711,226
Accounts receivable		40,941
Loan receivable affiliate		8,152
Prepaid expenses		11,450
Total current assets		1,938,726
 Property and equipment		 530,886
 Total assets	 \$	 2,469,612

Liabilities and Net Assets

Liabilities:		
Accounts payable	\$	10,971
Accrued expenses		21,196
Security deposits		3,680
Total current liabilities		35,847
 Net assets:		
Without donor restrictions		2,353,265
With donor restrictions		80,500
Total net asset		2,433,765
 Total liabilities and net assets	 \$	 2,469,612

See accompanying notes.

Marguerite's Place, Inc.
Statement of Activities
Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Program revenue – Childcare fees	\$ 253,264	–	253,264
Program revenue – Residential fees	40,480	–	40,480
Contributions	147,681	–	147,681
Contributions – Corporate support	99,712	–	99,712
Grants	86,672	–	86,672
Grants – City/State funding	121,934	–	121,934
Special events	194,731	–	194,731
Investment income	48,241	–	48,241
Realized and unrealized gains on investments	274,733	–	274,733
Other income	31,681	–	31,681
Gain on mortgage discharge	333,520	–	333,520
Net assets released from restrictions -			
Satisfaction of purpose restriction	16,947	(16,947)	–
Total revenues and other support	1,649,596	(16,947)	1,632,649
Functional expenses:			
Program expenses – Supportive services	327,197	–	327,197
Program expenses – Childcare	422,125	–	422,125
Management and general	224,321	–	224,321
Fundraising	80,737	–	80,737
Total functional expenses	1,054,380	–	1,054,380
Increase (decrease) in net assets	595,216	(16,947)	578,269
Net assets at beginning of year	1,758,049	97,447	1,855,496
Net assets at end of year	\$ 2,353,265	80,500	2,433,765

See accompanying notes.

Marguerite's Place, Inc.
Statement of Functional Expenses - by Natural Classification
Year Ended December 31, 2019

	<u>Program Activities</u>			<u>Supporting Activities</u>		<u>Total Expenses</u>
	<u>Supportive Services</u>	<u>Childcare</u>	<u>Total Program</u>	<u>Management and General</u>	<u>Fund-raising</u>	
Salaries	\$ 190,494	272,272	462,766	87,813	52,712	603,291
Repairs and maintenance	34,222	7,729	41,951	54,130	-	96,081
Fringe benefits	17,226	62,624	79,850	4,233	-	84,083
Payroll taxes	11,069	15,749	26,818	18,897	3,022	48,737
Insurance	11,975	11,975	23,950	3,875	-	27,825
Special events costs	559	1,034	1,593	4,317	21,462	27,372
Professional fees	6,548	6,690	13,238	11,130	-	24,368
Dietary costs	224	17,082	17,306	103	-	17,409
Printing and office supplies	459	1,127	1,586	8,529	332	10,447
Utilities	7,961	1,416	9,377	694	-	10,071
Dues and subscriptions	379	524	903	6,875	256	8,034
Real estate taxes	4,560	977	5,537	977	-	6,514
Water and sewer	3,811	1,213	5,024	809	-	5,833
Resident's needs and activities	4,717	875	5,592	10	-	5,602
Staff development	50	1,955	2,005	2,769	200	4,974
Telephone	1,624	1,624	3,248	1,624	-	4,872
Bank fees	-	45	45	2,443	2,299	4,787
Bad debts	1,834	2,930	4,764	-	-	4,764
Contractual costs	3,045	445	3,490	697	324	4,511
Other expenses	-	-	-	2,512	-	2,512
Household supplies	1,009	1,004	2,013	407	-	2,420
Postage	147	147	294	1,957	130	2,381
Staff travel	888	281	1,169	378	-	1,547
Exterminator	-	-	-	1,462	-	1,462
Meals and entertainment	332	167	499	918	-	1,417
Public relations	-	-	-	604	-	604
Fundraising costs	-	-	-	223	-	223
Depreciation	24,064	12,240	36,304	5,935	-	42,239
Total functional expenses	\$ 327,197	422,125	749,322	224,321	80,737	1,054,380

See accompanying notes.

Marguerite's Place, Inc.
Statement of Cash Flows
Year Ended December 31, 2019

Cash flows from operating activities:	
Change in net assets	\$ 578,269
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation	42,239
Realized and unrealized gains on investments	(322,649)
Loss on sale of assets	2,512
Changes in operating assets and liabilities:	
Accounts receivable	(16,250)
Prepaid expenses	(6,972)
Accounts payable and accrued expenses	15,975
Security deposits	(553)
Net cash provided by operating activities	<u>292,571</u>
Cash flows from investing activities:	
Capital expenditures	(88,119)
Purchase of securities	(1,406,415)
Sale of securities	1,465,174
Distributions from investments	(40,789)
Net cash used by investing activities	<u>(70,149)</u>
Cash flows from financing activities:	
Forgiveness of debt	(333,520)
Loan to affiliate	3,440
Net cash used by financing activities	<u>(330,080)</u>
Net decrease in cash and cash equivalents	(107,658)
Cash and cash equivalents at beginning of year	274,615
Cash and cash equivalents at end of year	<u>\$ 166,957</u>
Supplemental disclosures:	
Noncash items:	
Forgiveness of debt	\$ (333,520)

See accompanying notes.

Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

1. Organization

Marguerite's Place, Inc. (the Organization), a not-for-profit corporation, provides supportive services, which include transitional housing, aftercare and child care for women and their children who are in crisis.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Support is recorded when received or pledged. Revenue is recorded when services are rendered. Expenses are recorded when the obligation has been incurred. 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. All contributions are considered to be available for unrestricted use unless specifically restricted by donor.

Net assets with donor restrictions - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are classified to net assets without restrictions. Additionally, there may be donor imposed restrictions that the funds be maintained permanently by the Organization.

Contributions

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Contributions of donated non-cash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Accounts Receivable

The Organization utilizes the reserve method of accounting for bad debts and uncollectible promises to give. Management determines reserves based on historical experience and an evaluation of the current status of the specific accounts. A reserve for accounts receivable was not required for the year ended December 31, 2019.

Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

2. Summary of Significant Accounting Policies (continued)

Property and Equipment

Purchased property and equipment are recorded at cost. Contributed property and equipment are recorded at their fair values as of the date of transfer. Depreciation is calculated using the straight-line method over an asset's useful life.

Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. As such, no tax provisions have been made in the accompanying financial statements. Marguerite's Place has adopted provisions of the Financial Accounting Standards Board (FASB) in Accounting Standards Codification (ASC) Topic 740-10. Marguerite's Place policy is to evaluate all tax positions on an annual basis in conjunction with the filing of the annual return of organization exempt from income tax. Interest and penalties assessed by income taxing authorities are included in administrative expense. For 2019, there were no penalties or interest assessed or paid. Marguerite's Place files informational returns in the U.S. federal and state jurisdictions.

Cash and cash equivalents

The Organization considers cash on hand and investments with initial maturities of less than 90 days, which are not expected to be used for longer-term investing purposes, to be cash and cash equivalents.

Cost Allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation, amortization and occupancy, which are allocated on a square footage basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ significantly from those estimates.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

2. Summary of Significant Accounting and Reporting Policies (continued)

Recent Accounting Pronouncements – Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606) to clarify the principles for recognizing revenue. This guidance eliminates the transaction- and industry-specific revenue recognition guidance under current GAAP and replaces it with a principle-based approach for determining revenue recognition. ASU 2014-09 becomes effective for the Company during 2020. The company revenue stream is from leasing residential apartment space which falls under Topic 842 Leases, which is not in the scope of Topic 606.

Recent Accounting Pronouncements – Accounting for Leases

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). Under this standard, lessees will be required to recognize virtually all of their leases, including operating leases, on the balance sheet by recognizing a right-of-use asset and lease liability. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. ASU 2016-02 becomes effective for the Company during 2022 and calls for retrospective application, with early adoption permitted. The Company is currently evaluating the impact that this guidance will have on its financial statements and the timing of adoption.

3. Investments

Investments are stated at fair value and comprised of the following:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation</u>
Mutual fund shares	\$ 1,704,089	\$ 1,711,226	\$ 7,137

Investment returns for the year ended December 31, 2019 is as follows:

Interest and dividend income	\$ 61,057
Realized gains	268,592
Unrealized gains	6,141
Investment fees	(12,816)
	<u>\$ 322,974</u>

Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

4. Restrictions on Net Assets

Endowment Fund

The Organization's endowment fund was established in 1999 to support women and children's program services. Contributions to the endowment fund are subject to donor restrictions that stipulate the original principal of the gift is to be held and invested by the Organization indefinitely, and income from the fund is to be expended for women and children's program services. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization is subject to the State Prudent Management of Institutional Funds Act (SPMIFA) and, therefore, classified amounts in its donor-restricted endowment fund as net assets with donor restrictions until the Board appropriates amounts for expenditure and any purpose restrictions have been met. The Board of Directors of the Organization has interpreted SPMIFA as requiring the maintenance of only the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, the Organization would consider the fund to be underwater if the fair value of the fund is less than the sum of (1) the original value of initial and subsequent gifts donated to the fund and (2) any accumulations to the fund that are required to be maintained in perpetuity in accordance with applicable donor gift instrument. The Organization has interpreted SPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. The fund is not currently underwater.

In accordance with the State Prudent Management of Institutional Funds Act (SPMIFA), the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowments funds: (1) the duration and preservation of the fund, (2) the purpose of the donor restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from investment income and the appreciation or depreciation of investments, (6) other resources of the Organization, and (7) the investment policies of the Organization.

At December 31, 2019, the endowment fund is composed of \$80,500 of funds received to be invested in perpetuity.

The Organization has adopted investment and spending policies for endowment assets that attempt to subject the fund to low investment risk and provide its women and children's program services with current income. Endowment assets are invested in mutual funds. The Organization has a policy of appropriating investment funds as required, expending the endowment fund's investment income for women and children's program services during the year in that fiscal quarter. The current spending policy is not expected to allow the Organization's endowment fund to grow as a result of investment returns. This is consistent with the Organization's objectives to provide income for its women and children's program, preserve endowment assets without subjecting them to substantial risk, and provide additional real growth through new gifts.

Assets with Donor Restrictions:

Endowment funds	<u>\$ 80,500</u>
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Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

5. Property and Equipment

Property and equipment consisted of the following at December 31, 2019.

Land	\$ 42,800
Buildings and Improvements	1,050,963
Equipment	53,392
Furniture and Fixtures	61,854
Total	<u>1,209,009</u>
Less-accumulated depreciation	(678,123)
Total property and equipment	<u><u>\$ 530,886</u></u>

Depreciation expense was \$42,239 for the year ending December 31, 2019.

6. Liquidity and Availability of Financial Assets

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at year-end:

Cash	\$ 166,957
Investments	1,711,226
Accounts receivable	40,941
Loan receivable, affiliate	8,152
	<u>1,927,276</u>

Less amounts not available for general expense:

Donor-restricted use for specific residents	(7,681)
Donor-restricted to maintain as an endowment	<u>(80,500)</u>

Total financial assets available to meet cash needs
for general expenditure within one year

\$ 1,839,095

It is the Organization's liquidity management policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization invests cash in excess of daily requirements in short-term investments. Additionally, the Organization has an endowment fund, in which income generated from the endowment fund is available for general use.

7. Concentrations

Approximately 19.24% of public support and revenues were derived from contracts with the New Hampshire State and City of Nashua governments in 2019.

Marguerite's Place, Inc.
Notes to Financial Statements
December 31, 2019

8. Fair Value Measurements

The Organization follows a three-level valuation hierarchy for disclosure of fair value measurements. The categorization of financial assets and financial liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. Under level 1, inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets. Under level 2, inputs to the valuation methodology are other observable inputs, including quoted prices for similar assets and liabilities in active or non-active markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are not directly observable, but are corroborated by observable market data. Under level 3, inputs to the valuation methodology are unobservable for the asset or liability. There were no changes to these valuation methods during the year ended December 31, 2019.

The following table sets forth the assets carried at fair value measured on a recurring basis as of December 31, 2019.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual fund shares	\$ 1,711,226	-	-	1,711,226

9. Related Party

The Organization's executive director provides administrative services to MP Housing, Inc. The Organization was reimbursed \$37,134 in 2019. The amount reduced the payroll, fringe benefits and insurance expenses of the Organization.

10. Contingencies

The Organization received money under various state and federal programs. Under the terms of these programs, the Organization is required to use the money during the period for purposes specified in the proposal. If expenditures were found not to have been made in compliance with the proposal, the Organization might be required to repay the funds.

11. Subsequent Events

The Organization has evaluated subsequent events through September 3, 2020, the date on which these financial statements were available to be issued.

**Marguerite's Place, Inc. & MP Housing Inc.
Board of Directors-Officers of the Board of Directors 2021**

<p>Chair of Board Richard Guidoboni QA Engineer Fidelity Investments [REDACTED]</p> <p>Joined: December 2014</p>	<p>Vice Chair Brian Hall President and COO Physicians Resources LTD [REDACTED]</p> <p>Joined: December 2018</p>	<p>Secretary Deborah Novotny SVP Commerical Lending Enterprise Bank [REDACTED]</p> <p>Joined: September 2015</p>	<p>Treasurer Alina Korsak Principal Melanson Heath [REDACTED]</p> <p>Joined: September 2018</p>
<p>Exec Committee Member Michael Carignan Chief of Police Nashua Police Department [REDACTED]</p> <p>Joined: July 2015</p>	<p>Exec Committee Member Joanna Poulin Clinical Nursing Faculty St. Anselm's College [REDACTED]</p> <p>Joined: March 2020</p>	<p>Brenda Baron Director of Operations Block Engineering [REDACTED]</p> <p>Joined: March 2019</p>	<p>Carol Martel Northeastern Counsel Wine Institute [REDACTED]</p> <p>Joined: September 2018</p>
<p>John Parolin Retired [REDACTED]</p> <p>Joined: September 2018</p>	<p>Richard Plamondon Chief Financial Officer St. Joseph Hospital [REDACTED]</p> <p>Joined: 2006</p>	<p>René Whiteley Volunteer CASA NH [REDACTED]</p> <p>Joined: March 2020</p>	<p>Naadia Nazeer Co-Owner Amherst Therapy Connections [REDACTED]</p> <p>Joined: March 2020</p>
<p>Tarrah Ledoux Senior Manager, Brand and Communications PointClickCare [REDACTED]</p> <p>Joined: January 2021</p>	<p>Kevin Cloutier Experiential Learning Coordinator Rivier University [REDACTED]</p> <p>Joined: January 2021</p>	<p>Hannah Stohler Executive Director Marguerite's Place hstohler@margueritesplace.org w:603-598-1582 [REDACTED]</p> <p>Joined: July 2019</p>	

2021 Committee Information

Executive Committee Members

- Rich Guidoboni, Chair
- Brian Hall, Vice Chair
- Deb Novotny, Secretary
- Alina Korsak, Treasurer
- Joanna Poulin, Member at Large
- Michael Carignan, Member at Large

Finance Committee Members

- Alina Korsak
- Dick Plamondon
- Rich Guidoboni
- Brian Hall

Development Committee Members

- Deb Novotny
- Rene' Whiteley
- Brenda Baron
- Kevin Cloutier
- Tarrah Ledoux

Governance Committee Members

- John Parolin
- Dick Plamondon
- Carol Martel
- Rich Guidoboni

Strategic Planning Committee Members

- Brian Hall
- John Parolin
- Deb Novotny
- Kevin Cloutier
- Tarrah Ledoux

Programs Committee Members

- Joanna Poulin
- Rene Whiteley
- Naadia Nazeer
- Dana King (non-board member)
- Jane Sobolov (non-board member)

Hannah Stohler

Nashua, NH · [REDACTED]

Education

Master of Divinity, Harvard Divinity School MAY 2016
Cambridge, MA
Concentration in Nonprofit Management, Social Justice, and Ethics
GPA: 3.9

B.A. in Spanish, Tulane University MAY 2013
New Orleans, LA
Graduated Magna cum Laude with Departmental Honors
GPA: 3.78

Experience

Executive Director and CEO JULY 2019 - PRESENT
Marguerite's Place and MP Housing, Nashua, NH
Lead strategic vision of the organization, including fiscal management, staff and board leadership, fundraising, and program delivery. Manage \$1 mill+ budget.

Director of Believe in Success MAY 2017 - JUNE 2019
Unitarian Universalist Urban Ministry, Roxbury, MA
Designed and launched Massachusetts' first workforce development program for domestic violence survivors. Managed team of 8 staff and 50 volunteers. Establish and manage \$300k+ program budget.

Residential Program Manager MAY 2016 - MAY 2017
Voices Against Violence, Framingham, MA
Managed the operation of a short term emergency shelter for families and individuals fleeing domestic violence. Ensured integrated and high quality service delivery and oversaw fiscal operations.

Communications Specialist MAY 2015 - AUGUST 2015
IMA World Health, Washington D.C.
Led update of f "1 in 3" Sermon Guide and "Sacred Spaces" toolkit for WeWillSpeakOut.US. Published op-eds for WeWillSpeakOut.US blog and managed social media. Represented WeWillSpeakOut.US as liaison at International Public Health Conferences.

Organizational Consultant MAY 2014 - AUGUST 2014
Adopta Una Familia, Inc., Guayaquil, Ecuador
Directed employees through transition into new positions within a new organizational structure. Assessed performance and mentored Program Coordinators through strategic planning and program development techniques.

Core Qualifications

Program Development
Team Leadership
Fiscal Management
Board Development
Strategic Planning
Community Networking
Grant Writing/Management

Skills and Affiliations

Fluent in Spanish
2017 Graduate of MetroWest Health Leadership Program
Certified Domestic Violence and Sexual Assault Counselor
Board of Directors for Greater Nashua Continuum of Care. 2019 - Present
Board of Directors for Adopta Una familia, Inc. 2013 - 2019

Patricia Joseph

Summary of Qualifications:

- Hard worker, quick learner, and the ability to assume responsibility
- Skilled at working with people with diverse backgrounds
- Possess excellent communication and inter-personal skills
- Eleven years nonprofit experience in varied capacities
- Demonstrated excellence in delivery and knowledge of client centered services

Experience:

Marguerite's Place, Inc.

2008-Present

Case Manager 2008-2012

- Delivered intensive residential case management services to families in crisis
- Partnered with state and local agencies to connect over 120 families with mainstream resources
- Managed the move in/out process for apartment readiness, rent collection, and formal exit
- Coordinated donations from initial contact to distribution and/or storage of items
- Planned and coordinated seasonal events for families from all socioeconomic backgrounds

Director of Development and Public Relations

2012-2013

- Prepared and submitted grant proposals securing \$400,000 in funding
- Planned, developed, and executed fund raising activities within the business community
- Developed marketing materials targeting 300,000 donors to generate program revenue
- Established new business leader partnerships using community services best practices

Director of Residential Services 2020-Present

- Develop program infrastructure to include development of tools and resources for direct resident use
- Provide trauma informed individualized case management services to 10 families in crisis
- Collect demographic data through resident surveys for program evaluation making adjustments to assure successful outcomes
- Facilitate group programming to support our families' community

Ascentria Care Alliance

2014-2016

Career Advisor - NH Health Profession Opportunity Project

- Counseled individuals in the development of a long-term career pathway through formal intake, assessment and case management
- Provided strengths based vocational and academic counseling
- Updated client database and case records according to DHHS/OMHRA specifications
- Monitored individual progress and track outcomes in a data management system
- Liaised with Job Developer to prepare clients for an intensive job search with an 89% success rate
- Maintained contact with client up to 1-year post-employment to track retention

Merrimack Vision Care

**2013-2014,
2016-**

2017 Office Assistant

- Maintained operational efficiency through prioritized task management for busy practice
- Resolved insurance and billing claims
- Interacted with general public to achieve customer satisfaction at the highest level

Education:

Southern New Hampshire University
B.S., Management Information Systems
Cum Laude

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Hannah Stohler	Executive Director	\$87,838	0	0
Patti Joseph	Director of Residential Services	\$51,500	0	0

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and My Friends Place ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2023

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$305,697

3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Exhibit A, Scope of Services, Section 3, Reporting, Subsection 3.3, to read:
 - 3.3. The Contractor shall provide a copy of lawsuit filing, per Department request.
- 5. Exhibit A, Scope of Services, Section 3, Reporting, Subsection 3.3 to read:
 - 3.4. The Contractor shall provide lawsuit status reports to the Department on an annual basis, within fifteen (15) days of year-end.
- 6. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/18/2021
Date

DocuSigned by:
Christine Santaniello
Name: CHRISTINE SANTANIELLO
Title: Director

My Friends Place

3/18/2021
Date


DocuSigned by:
Susan Ford
Name: SUSAN FORD
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/18/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

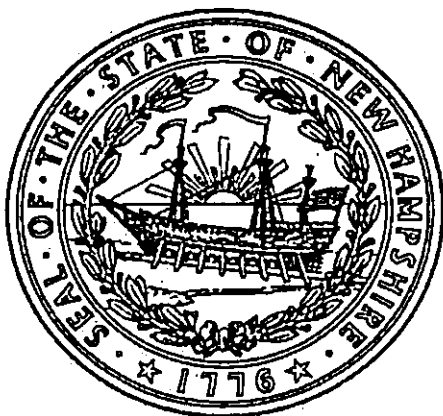
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MY FRIEND'S PLACE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 03, 1987. 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: 108288

Certificate Number: 0005052922



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 8th day of December A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

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Business Name
MY FRIEND'S PLACE

Business ID
108288

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004967509	07/29/2020	07/29/2020	Nonprofit Report	2020
0004772724	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003234687	01/25/2016	01/25/2016	Reinstatement	N/A
0003198773	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0000623468	02/28/2011	02/28/2011	Reinstatement	2010
0000623467	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000623466	10/08/2010	10/08/2010	Reminder Letter	N/A
0000623465	11/11/2005	11/11/2005	Annual Report	2005
0000623464	06/16/2000	06/16/2000	Annual Report	2000
0000623463	03/04/1996	03/04/1996	Reinstatement	1995
0000623462	02/01/1996	02/01/1996	Admin Dissolution/Suspension	N/A
0000623461	03/06/1990	03/06/1990	Annual Report	1990
0000623460	02/03/1987	02/03/1987	Business Formation	N/A

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CERTIFICATE OF AUTHORITY

I, Robert Fuller, hereby certify that: I am a duly elected Officer of My Friend's Place.

The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 18, 20 20, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That FX Bruton and Susan Ford are duly authorized on behalf of My Friend's Place to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

1. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Date: 3/16/2021

Signature: _____


Robert Fuller, Treasurer



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/04/2020

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 any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 333 Glen Street, Suite 302 Glens Falls, NY 12801 855 874-0123	CONTACT NAME: Brianna Beckett PHONE (A/C, No, Ext): 855-874-0123 E-MAIL ADDRESS: Brianna.beckett@usi.com	FAX (A/C, No): 877-775-0110
	INSURER(S) AFFORDING COVERAGE	
INSURED My Friend's Place, Inc. 368 Washington Street Dover, NH 03820	INSURER A: Philadelphia Indemnity Insurance Co.	NAIC # 18058
	INSURER B: Wesco Insurance Company	NAIC # 25011
	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 INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> 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 type="checkbox"/> LOC OTHER:			PHPK2134543	07/24/2020	07/24/2021	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$20,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMPIOP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			PHPK2134543	07/24/2020	07/24/2021	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$10000			PHUB722809	07/24/2020	07/24/2021	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000 \$
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/A	WWC3433401	09/26/2020	09/26/2021	<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000
A	Directors &			PHSD1554811	07/24/2020	07/24/2021	\$1,000,000 \$2500 ded

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

**** Workers Comp Information ****
Proprietors/Partners/Executive Officers/Members Excluded:
 Janet Insoia
 FX Bruton
 Robert Fuller
 (See Attached Descriptions)

CERTIFICATE HOLDER State of NH, Dept of Health & Human Services, Bureau of Homeless and Housing 129 Pleasant Street Concord, NH 03301	CANCELLATION 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 
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DESCRIPTIONS (Continued from Page 1)

The General Liability policy includes an additional insured endorsement that provides additional insured status to the certificate holder only when there is a written contract that requires such status, and only with regard to work performed on behalf of the named insured.



368 Washington Street Dover, NH 03820 603-749-3017 Fax: 603-749-5068

MISSION STATEMENT

Provide home like emergency shelter and transitional housing, and exceptional support for the homeless men, women and families in our service area.



"A comprehensive program to provide temporary housing and support."

myfriendsplacenh.org

MY FRIEND'S PLACE

FINANCIAL STATEMENTS

Years Ended June 30, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
My Friend's Place
Dover, New Hampshire

We have audited the accompanying financial statements of My Friend's Place (a New Hampshire Non-Profit Organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

(continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of My Friend's Place as of June 30, 2019 and 2018, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Hodgdon, Wilson & Griffin

Hodgdon, Wilson & Griffin
Portsmouth, New Hampshire

May 28, 2020

MY FRIEND'S PLACE
STATEMENTS OF FINANCIAL POSITION
June 30,

	2019	2018
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 153,364	\$ 146,327
Grants receivable	36,493	36,245
Investments	1,169	1,086
Inventory	2,662	1,422
Prepaid expenses	2,619	4,684
Total current assets	196,307	189,764
PROPERTY, PLANT AND EQUIPMENT		
Land	87,150	87,150
Buildings and improvements	815,085	815,085
Furniture and fixtures	42,634	41,071
Equipment	42,511	13,850
Total property and equipment	987,380	957,156
Less accumulated depreciation	506,504	482,742
Property and equipment, net	480,876	474,414
OTHER ASSETS		
Endowment investments	9,760	9,963
Cash and cash equivalents	806	2,400
Total other assets	10,566	12,363
TOTAL ASSETS	\$ 687,749	\$ 676,541
<u>LIABILITIES & NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable	\$ 1,725	\$ 2,431
Accrued payroll and payroll taxes	3,399	2,832
Accrued earned time	1,985	4,925
Total current liabilities	7,109	10,188
SECURITY DEPOSITS		
Total liabilities	806	2,400
Total liabilities	7,915	12,588
NET ASSETS		
Without donor restrictions	665,716	653,990
With donor restrictions	14,118	9,963
Total net assets	679,834	663,953
TOTAL LIABILITIES AND NET ASSETS	\$ 687,749	\$ 676,541

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

MY FRIEND'S PLACE
STATEMENTS OF ACTIVITIES
For the Years Ended June 30,

	<u>2019</u>	<u>2018</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Public support and revenue:		
Public support		
Grants	\$ 164,832	\$ 150,636
Donations	84,024	65,185
United Way	<u>18,124</u>	<u>16,808</u>
Total public support	266,980	232,629
OTHER REVENUE		
Gaming revenue, net	77,761	48,292
Rent and miscellaneous	28,887	22,348
Interest income	87	142
Unrealized gain (loss) on investments	<u>83</u>	<u>(21)</u>
Total other revenue	<u>106,818</u>	<u>70,761</u>
Total public support and revenue	373,798	303,390
FUNCTIONAL EXPENSES		
Program services	296,690	275,292
Management and general	57,922	55,685
Fundraising	<u>7,460</u>	<u>8,212</u>
Total functional expenses	362,072	339,189
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	11,726	(35,799)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>4,155</u>	<u>13</u>
INCREASE (DECREASE) IN NET ASSETS	15,881	(35,786)
NET ASSETS, Beginning	<u>663,953</u>	<u>699,739</u>
NET ASSETS, Ending	<u>\$ 679,834</u>	<u>\$ 663,953</u>

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

MY FRIEND'S PLACE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2019

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	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Classified advertising and public relations	\$ -	\$ 1,481	\$ -	\$ 1,481
Depreciation expense	23,037	724	-	23,761
Employee benefits	31,066	5,153	589	36,808
Insurance	4,812	7,219	-	12,031
Maintenance and repairs	34,549	1,449	-	35,998
Miscellaneous	834	-	-	834
Office expense	1,322	3,269	3,936	8,527
Professional fees	-	6,988	-	6,988
Resident support services	937	-	-	937
Salaries and wages	146,435	24,412	2,713	173,560
Supplies	8,317	4,302	-	12,619
Taxes, payroll	11,715	1,943	222	13,880
Telephone	4,026	212	-	4,238
Transportation expense	909	-	-	909
Utilities	28,731	770	-	29,501
TOTAL EXPENSES	\$ <u>296,690</u>	\$ <u>57,922</u>	\$ <u>7,460</u>	\$ <u>362,072</u>

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

MY FRIEND'S PLACE
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2018

DocuSign Envelope ID: 697C70F0-A606-4FAD-B48B-302CC033803C

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Classified advertising and public relations	\$ -	\$ 1,940	\$ -	\$ 1,940
Depreciation expense	21,920	1,073	-	22,993
Employee benefits	28,723	4,787	684	34,194
Insurance	4,410	6,616	-	11,026
Maintenance and repairs	16,264	449	-	16,713
Miscellaneous	6,155	122	-	6,277
Office expense	1,614	3,255	4,593	9,462
Professional fees	210	7,872	-	8,082
Resident support services	1,566	-	-	1,566
Salaries and wages	143,430	23,850	2,650	169,930
Supplies	7,334	2,681	-	10,015
Taxes, payroll	11,990	1,999	285	14,274
Telephone	4,835	254	-	5,089
Transportation expense	1,083	-	-	1,083
Utilities	25,758	787	-	26,545
TOTAL EXPENSES	\$ <u>275,292</u>	\$ <u>55,685</u>	\$ <u>8,212</u>	\$ <u>339,189</u>

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

MY FRIEND'S PLACE
STATEMENTS OF CASH FLOWS
Years Ended June 30,

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	\$ 15,881	\$ (35,786)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Unrealized (gain) loss on investments	(83)	21
Investment (income) loss	203	(34)
Depreciation	23,761	22,993
(Increase) decrease in:		
Grants receivable	(248)	22,290
Inventory	(1,239)	3,513
Prepaid expenses	2,065	(92)
Increase (decrease) in:		
Accounts payable	(706)	163
Accrued payroll and payroll taxes	567	112
Accrued earned time	(2,940)	(3,703)
Security Deposits	(1,594)	2,107
Total adjustments	<u>19,786</u>	<u>47,370</u>
Net cash provided by operating activities	35,667	11,584
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(30,224)	-
Acquisition of investments	-	(31)
Net cash used by investing activities	<u>(30,224)</u>	<u>(31)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase in cash	5,443	11,553
Cash at beginning of year	<u>148,727</u>	<u>137,174</u>
CASH AT END OF YEAR	<u>\$ 154,170</u>	<u>\$ 148,727</u>

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

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

My Friend's Place was organized February 3, 1987. The purpose of the organization is to provide safe and supportive emergency and transitional shelter to individuals and families experiencing homelessness in Strafford County, New Hampshire.

Basis of Accounting

Income and expenses are reported on the accrual basis, which means that income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

Financial Statement Presentation

Under generally accepted accounting principles, My Friend's Place is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. In addition, My Friend's Place is required to present a statement of cash flows.

Cash and Cash Equivalents

For purposes of the statement of cash flows, My Friend's Place considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Cash does not include \$8,568 and \$9,619 held by the Organization as of June 30, 2019 and 2018, respectively. As required by State of New Hampshire regulations, this amount was held by the Organization in a separate account to be used as prizes for Bingo games. This cash is not available for any other purpose.

Grants Receivable

Grants receivable represents amounts due from federal, state and local governments and from the United Way for grant revenue which has been earned.

Marketable Securities

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Promises to Give

Contributions are recognized when the donor makes a promise to give to My Friend's Place that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. An allowance for uncollectible unconditional promises to give is established based on historical experience and management's evaluation of outstanding unconditional promises to give at the end of each year. As of June 30, 2019 and 2018, the balance of Promises to Give was \$0 and \$0, respectively.

Fair Value of Financial Instruments

Unless otherwise indicated, the fair values of all reported assets and liabilities which represent financial instruments, none of which are held for trading purposes, approximate the carrying values of such amounts.

Inventory

Inventory of Bingo materials and supplies are recorded at the lower of cost (first in, first out basis) or market.

Property, Plant and Equipment

Property and equipment are recorded at cost for those items which have been purchased, and at estimated fair values for those items which have been donated. The cost basis of the land and buildings acquired by My Friend's Place is allocated based on real estate tax valuation. The cost of buildings and improvements is recovered using the straight-line method over estimated useful lives of 10 to 40 years. The cost of furniture, fixtures and equipment is recovered using the straight-line method over estimated useful lives of 5 to 15 years.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Donated Services

Contributions of services are recognized in the financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. My Friend's Place typically receives contributed services to assist with general administrative and maintenance tasks. For the years ended June 30, 2019 and 2018, no amounts for contributions of services were recognized in the financial statements.

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated Materials

My Friend's Place records donated materials at fair value. Donations of food, personal care items and household supply items for the use of residents are not recorded in the financial statements because of the difficulty in determining fair value.

Functional Allocation of Expenses

The costs of the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the programs and supporting services benefited.

Income Taxes

My Friend's Place has received a letter of determination dated June 20, 1988 from the Internal Revenue Service advising it that it qualifies as a non-profit organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, it is not subject to income tax. My Friend's Place is classified as other than a private foundation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through May 28, 2020, the date that the financial statements were available to be issued.

Management is currently evaluating the recent introduction of the COVID-19 virus and its impact on the not-for-profit industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the fair value of My Friend's Place financial position and results of operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE B - ENDOWMENT INVESTMENTS

My Friend's Place is a beneficiary of an agency endowment fund at The New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing this fund, property contributed to The New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of My Friend's Place. In accordance with its spending policy, the Foundation makes distributions from the funds to My Friend's Place. The distributions are approximately four percent of the market value of the fund per year. The estimated value of the future distributions from the fund is included in these financial statements, however, all property in the fund was contributed to The New Hampshire Charitable Foundation to be held and administered for the benefit of My Friend's Place.

NOTE C - ACCRUED EARNED TIME

Accrued earned time consists of a liability for future compensated leave time that is vested with the employees.

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS

As of June 30, 2019 and 2018, My Friend's Place has net assets with donor restrictions of \$9,760 and \$9,963, respectively, invested with The New Hampshire Charitable Foundation. In addition, for the year ended June 30, 2019, My Friend's Place has net assets with donor restrictions of \$4,358 held for the purchase of computer equipment.

NOTE E - GAMING REVENUE, NET

Gaming revenue, net primarily represents amounts from weekly Bingo nights. Expenses consist of prizes and awards, hall rental, state taxes, licenses and supplies.

For the year ended June 30, 2019, gaming revenue, net of \$77,761 consisted of gaming revenue of \$802,000 less expenses of \$724,239.

For the year ended June 30, 2018, gaming revenue, net of \$48,292 consisted of gaming revenue of \$708,942 less expenses of \$660,650.

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE F - RETIREMENT PLAN

My Friend's Place has adopted a 403(b) retirement plan. Under the plan, employees who meet certain age and length of service requirements may elect to defer a percentage of their salary, subject to Internal Revenue Service limits. My Friend's Place matches the employee deferral up to 3% of the employee's salary. For the years ended June 30, 2019 and 2018, retirement expense was \$2,870 and \$2,656, respectively.

NOTE G - LEASING ARRANGEMENTS

My Friend's Place rents property under cancelable leasing arrangements. Lease expense was \$360 and \$933 for the years ended June 30, 2019 and 2018, respectively.

NOTE H - ECONOMIC DEPENDENCY

My Friend's Place contracts are generally with government agencies and, therefore, the majority of its receivables and a significant amount of its revenue are derived from that source.

In addition, My Friend's Place has received a significant amount of its fundraising revenue from the operation of bingo games.

NOTE I - COMMITMENTS AND CONTINGENCIES

During the year ended June 30, 1998, My Friend's Place received a grant from the United States Department of Housing and Urban Development (HUD). The \$99,566 grant was used towards the acquisition of a transitional housing facility located at 21-23 Hough Street in Dover, New Hampshire. Under the terms of the grant, My Friend's Place would have to receive authorization from HUD in order to convert the transitional housing facility to another use. Failure to receive authorization from HUD would result in repayment of the grant to HUD.

My Friend's Place received money under various state and federal grants. Under the terms of these grants, My Friend's Place was required to use the money within the grant period for purposes specified in the grant proposal. If expenditures of the grant were found not to have been made in compliance with the proposals, My Friend's Place might be required to repay the grantor's funds.

MY FRIEND'S PLACE
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE J - RESTATEMENT OF FINANCIAL STATEMENTS

Certain items previously reported in the financial statements for the year ended June 30, 2018 have been reclassified to facilitate comparability with the presentation of the June 30, 2019 financial statements. The reclassified items include the change from three categories of net assets to two categories of net assets as well as certain disclosures required by generally accepted accounting principles. In addition, inventory of Bingo materials and supplies decreased \$4,052. Gaming revenue, net decreased \$4,052 and the decrease in net assets without donor restrictions decreased \$4,052.

NOTE K - LIABILITY AND AVAILABILITY OF FINANCIAL ASSETS

My Friend's Place's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date, consisted of the following as of June 30,

	<u>2019</u>	<u>2018</u>
Cash	\$ 153,364	\$ 146,327
Investments	<u>1,169</u>	<u>1,086</u>
	154,533	147,413
Less those unavailable for General expenditures within One year, due to:		
Contractual or donor imposed restrictions	4,358	-
Board designations	-	-
Financial assets available To meet cash needs for General expenditures within One year	<u>\$ 150,175</u>	<u>\$ 147,413</u>

My Friend's Place is substantially supported by public support. As part of the liquidity management of My Friend's Place, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

My friend's Place
Board Listing

First	Last	Position	Business
FX	Bruton	** President	Lawyer/Bruton & Berube
Stan	Robbins	** Vice President	Retired Business Owner
Robert	Fuller	* Treasurer	CPA/Dumais & Ferland Retired Editorial Dept/Boston
Janet	Insolia	** Secretary	Globe Retired Purchasing Manager
Phyllis	LaPointe	** Member	Fosters & Delta
Estelle	Lewis	Member	Retired Bookkeeper
John	Lewis	Member	Attorney/ADR Provider
Jennifer	Stevens	Member	Freelance Journalist
Alicia	McLaughlin	** Member	Retired
Vicki	Roundy	** Member	Attorney/Roundy Law
Jacqueline	Williams	** Member	Property Maintenance
Tasha	Dworjanyn	** Member	Timberland
Brad	Gould	** Member	Dover PD
Mark	Bowen	Member	Owner - Dover Bowl Kitchen Manager, The Sassy Buscuit Co.
Britnie	Lia	Member	
Executive Director			
Susan	Ford	**	

Jennifer Pare

OBJECTIVE

To work in an administrative position for a growing company where exceptional ability to multi-task, solve problems, work effectively in a team, and meet deadlines are required in providing outstanding administrative support to supervisors and managers.

EXPERIENCE

Case Manager, My Friends Place, Dover NH

July 2020 – Present

Accomplishes clients' care by assessing goals and needs; developing, monitoring, and evaluating self-sufficiency plans and progress, Processing new resident intakes, weekly case management, resume building, help residents apply for health benefits, TANF, food stamps, housing, employment or any other service the resident is in need of

HR Assistant, Atlantic Broadband, Rochester NH

January 2020 – July 2020

Processing employee information, such as new hires, transfers and resignations. Provide efficient general and administrative HR support to staff and managers, Assist with OSHA reporting, process benefits including open enrollment, new hires and life changes.

Personal Rater I, Liberty Mutual, Dover NH

January 2018 – January 2020

Processing new business, endorsements, renewal, cancellation and policy maintenance transactions. Lead team huddles and weekly meetings, manage weekly project uploads, team activity coordinator for 2 years, multi task to help team complete deadlines

Scheduling Coordinator, Nomith Ramdev DMD, Dover NH

February 2017 – April 2017

Scheduling patient appointment, check in/out, claims submission, verifying insurance benefits, greet patients, collected payments, creating, maintaining and filing patient charts, answering multiline telephones

Office Manager, Applewood Family Dentistry, Barrington NH

October 2014 – February 2017

Scheduling patient appointment, claims submission, verifying insurance benefits, greet patients, collected payments, process insurance claims and denials, handled all financials, monitored and updated patient charts, answering multiline telephones, patient check in/out, resolved patient issues, organized and processed mail, handled cash and deliveries, prepare financial reports, called in prescriptions when appropriate, handled direct administrative issues.

Front of the House Manager, Fat Tony's Italian Grill, Rochester NH

January 2013 – May 2014

Responsible mainly for the day to day operations of the front of house duties of the restaurant and catering functions, including wait staff/bartenders. Handling cash and deliveries, prepare cash out reports.

Front Desk Receptionist, Dental Expressions, Laconia NH

October 2012 – January 2013 Temporary

Scheduling patient appointment, claims submission, verifying insurance benefits, greet patients, collected payments, monitored and updated patient charts, answering multiline telephones, patient check in/out, resolved patient issues, organized and processed mail, handled cash and deliveries, prepare financial reports, called in prescriptions when appropriate.

Office Coordinator, John C. Hoell DDS, Somersworth NH

December 2010 – October 2012

Scheduling patient appointment, claims submission, verifying insurance benefits, greet patients, collected payments, monitored and updated patient charts, answering multiline telephones, patient check in/out,

resolved patient issues, organized and processed mail, handled cash and deliveries, prepare financial reports, called in prescriptions when appropriate, handled direct administrative issues.

Administrative / Finance Assistant, Great Bay Oral Surgery, Somersworth NH

July 2008 – November 2010

Scheduling patient appointment, claims submission, verifying insurance benefits, processing insurance and patient payments, processed patient billing on a daily basis, refunds and collections, handled general office administration, greet patients, handled all financials, collected payments, doctor credentialing, AR/AP for all vendors using QuickBooks, Setting CPR training for other offices, preparing and setting up all staff meetings, luncheons and holiday parties, planning of continuing education classes and activities, any and all other duties requested by office administrator or finance manager.

Project Assistant, Great Bay Oral Surgery, Somersworth NH

May 2008 – June 2008 Temporary

Issue backlog of patient and insurance refunds.

Patient Service Representative, Aspen Dental, Concord NH

November 2006 – June 2007

Scheduling patient appointment, check in/out, claims submission, verifying insurance benefits, greet patients, collected payments, creating, maintaining and filing patient charts, answering multiline telephones

SKILLS

Indeed Assessments

Administrative Assistant, Highly Proficient, October 2019

Receptionist, Highly Proficient, November 2019

Medical Billing, Proficient, November 2019

Management Skills

Office Experience, Expert

Cash Handling, Expert

Cash Handling, Expert

Customer Service, Expert

Supervising Experience, Intermediate

Underwriting, Intermediate

Benefits Administration, Beginner

Technology Skills

Microsoft Office, Microsoft Word, and Microsoft Outlook, Expert

Data Entry, Intermediate

Excel, Beginner

QuickBooks, Beginner

Susan M. Ford

Employment History

2016 - Present

My Friend's Place Dover, NH

Emergency Shelter, Transitional Housing

Executive Director

- Overall Supervision of 7 staff, performing various tasks from front office work, case management to specialized projects
- Responsible for the day to day operations of the shelter and transitional housing programs
- Responsible for maintaining three properties to ensure buildings are safe and properly maintained
- Responsible for writing, reporting and billing multiple grants, including State, Federal, United Way and CDBG funding streams
- Assisting treasurer and finance committee members to create a functional budget yearly.

2011 - 2016

Homeless Center for Strafford County Rochester, NH

Emergency Shelter, Transitional Housing

Executive Director

- Overall Supervision of 5 staff and over 50 volunteers, performing various tasks from front office work, case management to specialized projects
- Responsible for the day to day operations of the shelter and transitional housing programs
- Responsible for maintaining three properties to ensure buildings are safe and properly maintained
- Responsible for writing, reporting and billing multiple grants, including United Way and CDBG funding streams
- Assisting treasurer and finance committee members to create a functional budget yearly. Successful management of budget increasing revenue for 5 years.
- Successful in obtaining several grants to make upgrades and repairs to buildings and grounds

2010 - 2011

Strafford County Community Action Dover, NH

Homeless Intervention Program

Homeless Intervention Specialist

- Outreach within Strafford County, Salvation Army, Soup Kitchens, Libraries, convenience stores etc., finding and assisting homeless individuals obtain shelter
- Assist in writing of grant for State and Federal funding for multiple grants

2004 - 2010

Strafford County Community Action Dover, NH

Head Start Program

Systems Coordinator

- Coordinate and ensure enrollment of 309, create and implement student roster covering 6 centers as well as a home based and Early Head Start program. Input requests for enrollment, assign out to staff for application completion
 - Certify all applications for eligibility following strict federal guidelines, successfully pass both federal review and annual audits
 - Responsible for tracking weekly attendance and preparing monthly reports to all managers and director
 - Successfully integrating new data base (PROMIS) to better track students and federally mandated services rendered. Run reports and ensure staff are entering data completely and correctly
 - Train staff on use of data base, laptops, internet, email, general computer software including word and excel programs
 - Maintain the computer network including the server (Windows Server 2003), 15 computers as well as trouble shoot computer issues at the centers (over 30 computers). Coordinate outsourcing for more extensive computer issues.
 - Coordinate the purchase of any technical supplies including computers, network equipment, printers etc.
-

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Susan Ford	Executive Director	53,000 yearly	TBD	TBD
Jennifer Pare	Case Manager as of July 24 th	\$17.50	TBD	TBD

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Nashua Soup Kitchen and Shelter, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$468,328
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.qencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/22/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

The Nashua Soup Kitchen and Shelter, Inc.

3/22/2021
Date


DocuSigned by:
Michael Reinke
Name: Michael Reinke
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/6/2021

Date

DocuSigned by:

OSCA9202E12CAAE

Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

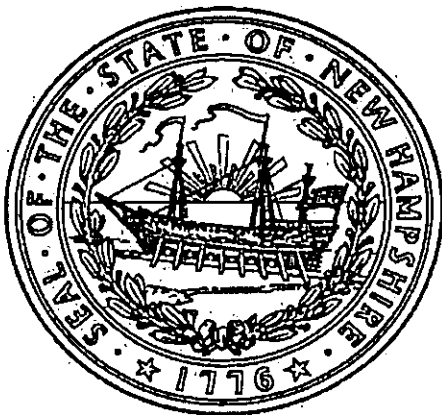
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NASHUA SOUP KITCHEN AND SHELTER, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 11, 1981. 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: 61911

Certificate Number: 0005331096



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 31st day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

[← Back to Home \(/online\)](#)

Business Name	Business ID
NASHUA SOUP KITCHEN AND SHELTER, INC.	61911

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004695184	01/06/2020	01/06/2020	Nonprofit Report	2020
0003027859	01/12/2015	01/12/2015	Annual Report	2015
0000492099	03/04/2011	03/04/2011	Reinstatement	2010
0000492098	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000492096	10/08/2010	10/08/2010	Reminder Letter	N/A
0000492089	03/18/2005	03/18/2005	Annual Report	2005
0000492095	02/03/2000	02/03/2000	Annual Report	2000
0000492094	02/13/1995	02/13/1995	Annual Report	1995
0000492093	11/15/1990	11/15/1990	Annual Report	1990
0000492092	02/09/1990	02/09/1990	Merged	N/A
0000492091	10/13/1981	10/13/1981	Amendment	N/A
0000492090	05/11/1981	05/11/1981	Business Formation	N/A

Page 1 of 1, records 1 to 12 of 12

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Nashua Soup Kitchen & Shelter, Inc.

CERTIFICATE OF AUTHORITY

1. Michael A. Ryan, Treasurer hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of NASHUA SOUP KITCHEN & SHELTER INC
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held via email on APRIL 3, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That MICHAEL REINKE, EXECUTIVE DIRECTOR (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of NASHUA SOUP KITCHEN & SHELTER INC to enter into contracts or agreements
(Name of Corporation/ LLC)

with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for **thirty (30)** days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 04/05/2021

x Michael Ryan
Signature of Elected Officer
Name: Michael J. Ryan
Title: Treasurer



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/26/2020

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 Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03064	CONTACT NAME: Kimberly Gutekunst	
	PHONE (A/C, No, Ext): 603-882-2766	FAX (A/C, No): 603-886-4230
E-MAIL ADDRESS: kgutekunst@eatonberube.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: The Hanover Insurance Companies		22292
INSURER B: AmTrust Group		42376
INSURER C: Selective Insurance Group Inc.		14376
INSURER D:		
INSURER E:		
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** 1468713158 **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 SUBR INSC WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		ZHVA685423	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY		ADVA685320	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		UHVA685516	7/1/2020	7/1/2021	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
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 <input type="checkbox"/> N/A	WWC3357201	7/1/2020	7/1/2021	<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 A C	Property Crime Management Liability		ZHVA685423 ZHVA685423 MY1006756	7/1/2020 7/1/2020 7/1/2020	7/1/2021 7/1/2021 7/1/2021	Buildings \$2,938,539 Contents \$226,989 Crime \$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Soup Kitchen and Shelter

CERTIFICATE HOLDER **CANCELLATION**

State of New Hampshire Department of Health and Human Services 129 Pleasant Street 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 
--	---

Mission Statement:

The Nashua Soup Kitchen & Shelter is dedicated to providing shelter and food to those in need. The overall objective of the agency is to advocate, create and operate programs and services that promote dignity and self-sufficiency for those we serve. To ensure that basic needs are addressed, the NSK&S is committed to joining with others in a community-wide ethic of caring.

NASHUA SOUP KITCHEN AND SHELTER, INC.

FINANCIAL STATEMENTS

JUNE 30, 2019

AND

INDEPENDENT AUDITORS' REPORT

NASHUA SOUP KITCHEN AND SHELTER, INC.

JUNE 30, 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Nashua Soup Kitchen and Shelter, Inc.:

We have audited the accompanying financial statements of Nashua Soup Kitchen and Shelter, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements.

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

Auditor's Responsibility

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

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

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

Nashua Soup Kitchen and Shelter, Inc.
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nashua Soup Kitchen and Shelter, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Nashua Soup Kitchen and Shelter, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 22, 2018. In our opinion, the summarized comparative information presents herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional support and revenue on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Manchester, New Hampshire
October 8, 2019

NASHUA SOUP KITCHEN AND SHELTER, INC.STATEMENT OF FINANCIAL POSITIONJUNE 30, 2019

(with comparative totals for 2018)

<u>ASSETS</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2019</u>	<u>Total 2018</u>
CURRENT ASSETS:				
Cash (Note 1)	\$ 144,396	\$ -	\$ 144,396	\$ 182,975
Grants and accounts receivable (Note 1)	40,997	-	40,997	54,782
Prepaid expenses	33,473	-	33,473	34,007
Total current assets	<u>218,866</u>	<u>-</u>	<u>218,866</u>	<u>271,764</u>
INVESTMENTS (Note 2)	<u>748,945</u>	<u>-</u>	<u>748,945</u>	<u>566,623</u>
LAND, BUILDING AND EQUIPMENT, at cost (Notes 1 and 3):				
Land and buildings	2,557,472	-	2,557,472	2,558,522
Building improvements	328,335	-	328,335	340,457
Furniture, fixtures and equipment	205,745	-	205,745	241,624
	<u>3,091,552</u>	<u>-</u>	<u>3,091,552</u>	<u>3,140,603</u>
Less - Accumulated depreciation	745,452	-	745,452	758,311
	<u>2,346,100</u>	<u>-</u>	<u>2,346,100</u>	<u>2,382,292</u>
OTHER ASSETS:				
Notes receivable (Note 8)	<u>100,668</u>	<u>-</u>	<u>100,668</u>	<u>96,113</u>
	<u>\$3,414,579</u>	<u>\$ -</u>	<u>\$3,414,579</u>	<u>\$3,316,792</u>
 <u>LIABILITIES AND NET ASSETS</u>				
CURRENT LIABILITIES:				
Accounts payable	\$ 40,634	\$ -	\$ 40,634	\$ 29,533
Accrued expenses	128,227	-	128,227	89,316
Security deposits	-	-	-	1,589
Total current liabilities	<u>168,861</u>	<u>-</u>	<u>168,861</u>	<u>120,438</u>
NET ASSETS (Note 1):				
Without donor restrictions	3,193,065	-	3,193,065	3,196,354
With donor restrictions	<u>-</u>	<u>52,653</u>	<u>52,653</u>	<u>-</u>
Total net assets	<u>3,193,065</u>	<u>52,653</u>	<u>3,245,718</u>	<u>3,196,354</u>
	<u>\$3,361,926</u>	<u>\$ 52,653</u>	<u>\$3,414,579</u>	<u>\$3,316,792</u>

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

NASHUA SOUP KITCHEN AND SHELTER, INC.STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019
 (with comparative totals for 2018)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2019</u>	<u>Total 2018</u>
SUPPORT AND REVENUE:				
Support				
Public contributions	\$ 915,015	\$ -	\$ 915,015	\$ 804,068
In-kind contributions (Note 4)	1,508,432	-	1,508,432	1,796,189
City of Nashua, New Hampshire Community Block Grant	25,215	-	25,215	23,916
State of New Hampshire Emergency Shelter Program Grant	115,599	-	115,599	115,599
Town grants, New Hampshire	16,000	-	16,000	17,500
Special events	282,187	-	282,187	248,790
Capital campaign & improvements	121,797	52,653	174,450	-
Other grants	76,175	-	76,175	124,010
Rent- Transitional Housing	4,341	-	4,341	11,592
Net assets released from restrictions	-	-	-	-
Total support	<u>3,064,761</u>	<u>52,653</u>	<u>3,117,414</u>	<u>3,141,664</u>
Revenue				
Investment income	13,825	-	13,825	14,555
Investment return	23,205	-	23,205	11,303
Total revenue	<u>37,030</u>	<u>-</u>	<u>37,030</u>	<u>25,858</u>
Total support and revenue	<u>\$3,101,791</u>	<u>\$ 52,653</u>	<u>\$3,154,444</u>	<u>\$3,167,522</u>

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

NASHUA SOUP KITCHEN AND SHELTER, INC.STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019
(with comparative totals for 2018)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total 2019</u>	<u>Total 2018</u>
EXPENSES:				
Program Services				
Kitchen	\$1,793,542	\$ -	\$1,793,542	\$2,431,062
Housing, shelter & services	1,091,488	-	1,091,488	715,225
Total program services	<u>2,885,030</u>	<u>-</u>	<u>2,885,030</u>	<u>3,146,287</u>
Support Services				
Management and general	101,874	-	101,874	91,794
Fundraising	118,176	-	118,176	129,659
Total support services	<u>220,050</u>	<u>-</u>	<u>220,050</u>	<u>221,453</u>
Total program and support expenses	<u>3,105,080</u>	<u>-</u>	<u>3,105,080</u>	<u>3,367,740</u>
INCREASE (DECREASE) IN NET ASSETS	(3,289)	52,653	49,364	(200,218)
NET ASSETS, beginning of year	<u>3,196,354</u>	<u>-</u>	<u>3,196,354</u>	<u>3,396,572</u>
NET ASSETS, end of year	<u>\$3,193,065</u>	<u>\$ 52,653</u>	<u>\$3,245,718</u>	<u>\$3,196,354</u>

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

NASHUA SOUP KITCHEN AND SHELTER, INC.STATEMENT OF FUNCTIONAL EXPENSESFOR THE YEAR ENDED JUNE 30, 2019

(with comparative totals for 2018)

	<u>Program Services</u>		<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
	<u>Soup Kitchen</u>	<u>Client Services</u>			<u>2019</u>	<u>2018</u>
SALARIES AND RELATED EXPENSES:						
Salaries	\$ 248,359	\$ 471,931	\$ 53,529	\$ 12,410	\$ 786,229	\$ 840,558
Payroll taxes	20,847	33,788	4,053	951	59,639	65,171
Employee benefits	37,619	102,436	10,390	2,437	152,882	146,845
	<u>306,825</u>	<u>608,155</u>	<u>67,972</u>	<u>15,798</u>	<u>998,750</u>	<u>1,052,574</u>
OTHER EXPENSES:						
In-kind food and services	1,180,754	264,623	8,779	54,276	1,508,432	1,796,189
Depreciation	43,811	45,304	6,611	1,551	97,277	72,336
Utilities	31,523	19,499	3,785	888	55,695	56,893
Food and supplies	104,830	12,755	-	-	117,585	125,317
Client assistance	-	21,669	-	-	21,669	35,066
Postage	917	795	127	30	1,869	2,264
Insurance	22,201	13,870	2,676	628	39,375	43,063
Office expense	4,768	1,699	2,821	662	9,950	6,827
Telephone	2,074	3,544	416	98	6,132	4,522
Newsletter	8,873	8,099	1,259	295	18,526	18,535
Repairs and maintenance	5,266	6,417	868	202	12,753	6,128
Professional fees	10,710	20,256	2,297	539	33,802	41,795
Miscellaneous	1,110	1,232	174	41	2,557	5,610
Travel	2,228	2,150	-	-	4,378	3,477
Extermination	929	1,591	187	44	2,751	2,470
Advertising and website	943	497	-	-	1,440	2,164
Training	1,170	1,044	-	-	2,214	3,407
Technology expense	9,137	10,759	1,476	346	21,718	
Maintenance services	26,627	6,079	2,426	569	35,701	42,145
Fundraising	-	-	-	42,209	42,209	46,958
Capital campaign expenses	28,846	41,451	-	-	70,297	-
	<u>1,486,717</u>	<u>483,333</u>	<u>33,902</u>	<u>102,378</u>	<u>2,106,330</u>	<u>2,315,166</u>
TOTAL FUNCTIONAL EXPENSES	<u>\$1,793,542</u>	<u>\$1,091,488</u>	<u>\$101,874</u>	<u>\$118,176</u>	<u>\$3,105,080</u>	<u>\$3,367,740</u>

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

NASHUA SOUP KITCHEN AND SHELTER, INC.STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JUNE 30, 2019
(with comparative totals for 2018)

	<u>Total 2019</u>	<u>Total 2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 49,364	\$ (200,218)
Adjustment to reconcile change in net assets to net cash provided by operating activities -		
Depreciation	97,277	72,336
Unrealized (appreciation) depreciation of investments	(22,587)	(11,303)
(Increase) decrease in the following assets:		
Grants and accounts receivable	13,785	(30,131)
Prepaid expenses	534	(8,923)
Increase (decrease) in the following liabilities:		
Accounts payable	11,101	(9,184)
Accrued expenses	38,911	(8,397)
Security deposits	<u>(1,589)</u>	<u>389</u>
Net cash provided by (used in) operating activities	<u>186,796</u>	<u>(195,431)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(61,085)	(23,735)
Net proceeds from sale of investments	-	416,128
Purchase of investments	(159,735)	(505,234)
Increase in note receivable	<u>(4,555)</u>	<u>(4,348)</u>
Net cash provided by (used in) investing activities	<u>(225,375)</u>	<u>(117,189)</u>
NET INCREASE (DECREASE) IN CASH	(38,579)	(312,620)
CASH, beginning of year	<u>182,975</u>	<u>495,595</u>
CASH, end of year	<u>\$ 144,396</u>	<u>\$ 182,975</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

CASH PAID DURING THE YEAR FOR:

Interest	\$ -	\$ -
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The accompanying notes to financial statements
are an integral part of these statements.

NASHUA SOUP KITCHEN AND SHELTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

1. Nature of operations:

The Organization provides meals, emergency shelter, transitional housing, food baskets and advocacy to poor and homeless men, women and families in the Greater Nashua, New Hampshire area. Additionally, the Organization owns a subsidiary that was setup to acquire rental properties in the Greater Nashua area to provide housing to low and moderate income individuals and families.

The Organization is dependent, to a significant extent, upon contributions from the general public for annual support of its operations and services. Contributions are obtained through year-round special events, direct mail programs, as well as, ongoing initiatives encompassing foundations, corporations, and related development programs.

2. Summary of significant accounting policies:

Basis of accounting and presentation - The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The accrual method of accounting recognizes revenue when it is earned and expenses when incurred. Certain comparative amounts in the statements of activities and functional expenses have been reclassified to conform with the current years presentation.

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

Net assets without donor restrictions - Net assets without donor restrictions are assets that have been acquired from donors (or certain grantors) without restrictions that may be expended for any purpose in performing the primary objectives of the Organization. The governing Board has designated, from net assets without donor restrictions, net assets for an operating reserve.

Net assets with donor restrictions - Net assets subject to donor or (or certain grantor) imposed restrictions are assets subject to stipulations imposed by the donor. Some donor imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NASHUA SOUP KITCHEN AND SHELTER, INC.NOTES TO FINANCIAL STATEMENTSJUNE 30, 20192. Summary of significant accounting policies (cont't):

Support and revenue recognition - Unconditional contributions are recognized when pledged and recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Gifts of cash and other assets are reported with donor restricted support if they are received with donor stipulations that limit the use of the donated assets or designate them for future periods.

Grants and contributions received are considered to be available for use unless specifically restricted by the grantor or donor. When a donor 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 released from restrictions. Donor restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restricted support.

Functional expenses - Direct expenses are charged to their specific program as incurred. Any expenditures not directly chargeable are allocated to a program based on the proportion of time spent on each program by the staff.

Income tax status - The Organization is exempt from income taxes under Internal Revenue Code, Section 501(c)(3). The Organization can be taxed on activities considered by the Internal Revenue Service to be outside of the Organization's exempt purpose.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, for the years ending June 30, 2019, 2018 and 2017 are subject to examination by the IRS, generally for three years after they were filed.

Land, building and equipment - Land, building and equipment purchased are recorded at cost. The Organization follows the policy of charging to expenses annual amounts of depreciation which allocates the cost of buildings and equipment over their estimated useful lives. The Organization employs the straight-line method for determining the annual charge for depreciation. The ranges of the estimated useful lives used are as follows:

	<u>Years</u>
Buildings	27.5 - 40
Building improvements	27.5
Kitchen equipment	10
Furniture, fixtures and equipment	5 - 10

Expenditures for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

NASHUA SOUP KITCHEN AND SHELTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

2. Summary of significant accounting policies (cont'd):

Use of estimates - The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents - All highly liquid investments with a maturity of one year or less are considered to be cash equivalents. At June 30, 2019, the carrying amount of the Organization's cash was \$144,396 and the institution balance was \$140,954. Of this amount, all was covered by federal depositor's insurance and none was uninsured.

Grants and accounts receivable - Grants and accounts receivable consists principally of the grants receivable from governmental agencies and rent receivable from tenants. Grants and accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. Changes in the valuation allowance have not been material to the financial statements. The accounts receivable in the accompanying financial statements have been reduced by an allowance for doubtful accounts of \$ 0.

Advertising costs - The Company expenses all advertising costs as incurred. Advertising and marketing expenses for the year ended June 30, 2019 amounted to \$1,440.

New accounting pronouncement - On August 18, 2016, The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-profit Entities (Topic 958) - Presentation of Financial Statements for Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Nashua Soup Kitchen and Shelter, Inc. has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly. This ASU has been applied retrospectively to all periods presented. The implementation had no impact on previously reported net assets.

NASHUA SOUP KITCHEN AND SHELTER, INC.NOTES TO FINANCIAL STATEMENTSJUNE 30, 20193. Investments:

The Organization records its investments in accordance with the fair value guidance established by the Financial Accounting Standards Board ("FASB"). Under these standards, fair value is defined as the price the Organization would receive from the sale of an asset, or pay to transfer a liability, in a timely transaction with an independent buyer in a principal market. The standards established a three-tier hierarchy to distinguish between various types of inputs used in determining the value of the Organization's investments. The inputs are summarized as outlined below:

Level 1 Inputs - Quoted prices (unadjusted) in active markets for the identical assets and liabilities. Level 1 assets include fixed income mutual funds, equity mutual funds and money market funds. Valuations of these instruments do not require a high degree of judgement as the valuations are based on quoted prices in active markets that are readily available.

Level 2 Inputs - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets and liabilities that are not active; and inputs other than quoted prices that are observable, such as models or other valuation methodologies. Valuations in this category are inherently less reliable than quoted market prices due to the degree of subjectivity involved in determining appropriate methodologies and the applicable underlying assumptions.

Level 3 Inputs - Unobservable inputs for the valuation of the asset or liability. Level 3 assets include investments for which there is little, if any, market activity. These inputs require significant management judgement and estimation. These financial instruments have inputs that cannot be validated by readily determinable market data and generally involve considerable judgement by management.

The Organization does not have Level 2 or 3 assets or liabilities.

The fair value and unrealized depreciation of investments at December 31, 2018 are summarized as follows:

	<u>Book Value</u>	<u>Market Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Mutual funds	\$ 714,523	\$740,078	\$ 25,555
Money markets and cash equivalents	<u>8,867</u>	<u>8,867</u>	<u>-</u>
	<u>\$723,390</u>	<u>\$748,945</u>	<u>\$ 25,555</u>

NASHUA SOUP KITCHEN AND SHELTER, INC.NOTES TO FINANCIAL STATEMENTSJUNE 30, 20193. Investments cont'd):

The Organization recognized net investment return on their investment portfolio of \$23,205 which included recognized realized gains or losses, unrealized appreciation (depreciation) and is net of charged management fees of \$4,277 for the year ended June 30, 2019. The Organization's investments are not insured by the FDIC and are not collateralized and therefore are subject to market risks.

4. In-kind contributions:

Donated materials and equipment are reflected as contributions in the accompanying financial statements at fair market value at the date of the donation. Donated professional services have been reflected in the statements at the fair market value for those services. These transactions have been allocated as follows:

	<u>Kitchen</u>	<u>Client Services</u>	<u>Management and Fundraising</u>	<u>Total</u>
Donated food	\$1,179,633	\$ -	\$ -	\$1,179,633
Donated equipment and materials				
services	<u>1,121</u>	<u>264,623</u>	<u>63,055</u>	<u>328,799</u>
	<u>\$1,180,754</u>	<u>\$264,623</u>	<u>\$63,055</u>	<u>\$1,508,432</u>

5. Retirement plan:

The Organization offers a defined contribution retirement plan under the Internal Revenue Code 403(b) voluntary tax deferred annuity program. Full-time employees are eligible for this benefit after one year of continuous employment. The Organization matches each dollar contributed by employees up to a maximum of 6% of regular salary. For employees hired prior to July 1, 2017 once the employee has reached five years of continuous employment, the Organization will match up to 12% of the employee's regular salary at a ratio of 1 to 1, not to exceed limits allowed under tax law. Total Organizational contributions for the year ended June 30, 2019 were \$43,419.

6. Endowment funds:

Interpretation of relevant law - The Board of the Organization follows the Uniform Prudent Management of Institutional Funds Acts (the Act) and has interpreted the Act as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

NASHUA SOUP KITCHEN AND SHELTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

6. Endowment funds (cont'd):

The remaining portion of a donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by the Act.

In accordance with the Act, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

Return objections and risk parameters - The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Strategies employed for achieving objectives - To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on investments in equity-based investments to achieve its long-term return objectives within prudent risk constraints.

As of June 30, 2019, the Organization no endowment funds.

NASHUA SOUP KITCHEN AND SHELTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

7. Notes receivable:

Note receivable represents unsecured loans made to the NH Community Loan Fund, a non-profit agency, at an interest rate as indicated below. Interest is paid annually at June 30. The note matures as follows:

<u>Note Value</u>	<u>Interest</u>	<u>Maturity</u>
\$ 37,346	5%	11/30/2023
37,347	5%	11/30/2023
25,975	4%	6/30/2029
<u>\$100,668</u>		

Based on interest rates at June 30, 2019 for similar loans by independent established lending institutions, the fair value of these notes approximate the amount recorded in the financial statements at that date.

8. Liquidity and availability of funds:

Nashua Soup Kitchen and Shelter, Inc. (NSK) financial assets available within one year of the statement of financial position for general expenditures are as follows:

Cash and cash equivalents	\$144,396
Grants and accounts receivable	40,997
Investments	<u>748,945</u>
	<u>\$934,338</u>

As part of NSK's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments.

9. Commitments:

During the year, the Organization (NSK) began negotiations with a local church to potentially lease and renovate a building that would allow NSK to combined its shelter programs and to expand potential client services. NSK signed a forty year lease that expires October 31, 2058 contingent on development costs, city approval and financing. The lease calls for annual payments of \$1 and monthly utility costs.

The organization began feasibility and planning studies and began a capital campaign to help finance these expenses. The organization was able to obtain a grant specific for these costs and as of June 30, 2019 and there were remaining unspent funds of \$52,653 that is shown in donor restricted assets.

NSK anticipates that the necessary studies and financing will be completed in the next fiscal year and if successful to begin renovations shortly thereafter.

NASHUA SOUP KITCHEN AND SHELTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2019

10. Evaluation of subsequent events:

The Organization has evaluated events through October 8, 2019, the date which the financial statements were available to be issued.

NASHUA SOUP KITCHEN AND SHELTER, INC.SCHEDULE OF FUNCTIONAL SUPPORT AND REVENUEFOR THE YEAR ENDED JUNE 30, 2019

(with comparative totals for 2018)

	<u>Program Services</u>				<u>Total</u>	<u>Total</u>
	<u>Soup Kitchen</u>	<u>Client Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>2019</u>	<u>2018</u>
SUPPORT AND REVENUE:						
Support						
Public contributions	\$ 479,008	\$422,784	\$ 13,223	\$ -	\$ 915,015	\$ 804,068
In-kind contributions	1,180,754	264,623	8,779	54,276	1,508,432	1,796,189
City of Nashua, New Hampshire	-	25,215	-	-	25,215	23,916
State of New Hampshire						
Emergency Shelter Program Grant	-	115,599	-	-	115,599	115,599
Town Grants	-	16,000	-	-	16,000	17,500
Special events	-	-	-	282,187	282,187	248,790
Capital campaign	87,225	87,225	-	-	174,450	-
Other grants	37,664	33,240	5,271	-	76,175	124,010
Rent	-	4,341	-	-	4,341	11,592
Total support	<u>1,784,651</u>	<u>969,027</u>	<u>27,273</u>	<u>336,463</u>	<u>3,117,414</u>	<u>3,141,664</u>
Revenue						
Interest and dividend income	6,836	6,032	957	-	13,825	14,555
Unrealized appreciation (depreciation)						
on investments	<u>11,473</u>	<u>10,126</u>	<u>1,606</u>	<u>-</u>	<u>23,205</u>	<u>11,303</u>
Total revenue	<u>18,309</u>	<u>16,158</u>	<u>2,563</u>	<u>-</u>	<u>37,030</u>	<u>25,858</u>
Total support and revenue	<u>\$1,802,960</u>	<u>\$985,185</u>	<u>\$ 29,836</u>	<u>\$336,463</u>	<u>\$3,154,444</u>	<u>\$3,167,522</u>

**NSKS
Board of Directors
2020**

Mary Slocum
President

Krishna Mangipudi
Vice President

Michael "Jerry" Ryan
Treasurer

Madeleine LaRose
Acting Clerk

Keith Bagley
Linda Bennett
Joel Burns
Jane Goodman
Paul Janampa
Shoshanna Kelly
Linda Kipnes
Janet Polaneczky
Rick Ruo

Michael Reinke

Employment

2016 – present

Executive Director

Nashua Soup Kitchen & Shelter

- Developed and signed a 40 year lease of a Sacred Heart Elementary School of the Diocese of Manchester to serve as the new location of the emergency housing services and 11 new units of permanent housing for chronically homeless individuals valued at \$800,000.
- Raised \$5,900,000 to fund the renovation of the new shelter.
- 50% increase in special event revenue to \$315,000.
- 80% increase in annual fund contributions.
- Started Nashua Meals for kids delivering frozen meals to five Nashua Public Schools and a mobile food pantry going to thirteen locations around Nashua.
- Led a staff reorganization saving \$120,000 in operating expenses.
- Led the agency in the development of a new strategic plan.
- Developed an interfaith group of clergy advocating for a greater investment in affordable housing. Successfully lobbied, with Housing Matters, at the state level for a \$5,000,000 increase in funding for services for the homeless over the biennium.

2015 – 2016

Executive Director

Inter-Faith Council for Social Service

- Developed \$300,000 of new federal and state grants and increased existing local grants totaling \$100,000 by 13%.
- Negotiated a \$2,600,000 estate gift.
- Launched FoodfortheSummer.org doubling the number of meal sites and children served from 2015 to 2016.
- Identified the resources and opportunity to integrate the agency's five separate databases to one integrated system.
- Placed 27 articles in the local news media.

2012-2015

Director of Development

Duke University Sanford School of Public Policy – Director of Development

- Managing the major gift initiative for the Sanford School of Public Policy as part of the Duke Forward Campaign.
- \$25 million raised over a two year period.
- Developing the infrastructure to long term support for the college.

2011- 2012

Director of Development

PeaceHealth St. Joseph Medical Center Foundation – Major Gifts

- Managed the major gift initiative for the Center for Integrated Cancer Care raising \$8,000,000 in an 11 month period.
- Formalized a prospect tracking system and with regular reporting.
- Developed and executed a constituent engagement plans for potential prospects and for healthcare providers.

2007 – 2011

Director of Development

Woodring College of Education, Western Washington University

- Giving by assigned prospects increased 117% from \$81,727 in 2007 to \$178,157 in 2010 fiscal year.
- Eleven corporations and foundations contributed \$165,000, over the past two and a half years, an increase from one organization contributing \$3,000.
- Established three endowments with gifts totaling \$100,000.
- Named scholarships increased 69% from 32 in 2007 to 54 in 2010.
- Established the first Friends of Woodring with fourteen outside members.
- Launched a planned giving initiative with initial commitments of \$325,000.

2004 – 2007

Executive Director

Indiana Coalition on Housing and Homeless Issues

- Annual budget of 1.4 million and a staff of 14.
- Increased membership by from 57 to 134 members and created the first “legislative awareness day” with 180 people participating annually.
- With two other statewide partners developed “Indiana’s Campaign for Affordable Housing” resulting in a \$7,000,000 annual line item, the first state funding for the issue of affordable house.
- Corporate support increased from three organizations to ten with an average gift of \$8,000.
- Placed over 80 articles in the newspaper, television or radio, including three separate editorials in the Indianapolis Star.
- Planned and coordinated the first statewide conference on hunger and nutrition.
- State captain for federal lobbying efforts on homeless and poverty issues.

2001 - 2003

Executive Director

United Way Community Services of Monroe County, Inc.

- Annual budget of 1.6 million and a staff of 7.
- Raised a record \$1.78 million in 2002, with over \$130,000 in first-time gifts to the United Way.
- Recruited more than 30 new corporate campaigns with over 4,000 employees, a 25 percent increase.
- Led a community-wide needs assessment providing a five-year plan for community development and philanthropy.
- Introduced and implemented an outcomes-based allocations model.

1997 - 2001

Executive Director

Shelter, Inc.

- Annual budget of \$700,000 and a staff of 20.
- Increased annual giving by 180%, including \$110,000 in individual gifts and \$30,000 in corporate gifts.
- Secured more than one million dollars in renewable and nonrenewable funding from federal, state, and local governments, foundation grants and individual bequests.
- Planned and developed
 - 22 units of transitional housing.
 - Indiana’s first federally funded single room occupancy units.
 - The Shalom Community Day Center, daily serving over 200 people.

1994 - 1997

Executive Director

- Holy Trinity Neighborhood Center (Episcopal), New York City, New York
- Annual budget of 120 thousand and a staff of eight.
 - Directed a homeless shelter, soup kitchen, after-school program, senior lunch program, computer-learning center, and summer camp.

Volunteer

- National Coalition for the Homeless – Board of Directors
- Greater Nashua Chamber of Commerce – Board of Directors
- Episcopal Diocese of New Hampshire – Reconciliation Committee

Education

MBA
2010

Western Washington University, Bellingham, Washington

Certification
2000

School of Philanthropy, Indiana University
Nonprofit management

M. Div.
1996

Union Theological Seminary, New York City, New York
Master's thesis on education, religion, and the civil-rights movement

B.A.
1991

Wesleyan University, Middletown, Connecticut
Undergraduate Majors in African-American Studies and Government

Recognition

Distinguished Hoosier, Office of the Governor of Indiana, May 2007

Skills and abilities

Distance bicycling, hiking, guitar, banjo, and mandolin

1983 - 1991 Lowell Community Health Center Lowell, MA
Administrative Assistant

Incoming and outgoing calls, third party billing, general office procedures, translated, pediatric/adult appointments, registered new patients, completed new records, data entry, mental health appointments, reports, scheduled meetings, etc.

EDUCATION

University of Phoenix
BS/BM 2010

1994-1996 Newbury College - Brookline, MA
Associates of Science in Paralegal

- Attended 3 semesters of course studies.

1993 G.L.R.V.T.H.S. - Lowell, MA
Legal Secretary Certificate

Intensive 900 hours certificate in a 6 month period. MS Word, Powerpoint, Excel, Desktop Publishing, WordPerfect, Transcribing, Legal Terminology, Technical Business Writing, and Business Math.

Certificate in Collections
Legal Secretary Certificate
Type 95 WPM
Organizational Skills
Communication Skills
Leadership Skills
Certificate in Batterer's Prevention Program

LANGUAGE

Fluent in Spanish

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Michael Reinke	Executive Director	\$94,095	40	\$37,638
Olga Cruz	Director of Housing Services	\$63,672	100	\$63,672

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and New Generation, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$296,982
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

OS
EL

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/22/2021
Date

DocuSigned by:
Christine Santaniello
BD6054FFECED4B4...
Name: CHRISTINE santaniello
Title: Director

New Generation, Inc.,

3/22/2021
Date


DocuSigned by:
Elsy Cipriani
F17E488024304C1...
Name: Elsy Cipriani
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/31/2021

Date

DocuSigned by:

D5CA9202E32C4AE

Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

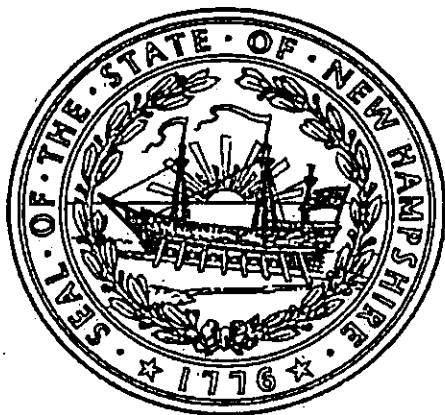
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NEW GENERATION, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 20, 1987. 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: 108968

Certificate Number: 0005310490



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 24th day of March A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

[← Back to Home \(/online\)](#)

Business Name	Business ID
NEW GENERATION, INC.	108968

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005273142	02/25/2021	02/25/2021	Revival	N/A
0005273139	02/25/2021	02/25/2021	Nonprofit Report	2020
0005305442	01/01/2021	01/01/2021	Admin Dissolution/Suspension	N/A
0004775377	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004195401	10/09/2018	10/09/2018	Change of Officer/Director	N/A
0003236026	02/01/2016	02/01/2016	Reinstatement	N/A
0003198908	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0000704690	03/07/2011	03/07/2011	Reinstatement	2010
0000704689	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000704688	10/08/2010	10/08/2010	Reminder Letter	N/A
0000704687	02/18/2005	02/18/2005	Annual Report	2005
0000704685	01/18/1995	01/18/1995	Annual Report	1995
0000704684	02/20/1990	02/20/1990	Annual Report	1990
0000704683	03/20/1987	03/20/1987	Business Formation	N/A

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CERTIFICATE OF AUTHORITY

I, Julie Bailey, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of New Generation, Inc
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 31st, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Elsy Cipriani, Executive Director (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of New Generation to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/31/2021

Julie Bailey
Signature of Elected Officer
Name: Julie Bailey
Title: pres, Board of Directors



NEWGENE-01

KLAPOINTE

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/23/2021

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 Garnsey Brothers Insurance P.O. Box 1040 Sanford, ME 04073	CONTACT NAME: Cindi Lou Moreau PHONE (A/C, No, Ext): (207) 324-5000 FAX (A/C, No): (207) 324-1563 E-MAIL ADDRESS: cb@garnseybrothers.com
	INSURER(S) AFFORDING COVERAGE
	INSURER A: Massachusetts Bay Insurance Co INSURER B: Hanover Insurance Company INSURER C: Eastern Alliance Insurance Group INSURER D: INSURER E: INSURER F:
INSURED New Generation, Inc P O Box 676 Greenland, NH 03840	NAIC # 22306 22292

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.

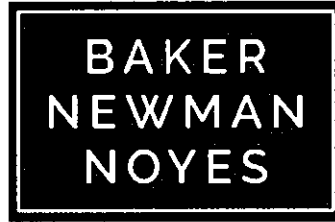
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR YWD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZDP6690876	11/18/2020	11/18/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/POP AGG \$ 2,000,000
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			AHP6690877	11/18/2020	11/18/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<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 \$ 0			UHP6741930	11/18/2020	11/18/2021	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input type="checkbox"/> Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	0000111833	11/18/2020	11/18/2021	<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

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER State of NH Department of Health and Human Services 129 Pleasant Street Concord, NH 03301-3859	CANCELLATION 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
--	--

New Generation Mission Statement

We provide a safe, family-oriented shelter for homeless pregnant women and mothers with babies & children, helping to prepare and empower them to be successful in life.



New Generation, Inc.

Financial Statements

*For the Years Ended June 30, 2020 and 2019
With Independent Accountants' Review Report*

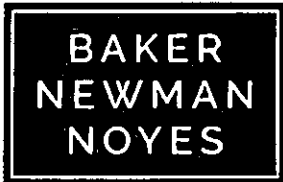
NEW GENERATION, INC.

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

For the Years Ended June 30, 2020 and 2019

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Baker Newman & Noyes LLC
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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
New Generation, Inc.

We have reviewed the accompanying financial statements of New Generation Inc., which comprise the statements of financial position as of June 30, 2020 and 2019, the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Baker Newman & Noyes LLC

Portsmouth, New Hampshire
January 26, 2021

NEW GENERATION, INC.

STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 132,054	\$ 114,046
Contributions and grants receivable	17,012	18,665
Inventory	<u>28,000</u>	<u>22,650</u>
Total current assets	177,066	155,361
Building and equipment, at cost:		
Building and improvements	832,183	804,138
Vehicles	18,889	18,889
Furniture and equipment	<u>51,987</u>	<u>47,377</u>
	903,059	870,404
Accumulated depreciation	<u>(623,172)</u>	<u>(595,969)</u>
Total building and equipment, net	279,887	274,435
Other assets:		
Investments	<u>202,638</u>	<u>207,047</u>
Total other assets	<u>202,638</u>	<u>207,047</u>
Total assets	<u>\$ 659,591</u>	<u>\$ 636,843</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 15,167	\$ 6,757
Accrued payroll related expenses	17,598	9,553
Other current liabilities	240	240
Current portion of long-term debt	<u>—</u>	<u>11,440</u>
Total current liabilities	33,005	27,990
Long-term debt, less current portion	<u>309,435</u>	<u>256,241</u>
Total liabilities	342,440	284,231
Net assets:		
Without donor restrictions	<u>317,151</u>	<u>352,612</u>
Total liabilities and net assets	<u>\$ 659,591</u>	<u>\$ 636,843</u>

See Independent Accountants' Review Report and Accompanying Notes to the Financial Statements.

NEW GENERATION, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (UNAUDITED)

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenue and investment return:		
Fundraising activities	\$ 60,158	\$ 199,128
State of New Hampshire funding	81,096	55,350
Grants	181,968	117,433
Donations – in-kind	7,170	28,403
Donations – cash	58,531	60,865
Resident payments	20,017	15,064
Net investment (loss) gain	<u>(4,409)</u>	<u>13,322</u>
Total revenue and investment return	404,531	489,565
Expenses:		
Program expenses	333,844	268,414
Fundraising expenses	47,752	76,673
Administrative expenses	<u>100,181</u>	<u>98,302</u>
Total expenses	481,777	443,389
Thrift store:		
Revenue	106,193	175,554
Operating expenses	<u>(64,408)</u>	<u>(158,772)</u>
Total thrift store	<u>41,785</u>	<u>16,782</u>
(Decrease) increase in net assets without donor restrictions	<u>(35,461)</u>	<u>62,958</u>
Total (decrease) increase in net assets	(35,461)	62,958
Net assets, beginning of year	<u>352,612</u>	<u>289,654</u>
Net assets, end of year	<u>\$317,151</u>	<u>\$ 352,612</u>

See Independent Accountants' Review Report and Accompanying Notes to the Financial Statements.

NEW GENERATION, INC.

STATEMENTS OF CASH FLOWS (UNAUDITED)

For the Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Change in net assets	\$ (35,461)	\$ 62,958
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	27,203	25,619
Amortization of debt issuance costs	799	98
Donation of furniture and equipment	-	(9,919)
Net realized and unrealized investment losses (gains)	6,377	(10,192)
Changes in operating assets and liabilities:		
Contributions and grants receivable	1,653	8,297
Inventory	(5,350)	4,350
Accounts payable	8,410	1,791
Accrued payroll related expenses	8,045	(4,521)
Other current liabilities	<u>-</u>	<u>140</u>
Net cash provided by operating activities	11,676	78,621
Cash flows from investing activities:		
Net purchases on investments	(1,968)	(3,129)
Payments for the acquisition of building and equipment	<u>(32,655)</u>	<u>(1,200)</u>
Net cash used by investing activities	(34,623)	(4,329)
Cash flows from financing activities:		
Proceeds from notes payable	52,395	-
Principal payments on long-term debt	<u>(11,440)</u>	<u>(13,113)</u>
Net cash provided (used) by financing activities	<u>40,955</u>	<u>(13,113)</u>
Net increase in cash and cash equivalents	18,008	61,179
Cash and cash equivalents, beginning of year	<u>114,046</u>	<u>52,867</u>
Cash and cash equivalents, end of year	<u>\$132,054</u>	<u>\$114,046</u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	<u>\$ 144</u>	<u>\$ 1,142</u>

Noncash investing activities:

In 2019, furniture and equipment totaling \$9,919 was donated to New Generation. There were no comparable donations in 2020.

See Independent Accountants' Review Report and Accompanying Notes to the Financial Statements.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

1. **Summary of Significant Accounting Policies**

Organization

New Generation, Inc. (New Generation) is a not-for-profit organization that operates a shelter home for pregnant women and parenting homeless women and their infants in Greenland, New Hampshire. New Generation also runs a thrift shop in Greenland, New Hampshire open to the public that sells donated items.

Cash and Cash Equivalents

For purposes of reporting cash flows, New Generation includes cash on hand, amounts held in various bank accounts and short-term, highly liquid investments as cash, unless segregated for long-term purposes in the investment portfolio. New Generation maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. New Generation has not experienced any losses on such accounts.

Contributions Receivable

Unconditional promises to give are recorded as pledges receivable at a present value using a risk-free rate of return, less an appropriate allowance for uncollectible pledges at the time the pledge is made. The allowance for uncollectible pledges is based on an overall review of outstanding pledges and an analysis of individual large pledges outstanding. Pledges are written off when deemed uncollectible.

Contributions and Grants

Unconditional grants and contributions of cash and other assets received without donor stipulations are reported as unrestricted revenue. Contributions of assets other than cash (including thrift shop donations) are recorded at their estimated fair value. Contributions received with a donor stipulation that limits their use are reported within net assets with donor restrictions. When a donor 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 statement of activities as net assets released from restrictions.

Unconditional grants and contributions expected to be collected within one year are reported at their net realizable value. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the contribution becomes unconditional or irrevocable.

Inventory

Inventory consists of donated clothing, toys, furnishings, books, and other items held for sale in the thrift shop, and is stated at net realizable value.

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

1. Summary of Significant Accounting Policies (Continued)

Building and Equipment

Purchased assets are carried at cost, and donated assets are recorded based on their estimated fair market values at the time of the donation, less accumulated depreciation. Major additions are included in the property accounts while maintenance and repairs which do not improve or extend the life of the assets are expensed as incurred. Depreciation is calculated using the straight-line and accelerated methods over the estimated useful lives of the related assets, which range from 5 to 39 years. Depreciation expense for the years ended June 30, 2020 and 2019 was \$27,203 and \$25,619, respectively.

Classification of Net Assets

In accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), New Generation is required to report information regarding its financial position and activities according to the following net asset classifications:

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 New Generation. New Generation records restricted contributions whose restrictions are met in the same reporting period within net assets without donor restrictions. These net assets may be used at the discretion of New Generation'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 met by actions of New Generation, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. New Generation had no net assets with donor restrictions at June 30, 2020 and 2019.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant areas which are affected by the use of estimates are donated inventory and other donations in-kind.

Income Taxes

New Generation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and, therefore, has made no provision for income taxes in the accompanying financial statements.

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

1. Summary of Significant Accounting Policies (Continued)

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position they have historically taken on various tax exposure items including unrelated business income or tax status. Under guidance issued by the Financial Accounting Standards Board (FASB), assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the “more-likely-than-not” threshold, based upon the technical merits of the position. Estimated interest and penalties, if applicable, related to uncertain tax positions are included in administrative expense.

New Generation has evaluated the positions taken on its filed tax returns and concluded that no uncertain income tax positions exist at June 30, 2020.

New Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases* (Topic 842) (ASU 2016-02). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. ASU 2016-02 is effective for New Generation on July 1, 2022, with early adoption permitted. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. New Generation is currently evaluating the impact of the pending adoption of ASU 2016-02 on its financial statements.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASU 2018-08). ASU 2018-08 clarifies and improves current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction. It provides criteria for determining whether the resource provider is receiving commensurate value in return for the resources transferred which, depending on the outcome, determines whether the organization follows contribution guidance or exchange transaction guidance in the revenue recognition and other applicable standards. It also provides a more robust framework for determining whether a contribution is conditional or unconditional, and for distinguishing a donor-imposed condition from a donor-imposed restriction. This is important because such classification affects the timing of contribution revenues and expense recognition. ASU 2018-08 was effective for New Generation for transactions in which they serve as the resource recipient beginning after July 1, 2019 and is effective for fiscal years beginning after December 15, 2019 in which New Generation serves as the resource provider, with early adoption permitted. Adoption of the standard as a resource recipient did not have a material impact on the financial statements, nor does New Generation anticipate adoption as resource provider will have a material impact on the financial statements.

Subsequent Events

For the purpose of recognition and disclosure in the financial statements, management has evaluated subsequent events through January 26, 2021, which is the date the financial statements were available to be issued.

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

1. Summary of Significant Accounting Policies (Continued)*Risks and Uncertainties*

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. The COVID-19 outbreak could negatively impact, for some period of time, the overall economy as well as certain business segments. As a result, COVID-19 could adversely affect New Generation's financial condition and results of operations. At the date of these financial statements, management is unable to quantify the potential effects of this pandemic on future operations.

2. Line of Credit

New Generation has available a line of credit with a bank that is subject to renewal annually on January 31. The maximum amount that may be borrowed on the line as of June 30, 2020 and 2019 was \$50,000. The line bears interest at 1.5% over the bank's prime lending rate. The line is secured by all the assets of New Generation. There were no outstanding borrowings on the line at June 30, 2020 and 2019.

3. Long-Term Debt

Long-term debt consisted of the following at June 30:

	<u>2020</u>	<u>2019</u>
Note payable to New Hampshire Housing Finance Authority in monthly installments of principal and interest of \$1,170 at 5% interest, through April 2020, secured by real estate	\$ -	\$ 11,440
Note payable to New Hampshire Housing Finance Authority with no interest, and the principal due in a lump sum payment in September 2027, with the option of extension, secured by real estate	257,040	257,040
PPP Loan (see note 4)	<u>52,395</u>	<u>-</u>
	309,435	268,480
Less unamortized debt issuance costs	<u>-</u>	<u>(799)</u>
Long-term debt, net of debt issuance costs	309,435	267,681
Less current portion	<u>-</u>	<u>(11,440)</u>
	<u>\$309,435</u>	<u>\$256,241</u>

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

3. Long-Term Debt (Continued)

Annual maturities of long-term debt are as follows:

2021	\$ -
2022	52,395
2023	-
2024	-
2025	-
2026 and thereafter	<u>257,040</u>
	<u>\$309,435</u>

4. Notes Payable

On April 22, 2020, New Generation received loan proceeds in the amount of \$52,395 through the Paycheck Protection Program (PPP) established by the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) and administered by the U.S. Small Business Administration (SBA). The PPP provides loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the organization. Loans and accrued interest had original terms that are forgivable after eight weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness would be reduced if the borrower terminated employees or reduced salaries during the eight-week period. Certain modifications to PPP loan terms were signed into law in June 2020 that changed the forgiveness, covered period and forgiveness periods.

The unforgiven portion of the PPP loan bears interest at 1%, with a deferral of payments for the first six months. The loan may be prepaid at any time without penalty and has a maturity date in April 2022. While New Generation currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, as of the date of issuance of these financial statements, there is no assurance that New Generation will not take actions that could cause New Generation to be ineligible for forgiveness of the loan, in whole or in part. New Generation has accounted for the PPP loan in accordance with FASB Accounting Standards Codification (ASC) Topic 470.

5. Investments and Fair Value

New Generation presents investments at fair value in compliance with the FASB in ASC Topic 820, *Fair Value Measurements and Disclosures*. ASC Topic 820 establishes a framework for measuring fair value and requires assets and liabilities measured at fair value be segregated into the following three categories: (1) Level 1, fair values obtained from quoted prices in active markets for identical assets and liabilities; (2) Level 2, fair values obtained from significant other observable inputs, such as quoted prices for similar assets and liabilities in active markets; and (3) Level 3, fair values obtained from significant unobservable inputs. All of New Generation's investments measured at fair value are measured using Level 1 inputs.

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

5. Investments and Fair Value (Continued)

Investments consisted of the following at June 30:

	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 28,786	\$ 9,743
Equity mutual funds and exchange-traded funds	137,859	150,346
Fixed income mutual funds	<u>35,993</u>	<u>46,958</u>
	<u>\$202,638</u>	<u>\$207,047</u>

Net investment return is summarized as follows for the years ended June 30:

	<u>2020</u>	<u>2019</u>
Interest and dividend income	\$ 4,499	\$ 5,162
Investment fees	(2,531)	(2,032)
Realized gains on sale of investments, net	-	3,554
Unrealized (losses) gains on investments, net	<u>(6,377)</u>	<u>6,638</u>
	<u>\$ (4,409)</u>	<u>\$ 13,322</u>

6. Lease Commitment

New Generation is a lessee in an operating lease agreement to rent office equipment. Rent expense for the years ended June 30, 2020 and 2019 was \$3,603 and \$3,555, respectively.

The future minimum lease payments on the operating leases are as follows:

2021	\$ 3,563
2022	3,563
2023	<u>1,188</u>
	<u>\$ 8,314</u>

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

7. Functional Expenses

Expenses by functional classification other than operating expenses to run the thrift store at June 30, 2020 and 2019 are as follows:

	<u>2020</u>	<u>2019</u>
Program expenses:		
Salaries and wages	\$202,528	\$142,619
Housing expense – other	19,300	28,271
Payroll taxes and benefits	48,883	37,135
Depreciation	28,002	25,619
Housing expense – utilities	14,713	15,623
Insurance	5,561	9,702
Travel	12,826	4,565
Interest	144	1,240
Miscellaneous	1,746	1,741
Education	<u>141</u>	<u>1,899</u>
	333,844	268,414
Fundraising expenses:		
Salaries and wages	39,915	30,268
Events expense	2,023	39,807
Payroll taxes and benefits	2,789	2,316
Office expense	1,269	1,868
Other fundraising expenses	<u>1,756</u>	<u>2,414</u>
	47,752	76,673
Administrative expenses:		
Salaries and wages	38,003	48,843
Professional fees	34,314	28,201
Office expense	2,934	4,271
Payroll taxes and benefits	2,882	2,749
Bad debt expense	–	1,042
Telephone	5,256	5,466
Other expenses	7,882	7,210
Insurance	<u>8,910</u>	<u>520</u>
	<u>100,181</u>	<u>98,302</u>
	<u>\$481,777</u>	<u>\$443,389</u>

The financial statements report certain expense categories that are attributable to more than one program service or support function. Accordingly, certain costs have been allocated based on direct costs, usage and other factors.

See Independent Accountants' Review Report.

NEW GENERATION, INC.

NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

June 30, 2020 and 2019

8. Financial Assets and Liquidity Resources

As of June 30, 2020, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital construction costs not financed with debt, consisted of the following:

Cash and cash equivalents	\$132,054
Contributions and grants receivable	<u>17,012</u>
	<u>\$149,066</u>

To manage liquidity, New Generation maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to New Generation. New Generation also has a \$50,000 line of credit available to support any cash shortfalls that may occur.

See Independent Accountants' Review Report.



newgeneration

Shelter and Support for Mothers and Children Since 1987

Board of Directors-January 2021

Julie Ford Bailey (President)	Kathleen Kilgore (Secretary)
Jennifer Stout	Diane Withee (Treasurer)
Dennis Malloy	Dr. Sonja Nelson
Bria Day	

Amy Michaels

Skills

Highly qualified in child development with an emphasis on trauma informed care.

Develop, and instruct parenting programs using a wide variety of teaching aids, motivational and implementation strategies to encourage students in active learning.

Familiar with local resources in housing, childcare, recovery supports, and job search.

Experience

New Generation, Inc Greenland NH– Family Service and Program Director
June 2019-present

New Generation, Inc Greenland NH- Parent Educator
October 2018-Present

Strafford County DOC, Dover NH-Parent Educator
June 2018-December 2018

Early Head Start, Dover, NH- Home Visitor
May 2017-June 2018

Hope on Haven Hill, Rochester, NH- Child Development Specialist
July 2016-May 2017

Education

Wheelock College, Boston, MA- MS Leadership and Policy in Early Care and Education
University of New Hampshire, Durham NH-BS Child and Family studies

Professional Certification

Parent Educator, Nurturing Parents
Parent Educator, Nurturing Parents with Substance Use Disorder
Reiki level 2 Practitioner

State Certification

Certified Recovery Support Worker, License number 0173

References available upon request

BRANDY L. RICKABY

PROFESSIONAL SUMMARY

Administrative support professional experienced working in fast-paced environments demanding strong organizational, technical, and interpersonal skills. Highly trustworthy, ethical, and discreet; committed to superior customer service. Excellent written/verbal communication skills. Adept troubleshooter and problem-solver. Detail-oriented multitasker resourceful in completing projects. Computer skills include MS Word, Excel, PowerPoint, Internet research, and word-processing speed of 50 w.p.m.

WORK EXPERIENCE

New Generation, Greenland, NH 08/2020-Present
Care Coordinator

- Assist residents with completing and maintaining action plans
- Management of case files and assuring all required information is accurate
- Weekly case management with residents
- Setting weekly goals and assuring they are followed through

New Generation, Greenland, NH 05/2019-08/2020
RSS-Resident Support Staff

- Provided general support and encouragement to residents
- Supported residents with social and interpersonal development
- Collected and maintain rental payment history
- Oversaw and encourage weekly goals

EASTCONN @ CTWorks, Danielson, CT 4/2012- 2014
Receptionist

- Greeted customers entering building, determine nature and purpose of visit, and direct or escort them to specific destinations.
- Transmitted information and documents to customers, using computer, mail, or facsimile machine.
- Heard and resolved complaints from customers or the public.

Foxwoods Casino, High Rollers Luxury Lanes & Lounge, Ledyard, CT 2010-2011
Food/Cocktail Server

- Ensured customer satisfaction and took action to correct any problems.
- Served food and beverages to patrons and served specialty dishes at tables as required.
- Prepared checks that itemize and total meal costs and sales taxes.
- Collected payments from customers.
-

Olive Garden Italian Restaurant, Augusta, ME 2005-2010
Hostess and Food/Cocktail Server

- Ensured customer satisfaction and took action to correct any problems.
 - Served food and beverages to patrons and served specialty dishes at tables as required.
 - Prepared checks that itemize and total meal costs and sales taxes.
 - Collected payments from customers.
-

EDUCATION

Springfield College, Springfield, MA 2002-2003
Business Administration

Killingly High School, Killingly, CT
High School Diploma

Elsy Cipriani, MPA

EXPERIENCE

New Generation Inc., Greenland, NH - Executive Director / February 2021

- Present

- Provide visionary and programmatic leadership for the organization.
- Manage the daily operations of New Generation, Inc., the staff, the volunteer program and the internal budget management.
- Interface and collaborate with other community agencies in the seacoast and in the state.
- Oversee, help and support the work of the Thrift Shoppe.
- Attend Board Meetings and carry out other responsibilities assigned by the Board of Directors.

International Institute of New England, Manchester, NH - Managing Director / July 2019 - January 2021

- Responsible for the planning, development, and implementation of all programs, including grant and contract development, reporting, and policy setting for program activities.
- Assess and evaluate program effectiveness and outcomes to ensure responsiveness to client needs. Work with program staff to implement program modifications to reflect contractual regulations, client needs, and the IINE mission and goals.
- Develop new programming in the areas of housing, education, health access, employment, skills training, community services, and citizenship that are financially sustainable.
- Build and maintain relationships with local organizations and governments in New Hampshire.

**Heading Home, Boston, MA — Senior Director of Program Operations
August 2018 - July 2019**

- Built and guided a diverse team of professionals towards aggressive goals while maintaining positive team culture, particularly during times of organizational growth and change.
- Responsible for the designing and implementation of tracking, monitoring and evaluation systems for all agency's programs.
- Ensured programs operate within the approved budgets and grant agreements.
- Oversaw the delivery of all client services, evaluated programs impact and recommended program/policy changes.
- Collaborated with community partners, the City of Boston and the State of MA to make positive improvements towards the Housing Emergency Assistance system in Massachusetts.

**Heading Home, Boston, MA — Director of Family Services
July 2016 - August 2018**

BOARD OF DIRECTORS

CASA New Hampshire
July 2020 to present
Board Member

Vida AfroLatina Fund
2018 to present
Board of Advisors

EDUCATION

Master in Public Administration
Strayer University

BA, Economics
Pontificia Universidad Católica del Ecuador 2005

LANGUAGES

English and Spanish

SKILLS

Wide experience in program management and development.

Successful record working together with and managing multicultural teams.

High commitment to work with and serve vulnerable populations.

- Provided regular supervision, support, and personalized professional development for all Family Services programs staff.
- Oversaw the delivery of family services, evaluated programs impact and recommended program/policy changes.
- Collaborated with the COO and Data Team to develop and/or streamline the tracking of outcome data for all programs.
- Represented Heading Home at community meetings, including those sponsored by Homes for Families, United Way, Cambridge Housing Authority and the Department of Housing and Community Development (DHCD).

Boston Public Health Commission, Boston, MA - Director of Planning Council / January 2015 - July 2016

- Managed Planning Council staff and all Council-related activities and act as intermediary between the Planning Council, community, and government.
- Developed funding streams and needs assessment reports, and participated heavily in the drafting of yearly grant applications.
- Worked to retain and increase participation of current members, and developed recruitment plans to attract new applicants, particularly from underrepresented minority communities.
- Coordinated and conducted skill-building trainings for Council members. Researched and recommended new projects and activities for Council and grantees.

Southern Jersey Family Medical Centers, Hammonton, NJ - Community Programs Manager / September 2013 - February 2015

- Designed, implemented and evaluated different community programs with the goal of improving health outcomes among migrant farm workers and other target populations.
- Oversaw the implementation of the Affordable Care Act across 7 community health centers and surrounding communities, through partnerships with local agencies, schools, and businesses. Responsible for all programs' fiscal management.
- Managed Mobile Medic logistics, and personnel to make sure we reached out to populations in need in our area of service. This service was targeted primarily to Haitian and Mexican farm workers.

**La Casa de Don Pedro, Newark, NJ - Health Services Manager
October 2009 - September 2013**

- Responsible for the operations and continuous improvement of all community health programs.
- Designed and implemented community programs' curriculums based on target population's needs.
- Developed partnerships with local agencies and schools to support the delivery of our programs.
- Responsible for fiscal management, and reporting to programs' grantors.

California Rural Legal Assistance, Marysville, CA - Community Worker

AWARDS AND PUBLICATIONS

Hispanic Heritage Award 2018. Award provided by the Boston City Council for my work with Latino communities in Boston.

Paradigmas del Refugio Colombiano en Quito. Jesuit Refugee Service 2006.

Colombia más allá de la migración: El refugio humanitario. Jesuit Refugee Services 2004.

VOLUNTEER ACTIVITIES

FC Blazers Soccer League 2015 to 2018
Created marketing materials and support during soccer games.

When and Where I Enter 2012 to 2018
Translated to English grant applications from Colombia, Brazil and Ecuador.

July 2006 - August 2009

- Identified target population's needs through direct outreach and networking. Developed and managed the office's marketing and outreach initiatives.
- Designed and delivered educational workshops on health, housing, labor, and consumer rights.

SCHUYLER CUMBACK

Proven experience providing one-on-one and group support to women in crisis as well conflict resolution. Highly knowledgeable in the delivery of life and parenting skills to residents living in a structured shelter environment as well as empowering families and individuals to meet weekly goals and achieve self-sufficiency.

EXPERIENCE

OCTOBER 2020 – PRESENT

DAY RESIDENT-SUPPORT STAFF, NEW GENERATION INC.

- Assist residents in completing objectives on their client action plans.
- Provide general support and encouragement of the residents' physical, emotional, social interpersonal development.
- Informally teach parenting and life-management skills daily.
- Oversee and encourage weekly goals.

MARCH 2019– OCTOBER 2020

NIGHT RESIDENT-SUPPORT STAFF, NEW GENERATION INC.

- Offered supportive counsel and encouragement of the resident's interpersonal development.
- Insured that house rules and family guidelines are observed during evening hours.
- Kept staff notes of each resident when on duty.
- Oversaw group evening meals, encouraging participation and communication
- Supervised evening clean-up and upkeep of the house.

JULY 2018– FEBRUARY 2019

SHOP ASSOCIATE, SECOND GENERATION THRIFT SHOP

- Responsible for accepting and evaluating donated items.
- Priced donated items and placed items in the stands for sale.
- Operated cash register and daily cash receipts.
- Maintained a clean and attractive Shop environment.
- Assisted clients as needed.

EDUCATION

SEPTEMBER 2017

BACHELOR'S DEGREE IN PSYCHOLOGY, SOUTHERN NEW HAMPSHIRE UNIVERSITY

Graduated Cum Laude

SKILLS

- Proficient in multitasking and problem solving
- Organized
- Role model of communication skills
- Understanding of individuals in crisis

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Elsa Cipriani	Executive Director	\$72,000	5%	\$3,600
Amy Michaels	Family Services Director	\$50,281	50%	\$25,140.5
Brandy Rickaby	Care Coordinator	\$33,280	80%	\$26,624
Schuyler Cumback	Resident Support Staff	\$30,160	32%	\$9,681.36

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and New Hampshire Coalition Against Domestic and Sexual Violence ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2023

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$1,678,826

3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. **Scope of Services**

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

- 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

- 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

- 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

- 2.1.3.1. Building maintenance and repair.

- 2.1.3.2. Security systems.

- 2.1.3.3. Heating and possible cooling equipment.

- 2.1.3.4. Property and business insurance.

- 2.1.3.5. Utilities and furnishings.

- 2.1.3.6. Amenities, including bathrooms.

- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. The Contractor shall ensure all programs are licensed to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS), unless prohibited by law as described in 2.3.5. Programs shall follow NH HMIS policy, including specific information required for data entry, accuracy of data entered, and time required for data entry.
 - 2.3.5. The Contractor shall ensure sufficient licensed staff to provide client level data into the New Hampshire Homeless Management Information System (NH HMIS) or into a Comparable Database, as detailed by The National Network to End Domestic Violence (NNEDV), which complies with the NH HMIS requirements and policies.

- 2.3.6. The Contractor shall enter client information into the Comparable Database, and provide aggregate data to the CoC.
 - 2.3.7. The Contractor shall follow NH HMIS policy relative to information required for data entry, accuracy of data entered, and time required for data entry. Refer to Exhibit K for Information Security Requirements and Exhibit I for Privacy Requirements.
 - 2.3.8. The Contractor shall ensure the Comparable Databases must have the following characteristics:
 - 2.3.8.1. The victim service provider must control who can access and see client information.
 - 2.3.8.2. Access to the database is carefully controlled by the victim service provider.
 - 2.3.8.3. Meets the standards for security, data quality, and privacy of the HMIS within the CoC. The Comparable Database may use more stringent standards than the CoC.
 - 2.3.8.4. Must comply with all HUD-related technical specifications and data fields listed in HMIS.
 - 2.3.8.5. Be programmed to collect data with the most up-to-date HMIS Data Standards.
 - 2.3.8.6. Have the functionality necessary to de-duplicate client records within each system in order to provide an aggregate and unduplicated count of clients by project type.
 - 2.3.8.7. Data fields that can be modified and customized by the victim service provider to benefit clients.
 - 2.3.9. Agreeing to on-site monitoring, on an annual basis, to review compliance, progress, and performance, which includes, but is not limited to:
 - 2.3.9.1. Reviewing policies and procedures for services provided.
 - 2.3.9.2. Reviewing financial analyses.
 - 2.3.9.3. Reviewing for compliance with safety and hazard requirements.
 - 2.3.9.4. Reviewing Data and HMIS entry standards.
 - 2.3.10. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.qencourt.state.nh.us/rules/state_agencies.he-m300.html
 - 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
 - 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
- 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/30/2021

Date

DocuSigned by:
Christine Santaniello

Name: Christine Santaniello
Title: Director

New Hampshire Coalition Against Domestic and Sexual
Violence

3/30/2021

Date


DocuSigned by:
Lyn M. Schollett

Name: Lyn M. Schollett
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/31/2021
Date

DocuSigned by:

D56A9202E0204AE
Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

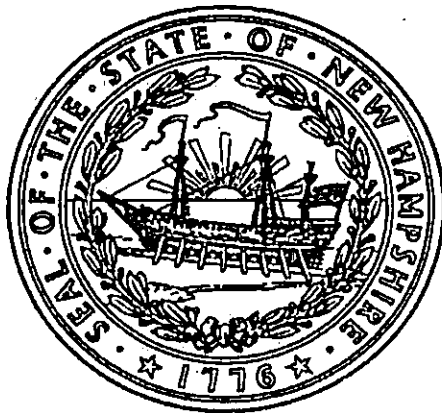
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NEW HAMPSHIRE COALITION AGAINST DOMESTIC AND SEXUAL VIOLENCE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 30, 1981. 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: 63838

Certificate Number: 0005338757



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of April A.D. 2021.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Lindsay Nadeau, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Chairperson/Officer of the NH Coalition Against Domestic and Sexual Violence _____.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on December 10, 2019__, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Lyn M. Schollett, Executive Director (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of the NH Coalition Against Domestic and Sexual Violence to enter into contracts or
(Name of Corporation/ LLC)

agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: March 25, 2021



Signature of Elected Officer

Name: Lindsay Nadeau

Title: Chairperson, Board of Directors



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/28/2020

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 E & S Insurance Services LLC 21 Meadowbrook Lane P O Box 7425 Gilford NH 03247-7425	CONTACT NAME: Eleanor Spinazzola PHONE (A.C. No. Ext): (603) 293-2791 FAX (A.C. No.): (603) 293-7188 E-MAIL ADDRESS: Eleanorspinazzola@esinsurance.net														
INSURED NH Coalition Against Domestic and Sexual Violence, DBA: NHCADSV PO Box 353 Concord NH 03302	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: Great American Insurance Group</td> <td>GAIG</td> </tr> <tr> <td>INSURER B: Liberty Mutual Agency Corporation</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Great American Insurance Group	GAIG	INSURER B: Liberty Mutual Agency Corporation		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: Great American Insurance Group	GAIG														
INSURER B: Liberty Mutual Agency Corporation															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER: 2020** **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	<input checked="" type="checkbox"/> 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 type="checkbox"/> LOC OTHER:			MAC5464236-19	05/15/2020	05/15/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/PROP AGG \$ 2,000,000 OTHER \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			MAC5464236-19	05/15/2020	05/15/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 100,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ OTHER \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			UMB8234007-12	05/15/2020	05/15/2021	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 OTHER \$
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	WC5-31S-604577-010	05/15/2020	05/15/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER NH DHHS 129 Pleasant Street Concord NH 03301	CANCELLATION 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
---	--



NHCADSV Vision and Mission

Vision

All New Hampshire communities provide safety for every person.

Mission

The New Hampshire Coalition Against Domestic and Sexual Violence creates safe and just communities through advocacy, prevention and empowerment of anyone affected by sexual violence, domestic violence and stalking.

Note: The language below will be used in grant applications and other documents to provide further clarification of what the Coalition does.

The statement above is the actual Mission Statement.

This mission is accomplished by the Coalition, which includes 13 independent community-based member programs, a Board of Directors and a central staff working together to:

- Influence public policy on the local, state and national levels;
- Ensure that quality services are provided to victims;
- Promote the accountability of societal systems and communities for their responses to sexual violence, domestic violence and stalking;
- Prevent violence and abuse before they occur.

Approved April 2011

New Hampshire Coalition Against Domestic & Sexual Violence • PO Box 353 • Concord, NH 03302 • 603.224.8893

NHCADSV.ORG

**NEW HAMPSHIRE COALITION AGAINST
DOMESTIC AND SEXUAL VIOLENCE**

AUDITED FINANCIAL STATEMENTS

June 30, 2020 and 2019

SINGLE AUDIT REPORTS

June 30, 2020

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ROWLEY & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
46 N. STATE STREET
CONCORD, NEW HAMPSHIRE 03301
TELEPHONE (603) 228-5400
FAX # (603) 226-3532

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE PRIVATE
COMPANIES PRACTICE SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
New Hampshire Coalition
Against Domestic and Sexual Violence
Concord, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of New Hampshire Coalition Against Domestic and Sexual Violence (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020 and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of New Hampshire Coalition Against Domestic and Sexual Violence as of June 30, 2020 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the New Hampshire Coalition Against Domestic and Sexual Violence's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 4, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2021, on our consideration of New Hampshire Coalition Against Domestic and Sexual Violence's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the New Hampshire Coalition Against Domestic and Sexual Violence'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 New Hampshire Coalition Against Domestic and Sexual Violence's internal control over financial reporting and compliance.



Rowley & Associates, P.C.
Concord, New Hampshire
February 23, 2021

New Hampshire Coalition Against Domestic and Sexual Violence
Statements of Financial Position
June 30, 2020 and June 30, 2019
See Independent Auditors' Report

ASSETS	<u>2020</u>	<u>2019</u>
<u>CURRENT ASSETS</u>		
Cash and Cash Equivalents	\$ 48,920	\$ 54,183
Restricted Cash and Cash Equivalents	89,537	46,760
Certificates of Deposit, Short-Term	145,968	142,197
Grants Receivable	1,968,260	1,881,645
Prepaid Expenses	22,979	19,916
Total Current Assets	<u>2,275,664</u>	<u>2,144,701</u>
<u>PROPERTY AND EQUIPMENT</u>		
Equipment	14,654	14,654
Leasehold Improvements	37,719	27,719
	52,373	42,373
Less Accumulated Depreciation	(15,887)	(9,494)
Total Property and Equipment, Net	<u>36,486</u>	<u>32,879</u>
<u>OTHER ASSETS</u>		
Cash and Cash Equivalents Designated for Long-Term Investment	-	350,655
Long-term Investments	347,689	-
Certificates of Deposit, Long-Term	207,016	167,665
Security Deposit	6,213	6,213
Total Other Assets	<u>560,918</u>	<u>524,533</u>
Total Assets	<u>\$ 2,873,068</u>	<u>\$ 2,702,113</u>
LIABILITIES AND NET ASSETS		
<u>CURRENT LIABILITIES</u>		
Grants and Accounts Payable	\$ 1,520,941	\$ 1,587,493
Accrued Expenses	79,223	103,664
Federal Taxes Payable	-	1,428
Total Current Liabilities	<u>1,600,164</u>	<u>1,692,585</u>
<u>OTHER LIABILITIES</u>		
SBA Paycheck Protection Program Loan	175,000	-
<u>NET ASSETS</u>		
Without Donor Restrictions	1,008,367	962,768
With Donor Restrictions	89,537	46,760
Total Net Assets	<u>1,097,904</u>	<u>1,009,528</u>
Total Liabilities and Net Assets	<u>\$ 2,873,068</u>	<u>\$ 2,702,113</u>

New Hampshire Coalition Against Domestic and Sexual Violence
Statements of Activities and Changes in Net Assets
Year Ended June 30, 2020, With Comparative Totals for Year Ended June 30, 2019
See Independent Auditors' Report

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	2020	2019
<u>SUPPORT AND REVENUE</u>				
Grant Revenue	\$ 8,740,482	\$ 717,245	\$ 9,457,727	\$ 7,580,413
Contributions	281,953	-	281,953	204,789
Donated Services	66,758	-	66,758	106,680
Interest Income	6,156	-	6,156	5,074
Miscellaneous Income	45,055	-	45,055	31,108
Total Contributions and Support	<u>9,140,404</u>	<u>717,245</u>	<u>9,857,649</u>	<u>7,928,064</u>
Gain on Sale of Property and Equipment	-	-	-	19,018
Investment Dividends	7,763	-	7,763	-
Unrealized and Realized Gain on Investments	10,603	-	10,603	-
Investment Fees	(1,272)	-	(1,272)	-
Net Investment Gains and Earnings	<u>17,094</u>	<u>-</u>	<u>17,094</u>	<u>19,018</u>
Total Support and Revenue	<u>9,157,498</u>	<u>717,245</u>	<u>9,874,743</u>	<u>7,947,082</u>
Net Assets Released from Donor Imposed Restrictions	<u>674,468</u>	<u>(674,468)</u>	<u>-</u>	<u>-</u>
<u>EXPENSES</u>				
Program Services	9,650,552	-	9,650,552	7,783,527
Management and General	114,833	-	114,833	112,718
Fundraising	20,982	-	20,982	29,689
Total Expenses	<u>9,786,367</u>	<u>-</u>	<u>9,786,367</u>	<u>7,925,934</u>
INCREASE IN NET ASSETS	45,599	42,777	88,376	21,148
NET ASSETS AT BEGINNING OF YEAR	<u>962,768</u>	<u>46,760</u>	<u>1,009,528</u>	<u>988,380</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,008,367</u>	<u>\$ 89,537</u>	<u>\$ 1,097,904</u>	<u>\$ 1,009,528</u>

Notes to Financial Statements

New Hampshire Coalition Against Domestic and Sexual Violence
Statement of Functional Expenses
Year Ended June 30, 2020
With Comparative Totals for Year Ended June 30, 2019
See Independent Auditors' Report

	<u>Program Services</u>	<u>Management & General</u>	<u>Fundraising</u>	<u>Total 2020</u>	<u>Total 2019</u>
Salaries	\$ 1,063,125	\$ 71,862	\$ 12,972	\$ 1,147,959	\$ 1,055,205
Payroll taxes	86,478	5,846	1,055	93,379	85,048
Health and Dental Insurance	95,014	6,423	1,159	102,596	99,126
Other Employee Benefits	37,760	2,552	461	40,773	34,290
Professional Services	131,289	8,874	1,602	141,765	137,545
Contract/Grant Services	6,906,436	-	-	6,906,436	5,749,544
Survivor Grants	562,698	-	-	562,698	253,628
Rental Assistance	150,967	-	-	150,967	-
Memberships	5,130	347	63	5,540	4,328
Publications	1,317	89	16	1,422	1,288
Advertising/Public Awareness	5,552	375	68	5,995	3,697
Copying	3,667	248	45	3,960	3,402
Office Supplies	35,937	2,429	438	38,804	41,733
Postage	4,300	291	52	4,643	5,853
Printing	1,921	130	23	2,074	7,890
Equipment & Moving	1,098	74	13	1,185	3,421
Maintenance & Repair	46,915	3,171	572	50,658	45,840
Rent Expense	79,089	5,346	965	85,400	82,775
Interest	-	-	-	-	515
Parking	7,751	524	95	8,370	7,157
Insurance	6,047	409	74	6,530	8,197
PMC Partial Reimbursement	-	-	-	-	1,450
Staff Development	13,042	882	159	14,083	25,755
Travel	41,482	2,804	506	44,792	51,567
Telephone	34,690	2,345	423	37,458	50,881
Technology	88,147	-	-	88,147	-
Utilities	-	-	-	-	376
AVAP Miscellaneous Expense	39,117	-	-	39,117	59,891
AVAP Member Training/Education	2,102	-	-	2,102	4,621
Direct Training	44,919	-	-	44,919	48,589
Community Education	136,462	-	-	136,462	30,441
Depreciation Expense	5,921	400	72	6,393	7,584
Accounting Fees	12,179	823	149	13,151	12,869
Federal Taxes Expense (Benefit)	-	(1,411)	-	(1,411)	1,428
Total Expenses	\$ 9,650,552	\$ 114,833	\$ 20,982	\$ 9,786,367	\$ 7,925,934

Notes to Financial Statements

New Hampshire Coalition Against Domestic and Sexual Violence
Statements of Cash Flows
Years Ended June 30, 2020 and 2019
See Independent Auditors' Report

	<u>2020</u>	<u>2019</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase in Net Assets	\$ 88,376	\$ 21,148
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	6,393	7,584
Gain on Sale of Property and Equipment	-	(19,018)
Unrealized and Realized Gain on Investments	(10,603)	-
(Increase) Decrease in Operating Assets:		
Grants Receivable	(86,615)	(354,188)
Prepaid Expenses	(3,063)	505
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(66,552)	357,113
Accrued Expenses	(24,441)	(1,493)
Federal Taxes Payable	(1,428)	1,428
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(97,933)</u>	<u>13,079</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Net Proceeds on Sale of Property and Equipment	-	228,390
Acquisition of Property and Equipment	(10,000)	-
(Purchase) Maturity of Certificates of Deposit	(43,122)	65,318
Proceeds on Sales of Investments	82,264	-
Purchases of Investments	(419,350)	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(390,208)</u>	<u>293,708</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Repayment of Long-Term Debt	-	(37,862)
Net Proceeds from SBA Payroll Protection Program Loan	175,000	-
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>175,000</u>	<u>(37,862)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(313,141)	268,925
CASH AND CASH EQUIVALENTS, AT BEGINNING OF YEAR	<u>451,598</u>	<u>182,673</u>
CASH AND CASH EQUIVALENTS, AT END OF YEAR	<u>\$ 138,457</u>	<u>\$ 451,598</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for:		
Interest	<u>\$ -</u>	<u>\$ 515</u>
Donated Services	<u>\$ 66,758</u>	<u>\$ 106,680</u>

New Hampshire Coalition Against Domestic and Sexual Violence

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Coalition is a private, non-profit, tax-exempt organization committed to ending domestic and sexual violence. The Coalition serves as a coordinating organization for its 13 member agency crisis centers that in turn provide services to survivors of sexual assault, domestic violence, human trafficking, and stalking. Twelve of the Coalition's member agencies are autonomous, private, non-profit organizations with their own mission, structure, and board of directors; one is a university-based program. The Coalition receives 96% of its funding from federal and state agencies and less than 1% from private fundraising.

The Vision of the Coalition is:

All New Hampshire communities provide safety for every person.

The Mission of the Coalition is:

The New Hampshire Coalition Against Domestic & Sexual Violence creates safe and just communities through advocacy, prevention and empowerment of anyone affected by sexual violence, domestic violence and stalking.

This mission is accomplished by the Coalition, which includes 13 independent community-based member programs, a board of directors and a central staff working together to:

- Influence public policy on the local, state and national levels;
- Ensure that quality services are provided to victims;
- Promote the accountability of societal systems and communities for their responses to sexual violence, domestic violence and stalking;
- Prevent violence and abuse before they occur.

To elaborate on the above mission and vision statements, the Coalition supports member agency staff with specialized training, resources and technical assistance; convenes member agency staff to facilitate shared learning and peer support; and collects and disseminates best practices and current information. The Coalition supports the development of new services and serves as a statewide clearinghouse and coordinating organization related to victim services. It administers state and federal contracts that provide funding for its member programs.

Coalition staff provide education and training to court and law enforcement officials and attorneys, and collaborate with legal assistance organizations that provide lawyers for survivors and their families. Coalition staff work to promote cross-system collaboration with child protective services and child advocacy centers to assure safety for children exposed to or who have experienced domestic and sexual violence, and for their parents. Coalition staff participate on numerous statewide boards and commissions to advocate for effective responses to victims.

The Coalition's Public Affairs staff work closely with other advocacy groups, legislators and survivors to draft legislation, organize testimony, and advocate for policy changes throughout the legislative session. The Coalition either takes an active role in or tracks close to 150 bills each legislative session. These bills address a wide range of issues including domestic and sexual violence; stalking; family law; divorce and child custody/visitation/support; reproductive rights; law enforcement and courts; privacy and personal information; healthcare; and economic justice.

Coalition staff also provide resources and sources for responsible news media and reporting. Coalition staff create and distribute statewide communications materials to raise awareness about sexual assault, domestic violence, prevention and services available to victims.

New Hampshire Coalition Against Domestic and Sexual Violence

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)

Nature of Activities (Continued)

The Coalition plays a key leadership role in efforts to prevent domestic and sexual violence throughout New Hampshire. Coalition staff collaborate with state and local entities to support policies and practices to advance effective prevention education. Coalition staff are proactive in educating the public about the causes and effects of domestic and sexual violence and stalking and as well as services available across the state. The Coalition has sponsored research on the prevalence of violence in New Hampshire.

The Coalition also manages several specific programs to assist its member crisis centers and the public. The following are three distinct programs that directly affect survivors of domestic violence, sexual violence and stalking:

AmeriCorps Victim Assistance Program (AVAP)

The AmeriCorps Victim Assistance Program (AVAP) founded in 1994 is a multi-agency collaboration housed by the Coalition that ensures that direct services are available to victims of domestic and sexual violence and stalking throughout New Hampshire. AVAP is part of AmeriCorps, a national service program that offers opportunities to Americans who are interested in making a substantial commitment to serve their country through national service.

Members of the AmeriCorps Victim Assistance Program are placed throughout New Hampshire at member agencies, police departments, prosecutor offices, the New Hampshire Department of Corrections, and child advocacy centers to offer support and information to victims of domestic and sexual violence and stalking. Currently, AVAP members are focusing their advocacy efforts on providing financial literacy and housing services to survivors of domestic violence, sexual assault, and stalking. AVAP members are trained in the AllState Foundation's Moving Ahead through Financial Management curriculum which they use in one-on-one sessions and in financial literacy workshops focused on an array of topics from basic budgeting to checking a credit report. Members also provide information and facilitate referrals to local financial and housing services.

Sexual Assault Nurse Examiner (SANE) Program

A Sexual Assault Nurse Examiner (SANE) is a Registered Nurse who has been specially trained to provide comprehensive care to sexual assault survivors, who demonstrates competency in conducting medical/forensic examinations and who has the ability to be a witness in a sexual assault prosecution. Coalition staff are responsible for training and working with registered SANEs and medical professionals across the state to ensure that sexual assault victims receive consistent and professional care during forensic exams.

The Family Violence Prevention Specialist Program

Research shows a high correlation (40-60%) between the perpetration of domestic violence and the perpetration of child abuse and neglect in the same family. The Family Violence Prevention Specialist Program was built on the principle that abused and neglected children are best served when they can remain in a safe household with a non-violent parent.

New Hampshire Coalition Against Domestic and Sexual Violence

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)

The Family Violence Prevention Specialist program began in 1998 as a coordinated effort between the Coalition and the Division for Children, Youth, and Families (DCYF). Family Violence Prevention Specialists (FVPSs) are employed by local member agencies of the Coalition, and are co-located at local DCYF District Offices. The FVPSs are a source of assistance and training to child protective service workers while providing advocacy services to victims of domestic violence involved with DCYF. This program results in more effective assistance to victims through the development of interventions that recognize the adult victim's need for support and advocacy in order to improve safety outcomes for children.

Significant Accounting Policies

The financial statements of the Coalition have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to not-for-profits. The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for not-for-profits. The more significant of the FASB's generally accepted accounting principles applicable to the Coalition, and the Coalition's conformity with such principles, are described below. These disclosures are an integral part of the Coalition's financial statements.

Basis of Presentation

The Coalition reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program-related services raising contributions, and performing administrative functions.

Net assets with donor restrictions - These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

Basis of Accounting

The financial statements of the Coalition have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Grants Receivable and Promises to Give

Contributions are recognized when the donor makes a promise to give to the Coalition that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

New Hampshire Coalition Against Domestic and Sexual Violence

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)

Contributed Services

During the Years Ended June 30, 2020 and 2019, the value of contributed services relating to printing, community education, direct training and professional fees were \$83,144 and \$106,680, respectively.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Coalition; these amounts have not been recognized in the accompanying statement of activities because the criteria for recognition as contributed services has not been met.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Compensated Absences

Employees of the Coalition are entitled to paid vacation depending on job classification, length of services, and other factors. The statement of financial position reflects accrued vacation earned, but unpaid as of June 30, 2020 and 2019 in the amounts of \$70,244 and \$63,255, respectively.

Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimates that are based on their relationship to those activities. Those expenses include payroll and payroll related expenses and occupancy costs. Occupancy costs are allocated based on square footage. Payroll and payroll related expenses are based on estimates of time and effort. Other cost allocations are based on the relationship between the expenditure and the activities benefited.

Property and Equipment

It is the Coalition's policy to capitalize property and equipment over \$2,500 and all expenditures for repairs, maintenance, renewals and betterments that prolong the useful lives of assets. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor restriction unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Coalition reports expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Coalition reclassifies net assets with donor restrictions to net assets without donor restrictions at that time. Property and equipment are depreciated using the straight-line method. The ranges of useful lives are as follows:

Improvements	39 Years
Equipment	3-7 Years

Depreciation expense recorded by the Coalition for the Years Ended June 30, 2020 and 2019 was \$6,393 and \$7,584, respectively.

New Hampshire Coalition Against Domestic and Sexual Violence**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)**Income taxes**

The Coalition has been notified by the Internal Revenue Service that it is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code. The Coalition is further classified as an organization that is not a private foundation under Section 509(a)(3) of the Code. The most significant tax positions of the Coalition are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax (UBIT). The Coalition follows the guidance of Accounting Standards Codification (ASC) 740, Accounting for Income Taxes, related to uncertain income taxes, which prescribes a threshold of more likely than not for recognition of tax positions taken or expected to be taken in a tax return.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Coalition considers all highly liquid investments (short-term investments such as certificates of deposits and money market accounts) with an initial maturity of three months or less to be cash equivalents. The following table provides a reconciliation of cash and cash equivalents reported within the statement of financial position to the sum of the corresponding amounts within the statement of cash flows as of June 30:

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 48,920	\$ 54,183
Restricted Cash and Cash Equivalents	89,537	46,760
Cash and Cash Equivalents Designated for Long-Term Investment	<u>-</u>	<u>350,655</u>
Total	<u>\$138,457</u>	<u>\$451,598</u>

Certificates of Deposit

Certificates of deposit are reported on the accompanying statement of financial position. The certificates bear interest ranging from 1.50% to 3.50% as of June 30, 2020. Maturities range from six months to four years.

Segregation of Accounts

Under Title I, New Hampshire, The State and Its Government, Chapter 15 Lobbyist Section 15:1-a, the Coalition is required to physically and financially separate state funds from any non-state funds that may be used for the purposes of lobbying or attempting to influence legislation, participate in political activity, or contribute funds to any entity engaged in these activities. The Coalition has established and maintains a separate bank account for this purpose. The account balances were \$3,450 and \$2,061 at June 30, 2020 and 2019, respectively.

Concentration of Credit Risk

The Coalition maintains cash balances in several accounts at local banks. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At various times throughout the year, the Coalition may have cash balances at the financial institution that exceeds the insured amount. Management does not believe this concentration of cash results in a high level of risk for the Coalition. At June 30, 2020 and 2019 the Coalition had uninsured cash balances of \$85,316 and \$0, respectively.

Advertising Costs

The Coalition follows the policy of charging the production costs of advertising to expense as incurred. Advertising expense at June 30, 2020 and 2019 was \$5,995 and \$3,697 respectively.

New Hampshire Coalition Against Domestic and Sexual Violence

Notes to Financial Statements

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Coalition's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

Financial Instruments

The carrying value of cash and cash equivalents, certificates of deposit, grants receivable, prepaid expenses, accounts payable and accrued expenses are stated at carrying cost at June 30, 2020 and 2019, which approximates fair value due to the relatively short maturity of these instruments. Other financial instruments held at year-end are investments, which are stated at fair value.

Reclassifications

Certain financial statement and note information from the prior year financial statements has been reclassified to conform with current year presentation format.

Subsequent Event

Management has evaluated subsequent events through February 23, 2021, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure. It has been determined that no other subsequent events matching this criterion occurred during this period.

Newly Adopted Accounting Pronouncement

During the year ended June 30, 2019, the Coalition adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016- 14—Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016- 14). This Update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

Recent Accounting Pronouncements

In June 2018, the FASB issued ASU 2018-08, Not-for-Profit Entities (Topic 958)—Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The FASB issued this ASU to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this ASU should assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional.

In May 2014, the FASB issued ASU 2014-09, Revenue Recognition (Topic 606)—Revenue from Contracts with Customers. This ASU introduces a new five-step revenue recognition model in which an entity should 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.

New Hampshire Coalition Against Domestic and Sexual Violence**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES, (continued)**Recent Accounting Pronouncements (Continued)**

In February, 2016, the FASB issued ASU 2016-02, Leases (Topic 842). Under the new guidance, a lessee will be required to recognize assets and liabilities for leases with lease terms of more than twelve months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. However, unlike current GAAP—which requires only capital leases to be recognized on the statement of financial position—the new ASU will require both types of leases to be recognized on the statement of financial position.

The Coalition is presently evaluating the effects that these ASUs will have on its future financial statements, including related disclosures. ASUs above are effective for fiscal years beginning after December 15, 2019 and the Coalition will be required to adopt them in the year ending June 30, 2021.

NOTE B – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of funds received by the Coalition, restricted as to use or time. The restrictions are considered to expire when payments are made. As of June 30, 2020 and 2019 respectively, the net assets with donor restrictions are available for the following purpose:

	<u>2020</u>	<u>2019</u>
Housing Assistance to Survivors	\$ 24,615	\$ 20,310
Data Assessment	-	5,500
Direct support to Survivors	19,200	-
Technology Improvement	5,117	-
Human Trafficking Services	20,574	-
Economic Support to Survivors	<u>20,031</u>	<u>20,950</u>
Total	<u>\$ 89,537</u>	<u>\$ 46,760</u>

Net assets in the amount of \$674,468 and \$79,440 were released from donor restrictions by incurring expenses satisfying the restricted purpose during the years ended June 30, 2020 and 2019, respectively.

NOTE C – DESCRIPTION OF LEASING ARRANGEMENTS

The Coalition presently leases office equipment under short-term operating lease agreements.

The Coalition entered a ten-year lease agreement for office space and parking spaces on March 1, 2018, expiring in 2028. Annual rent was \$74,556 with 4% annual escalations each year on the anniversary of the lease term. Annual parking was \$7,800 with no more than 2% annual increases. The future minimum lease payments on this agreement as of June 30 are:

2021	\$ 96,343
2022	99,611
2023	103,011
2024	106,546
2025	110,223
Thereafter	<u>312,566</u>
Total	<u>\$ 828,300</u>

Rent expense related to the lease was \$85,400 and \$82,777 for the years ended June 30, 2020 and 2019 respectively. Rent paid for parking spaces totaled \$7,800 during the years ended June 30, 2020 and 2019, respectively, and are included in parking expense on the statement of financial expenses.

New Hampshire Coalition Against Domestic and Sexual Violence**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

NOTE D – PENSION PLAN

The Coalition has a 403(b) savings plan for the benefit of its employees. The plan covers substantially all employees after one year of service. During their budgeting process, the Board of Directors determines the amount to be contributed annually. Employer contributions for the Years Ended June 30, 2020 and 2019 totaled \$25,850 and \$22,960, respectively.

NOTE E – FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Coalition is required to disclose certain information about its financial assets and liabilities. Fair values of assets measured on a recurring basis at June 30 were as follows:

	<u>Fair Value</u>	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
<u>2020</u>			
Investments	\$ 347,689	\$ 347,689	\$ -
Certificates of Deposit	352,984	352,984	-
Grants Receivable	<u>1,968,260</u>	<u>-</u>	<u>1,968,260</u>
	<u>\$2,668,933</u>	<u>\$ 700,673</u>	<u>\$1,968,260</u>
<u>2019</u>			
Certificates of Deposit	\$ 309,862	\$ 309,862	\$ -
Grants Receivable	<u>1,881,645</u>	<u>-</u>	<u>1,881,645</u>
	<u>\$2,191,507</u>	<u>\$ 309,862</u>	<u>\$1,881,645</u>

Fair values for investments were determined by reference to quoted market prices and other relevant information generated by market transactions. The fair value of grants receivable are estimated at the present value of expected future cash flows.

NOTE F – BOARD DESIGNATED NET ASSETS

The Coalition has net assets designated for various future needs. These funds are comprised of the following as of June 30:

	<u>2020</u>	<u>2019</u>
Fund for Grace	\$ 62,762	\$ 72,386
Operating Reserve	<u>148,665</u>	<u>148,665</u>
	<u>\$ 211,427</u>	<u>\$ 221,051</u>

NOTE G – LIQUIDITY & AVAILABILITY OF FINANCIAL ASSETS

The Coalition has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Coalition's primary source of support is grants. That support is held for the purpose of supporting the Coalition's budget. The Coalition had the following financial assets that could be readily made available within one year to fund expenses without limitations:

	<u>2020</u>	<u>2019</u>
Cash and Cash Equivalents	\$ 138,457	\$ 100,943
Certificates of deposit, short-term	145,968	142,197
Grants Receivable, net of		
Grants Payable	474,001	302,985
Less Amounts:		
With Donor Imposed Restriction	<u>(89,537)</u>	<u>(46,760)</u>
	<u>\$ 668,889</u>	<u>\$ 499,365</u>

New Hampshire Coalition Against Domestic and Sexual Violence**Notes to Financial Statements**

Years Ended June 30, 2020 and 2019

NOTE H – INVESTMENTS

Investments are presented in the financial statements at fair-market value. Investments at June 30, 2020 and 2019 are composed of the following:

	2020		2019	
	Cost	Market	Cost	Market
Equity mutual funds	\$ 70,241	\$ 72,830	\$ -	\$ -
Mutual funds	121,377	123,897	-	-
Money market	24,488	24,488	-	-
Exchange traded funds	<u>121,479</u>	<u>126,474</u>	-	-
Total	<u>\$ 337,585</u>	<u>\$ 347,689</u>	<u>\$ -</u>	<u>\$ -</u>

FASB Accounting Standards Codification Topic 820-10 *Fair Value Measurements* defines fair value, requires expanded disclosures about fair value measurements, and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurement).

Under Topic 820-10, the three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Coalition has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

All investments are measured at Level 1. Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets.

The individual investments contain net assets without donor restrictions. Investments in marketable equity securities and marketable debt securities are carried at fair market value determined by “quoted market prices” per unit (share) as of the statement of financial position date. All other investments are stated at cost. Donated investments are recorded at the mean of the high and low price as of the date of receipt. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law.

Spending Policy

Each fiscal year the Coalition is authorized to withdraw up to 5% of the total market value of the total portfolio of the Fund. The amount available to be withdrawn in a fiscal year will be up to 5% of the Fund market value as of the last business day of the fiscal third quarter of the preceding fiscal year. Only with the approval of a majority vote of the Board of Directors, present at a meeting duly called for such purpose, may the Coalition exceed the 5% spending cap.

New Hampshire Coalition Against Domestic and Sexual Violence
Notes to Financial Statements
Years Ended June 30, 2020 and 2019

NOTE H – INVESTMENTS, (continued)

Investment Return Objectives, Risk Parameters and Strategies

The Coalition Board of Directors is responsible for developing policies that govern investment of the assets of the Coalition. The purpose of the following Investment Policy, which is to be reviewed annually by the Finance Committee of the Coalition are to:

Establish the investment objectives, policies, guidelines and eligible securities relating to investments owned or controlled by the Coalition through a third-party investment advisor.

Identify the criteria against which the investment performance of the Coalition's investments will be measured.

Communicate the objectives to the Board of Directors, investment managers and funding sources that may have involvement.

Serve as a review document to guide the ongoing oversight of the management of the Coalition's investments.

NOTE I – LINE OF CREDIT

The Coalition has a one-year \$150,000 revolving line of credit agreement with Merrimack County Savings Bank. The credit line matures on May 20, 2021 and automatically renews annually. Interest is stated at the Wall Street Journal prime rate plus .5%, which resulted in interest rates of 4.75% and 5.50% as of June 30, 2020 and 2019, respectively. The line of credit is secured by all business assets. There were no borrowings against the line as of June 30, 2020 and 2019.

NOTE J – SBA PAYROLL PROTECTION PROGRAM LOAN

On April 23, 2020 the Coalition received approval of a loan from The U.S. Small Business Administration as part of the Paycheck Protection Program in the amount of \$175,000. This loan calls for interest fixed at 1%. No payments are required for six months from the date of the loan. This note will mature two years from the date of first disbursement of the loan. It is likely that this loan will be forgiven under the provisions of Section 1106 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (P.L. 116-136).

NOTE K – RISKS AND UNCERTAINTIES – COVID-19

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may negatively impact future financial performance. The potential impact of these uncertainties is unknown and cannot be estimated at the present time.

KOWLEY & ASSOCIATES, P.C.

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MEMBER OF THE PRIVATE
COMPANIES PRACTICE SECTION

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*

Board of Directors
New Hampshire Coalition
Against Domestic and Sexual Violence
Concord, 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 financial statements of New Hampshire Coalition Against Domestic and Sexual Violence (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered New Hampshire Coalition Against Domestic and Sexual Violence's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of New Hampshire Coalition Against Domestic and Sexual Violence's internal control. Accordingly, we do not express an opinion on the effectiveness of New Hampshire Coalition Against Domestic and Sexual Violence's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



Rowley & Associates, P.C.
Concord, New Hampshire
February 23, 2021

ROWLEY & ASSOCIATES, P.C.

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

Board of Directors
New Hampshire Coalition
Against Domestic and Sexual Violence
Concord, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited New Hampshire Coalition Against Domestic and Sexual Violence'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 New Hampshire Coalition Against Domestic and Sexual Violence's major federal programs for the year ended June 30, 2020. New Hampshire Coalition Against Domestic and Sexual Violence's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management 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 New Hampshire Coalition Against Domestic and Sexual Violence'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 New Hampshire Coalition Against Domestic and Sexual Violence'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 New Hampshire Coalition Against Domestic and Sexual Violence's compliance.

Opinion on Each Major Federal Program

In our opinion, New Hampshire Coalition Against Domestic and Sexual Violence 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 June 30, 2020.

Report on Internal Control over Compliance

Management of New Hampshire Coalition Against Domestic and Sexual Violence 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 New Hampshire Coalition Against Domestic and Sexual Violence'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 New Hampshire Coalition Against Domestic and Sexual Violence's internal control over compliance.

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

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

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



Rowley & Associates, P.C.
Concord, New Hampshire
February 23, 2021

New Hampshire Coalition Against Domestic and Sexual Violence
Schedule of Findings and Question Costs
Year Ended June 30, 2020

SECTION I – SUMMARY OF AUDITOR’S RESULTS

1. The auditor’s report expresses an unmodified opinion on whether the financial statements of the New Hampshire Coalition Against Domestic and Sexual Violence were prepared in accordance with GAAP.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor’s Report. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of New Hampshire Coalition Against Domestic and Sexual Violence, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No Material weaknesses are reported.
5. The auditor’s report on compliance for the major federal award programs for New Hampshire Coalition Against Domestic and Sexual Violence expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as a major programs were:

Victims of Crime Act	16.575
Family Violence Prevention Service Act	93.671

8. The threshold for distinguishing Types A and B Programs was: \$750,000.
9. The New Hampshire Coalition Against Domestic and Sexual Violence was determined to be a low-risk auditee.

SECTION II – FINDINGS: FINANCIAL STATEMENT AUDIT

No matters were reported.

SECTION III – FINDINGS AND QUESTIONED COSTS: FEDERAL AWARD PROGRAMS AUDIT

No matters were reported.

New Hampshire Coalition Against Domestic and Sexual Violence
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Housing and Urban Development:</u>				
Pass-Through Programs from State of NH Department of HHS: Continuum of Care Program	14.267	102-500731	173,408	184,703
<u>U.S. Department of Justice:</u>				
Direct Program - Violence Against Women Act of 2000	16.556		-	38,500
Direct Program - Violence Against Women Act of 2000	16.556		-	196,943
Pass-Through Programs from State of NH Department of Justice:				
VAWA, SASP	16.017	2019SASP01	334,456	334,456
VAWA, SASP	16.017	2020SASP01	337	337
OVC Human Trafficking	16.320		-	32,766
VOCA, Technology Improvement	16.575		-	39,767
VOCA, Data Projects Coordinator	16.575		-	5,668
VOCA, SA	16.575	2018VOC49	126,164	478,318
VOCA, CA	16.575	2018VOC47	-	75,181
VOCA, DV	16.575	2018VOC48	532,682	569,043
VOCA, Supplemental	16.575	2019VOC59	304,742	327,678
VOCA, TECH	16.575	2020VOC31	-	197,819
VOCA, PMC Subcontracts	16.575	2020VOC31	2,333,945	2,333,945
VOCA, Training	16.575	2020VOC31	-	14,236
VAWA, STOP	16.588	2019W090	-	76,183
VAWA, STOP	16.588	2020VAW16	-	78,349
Total Pass-Through Programs			3,632,326	4,563,746
TOTAL U.S. DEPARTMENT OF JUSTICE			3,632,326	4,799,189
<u>U.S. Department of Health and Human Services:</u>				
Direct Program - Family Violence Prevention Services Act	93.591		-	55,913
Direct Program - Family Violence Prevention Services Act	93.591		-	200,984
Pass-Through Programs from State of NH Department of HHS:				
Sexual Violence Prevention	93.136	102-500731	216,485	303,796
Family Violence Prevention Services Act	93.671	155510 B001	857,173	877,923
Total Pass-Through Programs			1,073,658	1,181,719
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			1,073,658	1,438,616
<u>Corporation for National & Community Services:</u>				
Pass-Through from Volunteer NH!				
AmeriCorps Victim Assist Program	94.006		-	225,379
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,879,392	\$ 6,647,887

New Hampshire Coalition Against Domestic and Sexual Violence
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of New Hampshire Coalition Against Domestic and Sexual Violence under programs of the federal government for the year ended June 30, 2020. 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 New Hampshire Coalition Against Domestic and Sexual Violence, it is not intended to and does not present the financial position, changes in net assets, or cash flows of New Hampshire Coalition Against Domestic and Sexual Violence.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
2. Pass-through entity identifying numbers are presented where available.

NOTE C – SUBRECIPIENTS

The New Hampshire Coalition Against Domestic and Sexual Violence provide federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA #</u>	<u>Amount Provided</u>
Rapid Re-Housing Program	14.267	\$ 173,408
Sexual Assault Services Program	16.017	334,793
Victims of Crime Act	16.575	3,297,533
Sexual Violence Prevention	93.136	216,485
Family Violence Prevention Services Act	93.671	<u>857,173</u>
		<u>\$ 4,879,392</u>

NOTE D – INDIRECT COST RATE

The New Hampshire Coalition Against Domestic and Sexual Violence has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



Chairperson

Lindsay Nadeau
Attorney
Orr & Reno

Deb Mozden
Executive Director
Turning Points Network

Vice Chair

Amy Vorenberg
Professor
UNH School of Law

Julia Williams
Director
Mass General Brigham

Treasurer

Susan Nooney
Accountant
Susan Nooney CPA

Kathy Beebe
Executive Director
HAVEN

Clerk

Suzanne Carmichael
Mentor Program Coordinator
John Stark Regional High School

Krista Dupre
Tax Manager
Nathan Wechsler & Co

Brian Harlow
Community Activist

Michael Hauptly-Pierce
Owner
Lithermans Limited Brewery

David Bellman
President
Bellman Jewelers

Tina Smith
Nurse
Concord Pediatrics

New Hampshire Coalition Against Domestic & Sexual Violence • PO Box 353 • Concord, NH 03302 • 603.224.8893

NHGADSV.ORG

S. Joi Smith

SKILLS SUMMARY:

Highly creative and enthusiastic community builder
Excellent communication and organizational skills
Aptitude for technology and innovation
Activist and passionate participant in the arts community

EMPLOYMENT HISTORY:

NH Coalition Against Domestic & Sexual Violence – Program Director Concord, NH

August 2020 – Present

Provide leadership and oversight in the development and administration of member services, training and technical assistance, statewide programs and other special projects of the NHCADSV in line with its mission, strategic plan and community needs. Recruit, train and supervise program staff, as they implement and sustain initiatives of the NHCADSV. Oversee training and technical assistance efforts of the NHCADSV. Develop and implement evaluation tools for statewide programs and special projects. Provide high level management and support to the AmeriCorps Victim Assistance Program (AVAP.) Assist with grant writing in response to federal, state, and private funding opportunities. Serve as liaison to the NHCADSV's 13 member programs by identifying needed resources and training to improve direct service delivery. Serve on statewide committees to assist in the improvement of multi-disciplinary response to domestic violence, sexual violence, stalking and human trafficking.

HAVEN – Manager of Client Services Portsmouth, NH

July 2015 – August 2020

Manage HAVEN client services program and supervise direct service staff. Serves as the Agency's AmeriCorps Victim Assistance Program Advocate Coordinator and Internship Coordinator. Develop, organize and facilitate in-service and ongoing training programs for all direct service staff, interns and volunteers. Maintain and continually develop an on-going effective client services program using best practices for survivors of domestic and sexual violence through a 24 - hour hotline, office walk-ins, and accompaniments to hospitals, police stations, courts and child advocacy centers. Engage and maintain excellent relationships with victim service community partners both at the local and state level such as the NH State Attorney General's office, NH Coalition Against Domestic & Sexual Violence (NHCADSV), Rockingham & Strafford NH County Prosecutors and child advocacy centers (CAC's), NH Department of Child, Youth and Family Services (DCYF), and local Law Enforcement, pro-bono attorney programs, and district courts.

Sexual Assault Support Services (SASS)

September 2011 – July 2015

Volunteer Advocate (Sept. 2011 – July 2012) | Night Supervisor (July 2012- Sept.2013) | Client Services Coordinator (Sept. 2013 – July 2015)
Portsmouth, NH

Provide supportive services and referrals to victims and survivors of sexual violence through the 24 - hour hotline, hospital and police accompaniments and peer support groups. Schedule and coordinate SASS's 24-hour services coverage. Provide supervision to AmeriCorps Victim Assistance Program members, direct service staff and volunteer advocates. Develop and implement training and programming for trauma-informed sexual assault/abuse supportive services.

COMMITTEES & BOARDS SERVED:

NH Child Abuse & Neglect Task Force	2020 - Present
NH Child Fatality Review Committee	2020 - Present
NH Human Trafficking Collaborative Task Force	2017 - Present
NH Incapacitated & Vulnerable Adult Fatality Review Committee	2020 - Present
NH Lethality Assessment Program (LAP) Steering Committee	2018 - Present
NH Sexual Assault Nurse Examiner (SANE) Advisory Board	2017 - Present
NH Wellness & Primary Prevention Council	2020 - Present
Child Advocacy Center of Rockingham County MDT Advisory Board	2019 - 2020
Strafford County Child Advocacy Center Advisory Board	2017 - 2020
Strafford County Sexual Assault Resource Team (SART)	2016 - 2020
Rockingham County Sexual Assault Resource Team (SART)	2015 - 2020

OTHER RELATED EXPERIENCE:

S. Joi Smith

Back Alley Productions - Founder/Director/Producer

2008 - Present

A cutting-edge, independent theater company focused on executing a clear, strong vision for quality theater programs, and maintaining inclusivity, integrity and respect for all involved with each production.

Players' Ring Board of Director - Board Member/Producer Liaison/Marketing Chair

2013 – 2019

Portsmouth, NH

A non-profit, groundbreaking, black box theater whose mission is to provide an environment where artists can thrive, grow, take risks and make daring choices. Responsible for training, coordinating, scheduling, supporting and mentoring more than 25 production companies throughout the season, as well as planning and executing any fundraising efforts and events for the theater. Manage and develop content for marketing, social media, and bi-weekly newsletters promoting each production and event. Organize and facilitate community volunteer projects aimed at improving the theater space.

V-Day Portsmouth NH/V-Day Rochester NH/One Billion Rising - Organizer/Producer/Director

2001-2015

Organizing, producing and directing a yearly event focused on raising awareness and funds to end violence against women. Organizing all aspects of these events, from casting, scheduling, staging, and directing, to securing donations and local community support and creating content for and managing marketing and promotion of events. Fostering collaboration with local beneficiaries and other community V-Day organizers, to cross-promote causes and events, and ensure consistent messaging. Responsible for completing and submitting required reports and reconciling budgets at the end of each event.

ADDITIONAL SKILLS:

Trainings & Group Facilitation: Experienced in developing and facilitating on-going required training for staff, community partner professionals, as well as developing and facilitating survivor support groups.

Technology: Proficient in both MAC and PC platforms. Expertise in Microsoft Office programs & Office 365, Adobe Acrobat, Adobe Photoshop, QuickBooks, and online project management and file share systems such as Freedcamp, Basecamp and Dropbox, as well as Google docs.

Marketing: Additional expertise & aptitude for website design, social media management and email marketing. Skilled at copywriting, editing and basic graphic design.

EDUCATION:

Plymouth Regional High School 1995

AWARDS & HONORS:

2019 Everyday Hero Award

Granite State Children's Alliance & the Stafford County Child Advocacy Center

2015 Champion for Children

The Child Advocacy Center of Rockingham County

PAMELA ENGLISH

EMPLOYMENT

New Hampshire Coalition Against Domestic and Sexual Violence, Concord, NH

Administrative Director, 2006 - Present

- Continued all duties of Business and Grants Manager, including all Financial Management of the NHCADSV.
- Assist with grant writing.
- Administration management including maintaining insurance coverage for organization and employees and administering employee benefits.
- Management of information technology systems.
- Facilities Manager for building at 4 South State Street, Concord.

Business and Grants Manager, 1995 - 2006

- Maintain all financial records, including payroll and employee benefits.
- Manage state and federal funding programs and provide technical assistance to subcontractors.
- Managed conversion to new computerized Fund Accounting system.
- Hire and manage Bookkeeper and Office Coordinator.
- Act as Facilities Manager for building at 4 South State Street, Concord.

Administrative Assistant, 1993 - 1995

- Assisted two Co-Directors and a trainer with their administrative needs.
- Responsible for coordination and management of office.
- Maintain accurate financial records using full charge computerized bookkeeping system.
- Insured compliance with all state and federal reporting requirements, including 941, state UC, W-2, 1099.

Self Employed Child care provider and Nanny, Concord, NH, 1988 - 1993

Law Offices, Concord, NH, 1985 - 1988

Legal Secretary

- Daniel D. Crean, Esq. and Charles H. Morang, Esq., Municipal and Business Law Practices
- Robert K. Mekeel, Esq. Labor, Criminal, Worker's Comp. and General Law Practice

COMPUTER EXPERIENCE AND SKILLS

- Fund Accounting Software
Spreadsheets
Microsoft Office Word and Excel
Outlook and Outlook Express
- Effective supervisory management
Excellent organizational skills
Detail oriented
Ability to manage multiple, simultaneous deadlines
Working knowledge of federal and state grant compliance requirements
Working knowledge of computer management
Computerized accounting management
Experience and knowledge of New Hampshire employment law

EDUCATION

- **NH Technical Institute, Concord, NH**
Selected Accounting and Management Courses
- **Merritt Davis Business College, Eugene, OR**
Legal Secretarial Degree II

COMMUNITY ACTIVITIES

2002-Present Northwood Elementary School PTA, President for 2003/2005 school years
1990-2002 Dewey/Kimball School PTA
1983-1984 President, Merrimack County Legal Secretaries Association

REFERENCES

Available upon request.

CONTRACTOR NAME: NH Coalition Against Domestic and Sexual Violence

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Joi Smith	Program Director	n/a	none	none
Pamela English	Administrative Director	n/a	None	none

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

- progress, and performance, which includes, but is not limited to:
- 2.3.5.1. Reviewing policies and procedures for services provided.
 - 2.3.5.2. Reviewing financial analyses.
 - 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
 - 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.cencourt.state.nh.us/rules/state_agencies_he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
- 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/25/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: director


3-22-2021
Date

The Salvation Army
Michael J. Southwick
Name: Michael J. Southwick
Title: Secretary

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021
Date

DocuSigned by:

Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

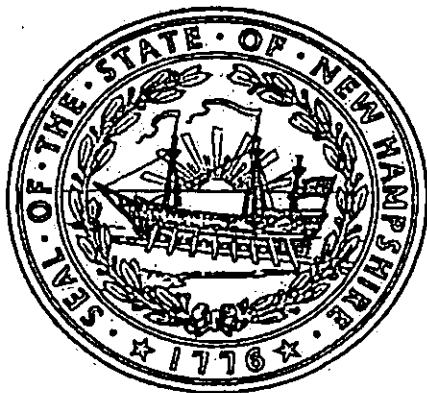
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE SALVATION ARMY is a New York Nonprofit Corporation registered to transact business in New Hampshire on July 19, 1954. 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: 64368

Certificate Number: 0005034386



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 27th day of October A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
THE SALVATION ARMY

Business ID
64368

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005052536	12/07/2020	12/07/2020	Nonprofit Report	2020
0004771308	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004530247	06/18/2019	06/18/2019	Change of Business Address	N/A
0004530244	06/18/2019	06/18/2019	Change of Officer/Director	N/A
0003210324	01/01/2016	01/01/2016	Agent Change/Resign	N/A
0003201100	12/31/2015	12/31/2015	Nonprofit Report	2015
0003006982	10/23/2014	10/23/2014	Agent Change/Resign	N/A
0000576240	05/05/2011	05/05/2011	Requalification	2011
0000576238	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000576237	10/08/2010	10/08/2010	Reminder Letter	N/A
0000576236	05/16/2005	05/16/2005	Annual Report	2005
0000576235	04/07/2000	04/07/2000	Annual Report	2000
0000576234	02/03/1995	02/03/1995	Annual Report	2011
0000576233	02/09/1990	02/09/1990	Annual Report	1990
0000576232	03/24/1980	03/24/1980	Amendment	N/A
0000576231	07/19/1954	07/19/1954	Business Formation	N/A

Page 1 of 1, records 1 to 16 of 16

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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BRIAN PEDDLE, GENERAL

WILLIAM A. BAMFORD III
TERRITORIAL ORGANIZATION



THE SALVATION ARMY

FOUNDED IN 1865 BY WILLIAM AND CATHERINE BOOTH

EASTERN TERRITORIAL HEADQUARTERS

LEGAL DEPARTMENT

440 WEST NYACK ROAD, P.O. BOX C-635

WEST NYACK, NY 10994-1739

www.salvationarmy-usaeast.org

TELEPHONE (845) 620-7200

FAX (845) 620-7753

CERTIFICATE OF CORPORATE RESOLUTION

I, CHARLES S. FOSTER, do hereby certify that at a duly authorized meeting of the Board of Trustees of The Salvation Army, a New York Corporation, held on September 8, 2015, at which a quorum of the Trustees was present, it was voted that effective September 1, 2015

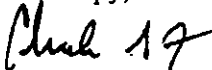
Michael J. Southwick, Secretary or Richard D. Allen, Assistant Secretary - Legal

of the Corporation, together or separately, be hereby authorized to execute documents and contracts in the name of and on behalf of said Corporation, and are authorized to affix its Corporate seal thereto; and such execution or obligation in this Corporation's name on its behalf by such Secretary or Assistant Secretary - Legal under seal of the Corporation shall be valid and binding upon this Corporation.

This authorization includes the execution and submission of applications, contracts or agreements, documents, instruments, and revisions or modifications, such as the Amendment #2 to the State Grant in Aid Homeless Assistance Program contract with the State of New Hampshire, Department of Health and Human Services for our emergency shelter operations at 177 Union Avenue, Laconia, New Hampshire 03246.


I hereby certify that I am Assistant Secretary - Property of The Salvation Army and that the above vote has not been amended or rescinded and remains in full force and effect as of the date of this certificate.

A True Copy, Under Seal of Corporation;


CHARLES S. FOSTER March 22, 2021
Assistant Secretary - Property



Sworn to and subscribed before me this
22nd day of March in the year 2021.


Mikayla Fuentes
Notary Public, State of New York
No. 01FU63132
Qualified in Orange County
Commission Expires September 15, 2022



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/18/2021

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 CHESTERFIELD INSURANCE AGENCY, INC. P. O. BOX 237 GREEN, OH 44232-0237	CONTACT NAME: DEANNA M. KRUGER PHONE (AG. No. Ext.): (330) 896-7639 X 8123 FAX (AG. No.): 330-896-6548 EMAIL ADDRESS: ADDRESS: <table style="width: 100%; border: none;"> <tr> <td style="border: none;">INSURER(S) AFFORDING COVERAGE</td> <td style="border: none;">NAIC #</td> </tr> <tr> <td style="border: none;">INSURER A: ZURICH AMERICAN INS. CO.</td> <td style="border: none;">16535</td> </tr> <tr> <td style="border: none;">INSURER B: THE SALVATION ARMY RISK TRUST</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">INSURER C: THE SALVATION ARMY, A NY CORP.</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">INSURER D: AMERICAN ZURICH INS. CO.</td> <td style="border: none;">40142</td> </tr> <tr> <td style="border: none;">INSURER E:</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">INSURER F:</td> <td style="border: none;"></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: ZURICH AMERICAN INS. CO.	16535	INSURER B: THE SALVATION ARMY RISK TRUST		INSURER C: THE SALVATION ARMY, A NY CORP.		INSURER D: AMERICAN ZURICH INS. CO.	40142	INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER D: AMERICAN ZURICH INS. CO.	40142														
INSURER E:															
INSURER F:															
INSURED THE SALVATION ARMY, A NEW YORK CORP. 440 WEST NYACK ROAD WEST NYACK, NY 10994-1739															

COVERAGES **CERTIFICATE NUMBER:** 004/001/007Concord, NH **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.

LINE	TYPE OF INSURANCE	ADDITIONAL INSURED	POLICY NUMBER	POLICY EFF. DATE	POLICY EXP. DATE	LIMITS
C	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:		SELF INSURED RETENTION	01/01/21	01/01/22	EACH OCCURRENCE \$ 500,000 DAMAGE TO RENTED PREMISES (EA. OCCURRENCE) \$ 500,000 MED EXP (Adv. One Person) \$ 5,000 PERSONAL & ADV. INJURY \$ 500,000 GENERAL AGGREGATE \$ 500,000 PRODUCTS - COMP/OP AGG \$ 500,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		BAP 8978527-25	01/01/21	01/01/22	COMBINED SINGLE LIMIT (E&O) \$ 100,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$500,000		TRUST #19578500	01/01/21	01/01/22	EACH OCCURRENCE \$ 4,500,000 AGGREGATE \$ 4,500,000
D	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/A	WC 8978533-25	01/01/21	01/01/22	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	AUTO LIABILITY EXCESS		SELF INSURED RETENTION	01/01/21	01/01/22	\$400,000 XS OF \$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 McKenna House shelter program located at 100 South Fruit Street, Concord, NH, 3/19/2021 through 01/01/2022 contract amendment with SGIA through NH DHHS

CERTIFICATE HOLDER State of NH Department of Health and Human Services 129 Pleasant Street Concord, NH 03301	CANCELLATION 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 <div style="text-align: right; font-family: cursive;"> Deanna M. Kruger </div>
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DOING THE MOST GOOD

The Salvation Army

Mission Statement

The Salvation Army, an international movement, is an evangelical part of the universal Christian church. Its message is based on the Bible. Its ministry is motivated by the love of God. Its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination.

**Consolidated Financial Statements
Together with Report of Independent
Certified Public Accountants**

The Salvation Army - Eastern Territory

September 30, 2019 and 2018

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
The Salvation Army - Eastern Territory

Report on the financial statements

We have audited the accompanying consolidated financial statements of The Salvation Army - Eastern Territory (the "Eastern Territory"), which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Eastern Territory's preparation and fair presentation of the consolidated 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 Eastern Territory'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Salvation Army - Eastern Territory as of September 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

New York, New York
May 8, 2020

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2019 and 2018
(in thousands)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 133,746	\$ 129,234
Accounts receivable	33,085	24,285
Legacies and bequests receivable	22,661	17,570
Pledges receivable, net	2,409	2,926
Inventory	7,265	7,307
Prepaid expenses and deferred charges	9,777	8,129
Notes receivable	38,027	38,027
Investments, at fair value	2,165,645	2,454,950
Assets of trusts administered by the Eastern Territory	92,175	95,583
Beneficial interest in trusts held by others	231,078	232,853
Land, buildings and equipment, net		
Land	200,176	198,647
Buildings, net of accumulated depreciation of \$843,858 in 2019 and \$797,349 in 2018	855,391	875,437
Construction in progress	176,556	121,649
Equipment, net of accumulated depreciation of \$76,484 in 2019 and \$74,558 in 2018	19,910	19,869
Land, buildings and equipment, net	<u>1,262,033</u>	<u>1,215,602</u>
Total assets	<u>\$ 3,987,901</u>	<u>\$ 4,226,466</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 55,204	\$ 43,119
Liability for split-interest agreements	55,309	56,648
Mortgages and notes payable	546,878	545,899
Interest rate swaps	151,303	78,555
Conditional asset retirement obligations	66,046	65,579
Estimated liability for self-insurance claims	60,312	61,811
Estimated liability for pension and other postretirement benefits	739,310	662,292
Other liabilities	78,570	75,592
Total liabilities	<u>1,752,932</u>	<u>1,589,495</u>
Commitments and contingencies		
NET ASSETS (DEFICIT)		
Net assets without donor restrictions		
General operating	9,737	(26,036)
Board designated	103,669	529,323
Land, buildings and equipment	1,044,693	1,029,589
Total net assets without donor restrictions	<u>1,158,099</u>	<u>1,532,876</u>
Net assets with donor restrictions		
Amounts to be held in perpetuity	649,388	647,024
Other restrictions	427,482	457,071
Total net assets with donor restrictions	<u>1,076,870</u>	<u>1,104,095</u>
Total net assets	<u>2,234,969</u>	<u>2,636,971</u>
Total liabilities and net assets	<u>\$ 3,987,901</u>	<u>\$ 4,226,466</u>

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

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended September 30, 2019,
with comparative totals for the year ended September 30, 2018
(In thousands)

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenues				
Public support				
Received directly				
Contributions	\$ 155,229	\$ 4,212	\$ 159,441	\$ 195,100
Donations-in-kind and contributed services	116,395	-	116,395	130,251
Legacies and bequests	57,290	9,115	66,405	58,817
Special events	6,407	-	6,407	6,438
Pledges at present value	-	2,476	2,476	1,585
Contributions from split-interest agreements	842	12,203	13,045	18,709
Total received directly	<u>336,163</u>	<u>28,006</u>	<u>364,169</u>	<u>408,900</u>
Received indirectly				
Allocated by federated fund raising organizations	9,294	-	9,294	10,184
Total public support	<u>345,457</u>	<u>28,006</u>	<u>373,463</u>	<u>419,084</u>
Fees and grants from governmental agencies	<u>104,362</u>	<u>-</u>	<u>104,362</u>	<u>95,859</u>
Other revenues				
Program and service fees	41,386	-	41,386	37,201
Sales to the public	132,870	-	132,870	128,311
Investment return, net	(8,475)	3,151	(5,324)	202,127
Gain on sale/disposition of land, buildings and equipment	2,151	-	2,151	2,231
Other	5,196	-	5,196	18,946
Total other revenues	<u>172,928</u>	<u>3,151</u>	<u>176,079</u>	<u>384,816</u>
Total support and revenues before net assets released from restrictions and reclassifications	622,747	31,157	653,904	899,759
Net assets released from restrictions and reclassifications	<u>49,728</u>	<u>(49,728)</u>	<u>-</u>	<u>-</u>
Total support and revenues	<u>672,475</u>	<u>(18,571)</u>	<u>653,904</u>	<u>899,759</u>
Expenses				
Program services				
Corpe community center services	281,032	-	281,032	281,109
Rehabilitation center services	209,437	-	209,437	205,911
Residential and institutional services	71,585	-	71,585	63,534
Other social services	203,682	-	203,682	204,317
Total program services	<u>765,736</u>	<u>-</u>	<u>765,736</u>	<u>764,871</u>
Supporting services				
Management and general	112,933	-	112,933	93,955
Fund raising	45,097	-	45,097	42,532
Total supporting services	<u>158,030</u>	<u>-</u>	<u>158,030</u>	<u>136,487</u>
Total expenses	<u>923,766</u>	<u>-</u>	<u>923,766</u>	<u>901,358</u>
Deficiency of support and revenues over expenses	(251,291)	(18,571)	(269,862)	(1,598)
Change in fair value of interest rate swaps	(72,748)	-	(72,748)	40,739
Change in value of split-interest agreements	(287)	(8,654)	(8,941)	(709)
Retirement related activity other than net periodic benefit cost	<u>(50,451)</u>	<u>-</u>	<u>(50,451)</u>	<u>93,840</u>
Change in net assets	(374,777)	(27,225)	(402,002)	132,071
Net assets at beginning of year	<u>1,532,876</u>	<u>1,104,095</u>	<u>2,636,971</u>	<u>2,504,900</u>
Net assets at end of year	<u>\$ 1,158,099</u>	<u>\$ 1,076,870</u>	<u>\$ 2,234,969</u>	<u>\$ 2,636,971</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended September 30, 2018
(In thousands)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenues			
Public support			
Received directly			
Contributions	\$ 165,363	\$ 29,737	\$ 195,100
Donations-in-kind and contributed services	130,251	-	130,251
Legacies and bequests	62,184	4,633	56,817
Special events	6,438	-	6,438
Pledges at present value	-	1,585	1,585
Contributions from split-interest agreements	1,119	17,590	18,709
Total received directly	<u>355,355</u>	<u>53,545</u>	<u>408,900</u>
Received indirectly			
Allocated by federated fund raising organizations	10,184	-	10,184
Total public support	<u>365,539</u>	<u>53,545</u>	<u>419,084</u>
Fees and grants from governmental agencies	<u>95,859</u>	-	<u>95,859</u>
Other revenues			
Program and service fees	37,201	-	37,201
Sales to the public	128,311	-	128,311
Investment return, net	145,907	56,220	202,127
Gain on sale/disposition of land, buildings and equipment	2,231	-	2,231
Other	18,946	-	18,946
Total other revenues	<u>328,596</u>	<u>56,220</u>	<u>384,816</u>
Total support and revenues before net assets released from restrictions and reclassifications	789,994	109,765	899,759
Net assets released from restrictions and reclassifications	<u>41,106</u>	<u>(41,106)</u>	<u>-</u>
Total support and revenues	<u>831,100</u>	<u>68,659</u>	<u>899,759</u>
Expenses			
Program services			
Corps community center services	291,109	-	291,109
Rehabilitation center services	205,911	-	205,911
Residential and institutional services	63,534	-	63,534
Other social services	204,317	-	204,317
Total program services	<u>764,871</u>	<u>-</u>	<u>764,871</u>
Supporting services			
Management and general	93,955	-	93,955
Fund raising	42,532	-	42,532
Total supporting services	<u>136,487</u>	<u>-</u>	<u>136,487</u>
Total expenses	<u>901,358</u>	<u>-</u>	<u>901,358</u>
(Deficiency) excess of support and revenues over expenses	(70,258)	68,659	(1,599)
Change in fair value of interest rate swaps	40,739	-	40,739
Change in value of split-interest agreements	(3,402)	2,893	(709)
Retirement related activity other than net periodic benefit cost	93,640	-	93,640
Change in net assets	60,719	71,352	132,071
Net assets at beginning of year	<u>1,472,157</u>	<u>1,032,743</u>	<u>2,504,900</u>
Net assets at end of year	<u>\$ 1,532,876</u>	<u>\$ 1,104,095</u>	<u>\$ 2,636,971</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2019,
with comparative totals for the year ended September 30, 2018
(In thousands)

	Program Services				Total	Supporting Services		2018 Total	2019 Total
	Cerge Community Center Services	Rehabilitation Center Services	Residential and Institutional Services	Other Social Services		Management and General	Fund Raising		
Salaries, officer allowances and payroll taxes	\$ 83,155	\$ 104,817	\$ 32,838	\$ 82,948	\$ 283,148	\$ 45,841	\$ 17,556	\$ 63,487	\$ 346,648
Officer and employee benefits	47,878	20,789	9,801	14,710	93,056	14,470	3,837	18,407	111,463
Professional fees	8,470	1,875	4,148	4,819	20,108	7,840	9,308	17,047	37,155
Supplies	9,478	12,188	3,234	4,878	28,777	2,024	808	3,332	33,109
Telecommunications, postage and shipping	3,828	1,233	427	854	6,543	1,798	1,819	3,687	10,230
Occupancy, furnishings and equipment	41,258	41,514	8,374	9,908	102,246	15,708	1,184	16,902	118,148
Printing and publications	2,844	730	485	2,272	6,444	4,987	7,316	11,813	18,357
Travel, meals and transportation	14,701	8,287	827	3,108	27,033	3,741	1,407	5,146	32,728
Benefit assistance to individuals	3,848	1,588	3,919	86,528	97,895	-	-	-	97,895
Waste services	-	-	-	11,234	11,234	-	-	-	11,234
Utilities expense	15,233	1,881	1,829	1,057	19,987	1,591	-	1,591	21,048
Depreciation	31,883	14,382	3,364	8,885	58,304	3,198	267	3,445	58,947
Other	7,328	229	1,480	2,712	11,780	12,818	1,175	13,883	25,353
Total expenses	\$ 281,022	\$ 209,437	\$ 71,295	\$ 203,882	\$ 765,726	\$ 113,833	\$ 45,027	\$ 158,020	\$ 923,794

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2018
(In thousands)

	Program Services				Total	Supporting Services			Total
	Corps Community Center Services	Rehabilitation Center Services	Residential and Institutional Services	Other Social Services		Management and General	Fund Raising	Total	
Salaries, officer allowances and payroll taxes	\$ 87,303	\$ 90,822	\$ 78,901	\$ 47,082	\$ 272,178	\$ 45,744	\$ 18,751	\$ 62,490	\$ 334,677
Officer and employee benefits	48,585	21,800	7,874	10,747	90,006	13,876	4,858	18,634	108,640
Professional fees	1,487	1,434	3,226	4,487	18,814	8,815	7,361	15,978	34,500
Supplies	10,307	12,250	3,051	4,966	30,573	1,728	1,010	2,738	33,311
Telecommunications, postage and shipping	3,876	1,419	368	810	6,473	1,557	1,581	3,148	9,621
Occupancy, furnishings and equipment	46,295	42,870	8,544	10,828	108,337	8,340	1,564	10,104	118,441
Printing and publications	7,843	636	358	2,023	5,980	3,879	6,448	10,127	18,107
Travel, meals and transportation	15,181	8,114	872	3,705	27,872	3,870	1,980	5,850	33,723
Specific assistance to individuals	3,658	1,722	3,633	96,842	105,853	-	-	-	105,853
World services	-	-	-	10,708	10,708	-	-	-	10,708
Interest expense	14,480	1,827	1,844	1,038	19,389	1,032	-	1,022	20,421
Depreciation	32,443	13,298	4,083	7,826	57,688	3,568	883	3,949	61,637
Other	5,483	1,541	700	3,478	11,202	1,638	786	2,424	13,626
Total expenses	\$ 293,109	\$ 205,911	\$ 83,534	\$ 264,317	\$ 794,871	\$ 83,855	\$ 42,532	\$ 126,487	\$ 901,358

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30,
(in thousands)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ (402,002)	\$ 132,071
Adjustments to reconcile change in net assets to net cash used in operating activities		
Change in fair value of interest rate swaps	72,748	(40,739)
Change in minimum liability for pension and other postretirement benefits	50,451	(93,640)
Depreciation	59,947	81,637
Realized and unrealized loss (gains) on investments	30,644	(170,649)
Change in value of split-interest agreements	8,941	709
Gain on sale/disposition of land, buildings and equipment	(2,151)	(2,231)
Legacies and bequests restricted for endowment	(1,298)	(2,888)
Contributions restricted for permanent investments and split-interest agreements	(1,259)	(11,260)
Contributions restricted for acquiring and constructing land, buildings and equipment	(2,476)	(1,585)
Changes in operating assets and liabilities		
Accounts receivable	(8,800)	486
Legacies and bequests receivable	(4,486)	6,625
Pledges receivable	(225)	1,017
Inventory	42	(484)
Prepaid expenses and deferred charges	(1,848)	(455)
Split-interest agreements	4,148	17,375
Accounts payable and accrued expenses	8,097	(97)
Conditional asset retirement obligations	467	1,030
Liability for self-insurance claims	(1,499)	(490)
Liability for pension and other postretirement benefits	26,567	37,230
Other liabilities	2,978	(1,702)
Net cash used in operating activities	<u>(159,814)</u>	<u>(67,820)</u>
Cash flows from investing activities		
Purchase of investments	(605,044)	(596,245)
Issuance of notes receivable	-	(8,802)
Proceeds from sale of investments	861,541	765,493
Proceeds from sale of land, buildings and equipment	3,913	3,743
Purchase of land, buildings and equipment	<u>(95,152)</u>	<u>(87,307)</u>
Net cash provided by investing activities	<u>165,258</u>	<u>78,882</u>
Cash flows from financing activities		
Legacies and bequests restricted for endowment	691	2,473
Contributions restricted for acquiring and constructing land, buildings and equipment	3,218	4,950
Contributions restricted for permanent investments and split-interest agreements	547	186
Payments related to split-interest agreements	(6,367)	(6,643)
Proceeds from mortgages and notes payable	515,454	742,962
Payments on mortgages and notes payable	<u>(514,475)</u>	<u>(733,258)</u>
Net cash (used in) provided by financing activities	<u>(932)</u>	<u>10,670</u>
Increase in cash and cash equivalents	4,512	21,732
Cash and cash equivalents, beginning of year	<u>129,234</u>	<u>107,502</u>
Cash and cash equivalents, end of year	<u>\$ 133,746</u>	<u>\$ 129,234</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	<u>\$ 19,726</u>	<u>\$ 20,349</u>
Accounts payable for construction projects	<u>\$ 7,475</u>	<u>\$ 4,487</u>

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

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2019 and 2018
(in thousands)

NOTE 1 PURPOSE AND ORGANIZATION

The Salvation Army, founded in 1865, is a not-for-profit international religious organization and charitable movement organized and operated on a quasi-military pattern and is a branch of the Christian Church. Its membership includes officers (clergy), soldiers and adherents (laity), members of various activity groups and volunteers who serve as advisors, associates and committed participants in its service functions.

The accompanying consolidated financial statements include all programs and operations of The Salvation Army - Eastern Territory (the "Eastern Territory") incorporated as The Salvation Army (A New York Corporation); with its corporate headquarters located in West Nyack, New York. The Eastern Territory comprises the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Ohio and Northeast Kentucky, the Commonwealth of Puerto Rico and the U.S. Virgin Islands. The Eastern Territory also consolidates other related entities in which it has an economic interest and control. The centers of operation, which are the divisional headquarters, institutions, corps community centers, service extension units and adult rehabilitation centers, maintain their own standardized financial systems and accounting records under powers of attorney granted by corporate authority, and issue such reports and financial statements as may be called for locally, pertaining to the financial and property resources which they administer. All intercompany accounts and transactions have been eliminated.

The Eastern Territory is an organization exempt from income taxes under Section 501(a) as an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and is exempt from state income taxes under related state provisions.

The Eastern Territory operates a variety of programs including corps community centers that provide spiritual, educational and recreational services; homeless and emergency shelters; senior citizens' residences, children's homes and children's day care centers; adult rehabilitation centers and substance abuse centers; emergency disaster services; assistance for the poor, disabled, and retired; jail and hospital visitation; and camping activities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the national accounting policies of The Salvation Army. These policies are consistent with accounting principles generally accepted in the United States of America ("US GAAP").

In order to observe restrictions which donors place on grants and other gifts, as well as designations made by the Board of Trustees, all assets, liabilities and activities are accounted for in the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be designated for specific purposes or locations by action of the Board of Trustees.

Net Assets With Donor Restrictions – Net assets that are subject to donor-imposed restrictions that will be fulfilled either by actions of the Eastern Territory or the passage of time or that include a stipulation that assets provided be retained and invested permanently while permitting the Eastern Territory to use all or part of the investment return on these assets for specified or unspecified purposes.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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Cash and Cash Equivalents

For purposes of these consolidated financial statements, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents do not include cash held for reinvestment which is included in investments. At September 30, 2019 and 2018, cash equivalents included \$20,811 and \$20,360, respectively, held in a money market account at a commercial bank as collateral for letters of credit for insurance purposes (see Note 18).

Pledges Receivable

Unconditional pledges receivable are recorded at net realizable value. Pledges receivable that are expected to be collected after one year are recorded at the present value of estimated future cash flows and discounted using a credit-adjusted discount rate applicable to the year in which the pledge was made. Amortization of the discount is recorded as additional contribution revenue. An allowance for uncollectible pledges receivable is based on management's judgment, including such factors as prior collection history, subsequent collections, creditworthiness of donor and nature of fundraising activity. Pledges are written off when determined to be uncollectible. Conditional pledges receivable are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Inventory

Inventory for goods purchased for resale is stated at the lower of weighted average cost or market. Inventory for goods donated for resale is recorded based on estimated fair value.

Investments

Investments are recorded at fair value. Investment return includes interest and dividends and realized and unrealized appreciation (depreciation). Investment expenses, such as custodial fees, investment advisory fees and direct internal investment expenses involving the direct conduct or direct supervision of the strategic and tactical activities involved in generating investment return, are netted against investment return in the accompanying consolidated statements of activities.

The Eastern Territorial headquarters has the responsibility for investment activity for all units within the Eastern Territory. The portfolios related to net assets with donor restrictions are maintained on a pooled "mutual fund" accounting basis, with the net investment return being allocated to each participating account on a pro rata basis. Investment return earned on portfolios related to net assets without donor restrictions is distributed to the constituent accounts on the basis of a stated percentage of the monthly account balances during the year. Amounts so deposited may be withdrawn when required for use by the centers of operation.

Charitable gift annuities are maintained in a separate portfolio and are invested in accordance with applicable state laws for such monies. The Eastern Territory maintains assets sufficient to meet annuity requirements of various state laws.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Split-Interest Agreements

Accounting standards require that the following instruments be recorded as income and net assets at the present value of their ultimate Eastern Territory interest:

Trusts Held by a Third Party

Donors have established and funded trusts which are administered by organizations other than the Eastern Territory. Under the terms of these trusts, the Eastern Territory has the irrevocable right to receive all or a portion of the income earned on the trust assets either in perpetuity or for the life of the trust. The Eastern Territory does not control the assets held by an outside trustee. The Eastern Territory records its beneficial interest in trusts held by a third party as increases in net assets with donor restrictions at the fair value of the assets contributed to the trust.

Distributions from trust assets that are free of purpose or time restrictions are recorded as net assets without donor restrictions. Distributions from trust assets that are restricted for a particular time or purpose are reported as net assets with donor restrictions and released from restrictions when the time has elapsed or the purpose has been satisfied. Adjustments to the beneficial interest to reflect changes in the fair value are reported in the consolidated statement of activities as a change in value of split-interest agreements.

Charitable Remainder Trusts

Donors have established and funded trusts under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. Upon termination of the trusts, the Eastern Territory receives the assets remaining in the trusts. Trusts are recorded as increases to net assets with donor restrictions at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trust on the date of the contribution using the Annuity 2012 mortality table. The discount rates ranged from 1.8% to 10.0% at September 30, 2019 and 2018.

Charitable Gift Annuities

Donors have contributed assets to the Eastern Territory in exchange for a promise by the Eastern Territory to pay a fixed amount or percentage for a specified period of time to the donors or to individuals or organizations designated by the donors. Under the terms of such agreements no trust exists as the assets received are held by, and the annuity liability is an obligation of, the Eastern Territory. Contribution revenue is recognized as increases to net assets with or without donor restrictions based on the existence or absence of donor-imposed restrictions and recorded at the fair value of the assets contributed, less the present value of the estimated future payments to be made under the specific terms of the agreement on the date of the contribution.

The discount rates ranged from 1.2% to 10.6% at September 30, 2019 and 2018. In fiscal years 2019 and 2018, the assumptions used in the valuation of the annuity liability include mortality data in accordance with the Annuity 2012 mortality table.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Pooled (Life) Income Funds

The Eastern Territory manages a life income fund. The fund is divided into units, and contributions from many donors are pooled and invested as a group. Donors are assigned a specific number of units based on the proportion of the fair value of their contributions to the total fair value of the pooled income fund on the date of the donor's entry into the pooled fund. The donor is paid the actual income earned on those units until his or her death. Upon the donor's death, the value of these assigned units reverts to the Eastern Territory.

The Eastern Territory recognizes its interest in the assets received as contribution revenue with donor restrictions, at the fair value of the assets received net of a discount for future interest based on the life expectancy of the donor. The contribution revenue net of this discount is recorded as contributions from split-interest agreements.

The discount rates ranged from 2.7% to 11.2% at September 30, 2019 and 2018. In fiscal years 2019 and 2018, the assumptions used in the valuation of the liability include mortality data in accordance with the Annuity 2012 mortality table.

Land, Buildings and Equipment

Land, buildings and equipment (with a purchase price of \$10 or more) are stated at cost or, if donated, at fair value at the date of donation.

Revenue Recognition

All items of support and revenue are stated on the accrual basis.

Support and revenue are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions that are not fulfilled in the accounting period. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. All expenses are reported as decreases in net assets without donor restrictions.

Contributions subject to donor-imposed restrictions are recorded as revenue with donor restrictions. When the donor-imposed restriction has been fulfilled or the stipulated time period has elapsed, the net assets are reclassified as net assets without donor restrictions and reported as net assets released from restrictions. Contributions with restrictions that are met during the fiscal year in which they are received are recorded as revenue without donor restrictions. Conditional promises to give and intentions to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the Eastern Territory recognizes revenue when control of the promised goods or services are transferred to outside parties in an amount that reflects the consideration the Eastern Territory expects to be entitled to in exchange for those goods or services. Revenue for sales to public is recognized at the point in time of the sales transaction. Program and service fees are recognized as the services are rendered.

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The Eastern Territory recognizes revenue from grants and contracts in accordance with Accounting Standards Update ("ASU") 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. In accordance with ASU 2018-08, the Eastern Territory evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Eastern Territory applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the Eastern Territory evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Eastern Territory is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Donations-in-Kind and Contributed Services

Material gifts-in-kind items used in the Eastern Territory's Corps and Unit programs and services (e.g., vehicles, free rent, and equipment, etc.) and donated goods distributed (e.g., clothing, furniture, and foodstuffs, etc.) are recorded at their estimated fair value as income when received and expense at the time the items are placed into service or distributed.

Goods donated for sale in the Eastern Territory's adult rehabilitation centers and thrift stores are recorded as contributions and processed donations-in-kind on the basis of a percentage of sales income determined by appraisal studies.

Contributed land, buildings and equipment are recorded at fair value at the date of donation as support and revenue without donor restrictions unless the use of such contributed assets is restricted by a donor-imposed restriction.

Contributed services are reported as contributions at their fair value if such services 1) create or enhance nonfinancial assets, or 2) they would typically need to be purchased if not provided by contribution, require specialized skills and are provided by individuals possessing such specialized skills. In addition, the appropriate value of donated services of individuals is recorded as an expense when such services qualify for cost reimbursement from third-party providers.

The Eastern Territory has a significant number of volunteers who contribute meaningful amounts of time in furtherance of the Eastern Territory's mission. Such contributions do not meet generally accepted accounting criteria for recognition as contributed services and, accordingly, are not reflected in the consolidated statement of activities.

Expenses

All expenses are stated on the accrual basis and are presented in the accompanying consolidated statements of activities and functional expenses. Expenses directly attributable to a specific functional category are reported as expenses of those functional categories. Expenses attributable to more than one functional category are allocated across program services and supporting services using a variety of cost allocation techniques. These techniques include the allocation of occupancy, furnishings and equipment, and depreciation expenses based on calculated use of the square footage of buildings. Salaries, allowances and taxes and employee and officer benefits are allocated based on an employee's time attributable to specific program and supporting services. Other expenses not attributed directly to a specific functional category are allocated based on the benefit attributed to each functional category.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Depreciation

Depreciation is provided on buildings, vehicles and equipment at straight-line rates based on estimated service lives. The estimated service lives for buildings and improvements are 20-50 years and 4-20 years for vehicles and equipment. For buildings, a half year of depreciation is charged in the year of acquisition or completion of construction, and in the year of disposition. For vehicles and equipment, a full year of depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposition.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Reclassification

Certain information in the fiscal 2018 consolidated financial statements has been reclassified to conform to the fiscal 2019 presentation.

NOTE 3 RECENT ACCOUNTING PRONOUNCEMENTS

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). The ASU amends the current reporting model for not-for-profit organizations and requires certain additional disclosures. The significant changes include:

- Requiring the presentation of two net asset classes classified as "net assets without donor restrictions" and "net assets with donor restrictions";
- Modifying the presentation of underwater endowment funds and related disclosures;
- Requiring the use of the placed-in-service approach to recognize the satisfaction of restrictions on gifts used to acquire or construct long-lived assets, absent explicit donor stipulations otherwise;
- Requiring an analysis of expenses by function and nature in a separate statement or in the notes to the consolidated financial statements;
- Requiring disclosure of quantitative and qualitative information on liquidity;
- Presenting investment return net of external and direct internal investment expenses; and
- Modifying other consolidated financial statement reporting requirements and disclosures intended to increase the usefulness to the reader.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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As required by the ASU, the Eastern Territory adopted ASU 2016-14 as of and for the year ended September 30, 2019. A summary of net asset reclassification impacted by the adoption of ASU 2016-14 as of September 30, 2018 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, as previously presented			
Unrestricted	\$ 1,532,876	\$ -	\$ 1,532,876
Temporarily restricted	-	457,071	457,071
Permanently restricted	-	647,024	647,024
Net assets as previously presented	<u>1,532,876</u>	<u>1,104,095</u>	<u>2,636,971</u>
Reclassification of underwater endowments	-	-	-
Net assets, as currently presented	<u>\$ 1,532,876</u>	<u>\$ 1,104,095</u>	<u>\$ 2,636,971</u>

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (ASC 606), which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The Eastern Territory adopted ASC 606 on October 1, 2018. The results of applying ASC 606 using the modified retrospective approach did not have a material impact on the consolidated financial position, changes in net assets, cash flows, business processes, controls or systems of the Eastern Territory.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which requires organizations to determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If the agreement (or a referenced document) includes both, the recipient is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. The Eastern Territory adopted ASU No. 2018-08 for the year ended September 30, 2019.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for the Eastern Territory for fiscal year 2020. In April 2020, the FASB issued a proposed ASU that would allow certain entities the option to defer the adoption of ASU 2016-02 by one year. As of the date the consolidated financial statements were issued, the proposed amendments are pending. The

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Eastern Territory is in the process of evaluating the impact this standard will have on the consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, *Compensation Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The new guidance improves the presentation of net periodic pension cost and net period postretirement benefit cost ("Benefit Costs") by requiring an employer to report the service cost component with the other components of employee compensation costs in operating expenses while the other components will be reported in nonoperating activities. While this guidance changes the presentation of Benefit Costs in the consolidated statement of activities, it does change the rules over how the costs are measured. ASU No. 2017-07 is effective for the Eastern Territory for fiscal year 2020. The Eastern Territory is in the process of evaluating the impact this standard will have on the consolidated financial statements.

NOTE 4 PLEDGES RECEIVABLE, NET

Pledges receivable, net, at September 30, 2019 and 2018 include the following:

	2019	2018
Pledges receivable due in:		
Less than one year	\$ 2,433	\$ 3,188
One year to five years	1,030	506
Thereafter	-	526
	3,463	4,220
Discount to present value	(48)	(59)
Allowance for uncollectibles	(1,006)	(1,235)
Pledges receivable, net	\$ 2,409	\$ 2,926

At September 30, 2019 and 2018, the interest rates used to discount pledges receivable to present value ranged from 0.23% to 2.81% and 0.23% to 2.91%, respectively.

During fiscal years 2019 and 2018, the Eastern Territory received notification of certain intentions to give. However, due to their conditional nature, these gifts have not been reflected in the accompanying consolidated financial statements.

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September 30, 2019 and 2018
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NOTE 5 INVESTMENTS

Investments, at fair value, consisted of the following at September 30, 2019 and 2018:

	2019	2018
Marketable securities:		
Short-term securities	\$ 46,684	\$ 61,540
Corporate bonds and other fixed income securities	172,697	167,264
Government securities	121,546	129,859
Equity securities	613,705	662,641
Total marketable securities	954,632	1,021,304
Alternative investments:		
Private equity	164,558	141,622
Timber	74,552	84,770
Real estate	80,194	106,219
Hedge funds	312,327	449,802
Commingled funds	580,452	647,889
Commodities	37,477	35,009
Total alternative investments	1,249,560	1,465,311
Receivables for securities sold	68,216	33,655
Liabilities for securities purchased	(109,398)	(68,491)
Accrued income	2,635	3,171
Total investments, at fair value	\$ 2,165,645	\$ 2,454,950

Depending on the underlying asset, the fair value is determined through a national exchange price for securities with a readily determinable value or by valuations and estimates typically determined by the underlying asset manager. Although the majority of these investment values are determined through national exchanges, certain investment values may differ from the values that would have been used had a ready market for these investments existed and the differences could be material. The financial statements of these investments are audited annually (typically at December 31) by independent auditors.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Investment return, net, for the years ended September 30, 2019 and 2018 consists of the following:

	2019	2018
Dividends and interest	\$ 44,414	\$ 47,653
Realized and unrealized (loss) gains, net	(30,644)	170,649
Investment fees	(19,094)	(16,175)
Investment return, net	<u>\$ (5,324)</u>	<u>\$ 202,127</u>

NOTE 6 FAIR VALUE MEASUREMENTS

US GAAP defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

US GAAP establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This fair value hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on inputs as follows:

Level 1 - Quoted market prices for identical assets or liabilities to which an entity has access at the measurement date.

Level 2 - Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets;
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the asset or liability; and
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 - Inputs that are unobservable and significant to the overall fair value measurement of the asset or liability.

The Eastern Territory has segregated all financial assets and liabilities that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value, except for those investments and assets of trusts administered by the Eastern Territory that are measured at fair value using the net asset value ("NAV") per share practical expedient.

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September 30, 2019 and 2018
(in thousands)

The following table serves to prioritize the inputs used to value the Eastern Territory's financial assets and liabilities within the fair value hierarchy as of September 30, 2019:

	Level 1	Level 2	Level 3	Net Asset Value	Total
ASSETS					
Marketable securities:					
Short-term securities	\$ 43,041	\$ 3,843	\$ -	\$ -	\$ 46,884
Corporate bonds and other fixed income securities	3,961	188,736	-	-	172,697
Government securities	38,822	84,724	-	-	121,546
Equity securities	613,519	186	-	-	613,705
Total marketable securities	697,343	257,289	-	-	954,632
Alternative investments	-	-	23,346	1,226,214	1,249,560
Total investments *	697,343	257,289	23,346	1,226,214	2,204,192
Spill-Interest agreements:					
Assets of trusts administered by the Eastern Territory					
Cash and cash equivalents	2,182	-	-	-	2,182
Equity securities	36	-	-	-	36
Exchange-traded fund	1,848	-	-	-	1,848
Mutual fund	3,414	-	-	-	3,414
Common trust funds	-	-	-	84,915	84,915
Total assets of trusts administered by the Eastern Territory	7,260	-	-	84,915	92,175
Interests in trusts held by others	-	-	231,078	-	231,078
Total spill-Interest agreements	7,260	-	231,078	84,915	323,253
Total assets	\$ 704,603	\$ 257,289	\$ 254,424	\$ 1,311,129	\$ 2,627,445
LIABILITIES					
Interest rate swaps	\$ -	\$ 151,303	\$ -	\$ -	\$ 151,303
Total liabilities	\$ -	\$ 151,303	\$ -	\$ -	\$ 151,303

- * Excluded from the summary of investments but included in the Eastern Territory's investments are pending trade receivables, pending trade payables and accrued income.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

The following table serves to prioritize the inputs used to value the Eastern Territory's financial assets and liabilities within the fair value hierarchy as of September 30, 2018:

	Level 1	Level 2	Level 3	Net Asset Value	Total
ASSETS					
Marketable securities:					
Short-term securities	\$ 50,025	\$ 11,515	\$ -	\$ -	\$ 61,540
Corporate bonds and other fixed income securities	5,708	181,558	-	-	187,264
Government securities	47,937	81,922	-	-	129,859
Equity securities	662,340	301	-	-	662,641
Total marketable securities	<u>766,008</u>	<u>255,296</u>	<u>-</u>	<u>-</u>	<u>1,021,304</u>
Alternative investments	-	-	23,708	1,441,603	1,465,311
Total investments *	<u>766,008</u>	<u>255,296</u>	<u>23,708</u>	<u>1,441,603</u>	<u>2,486,615</u>
Spill-interest agreements:					
Assets of trusts administered by the Eastern Territory					
Cash and cash equivalents	2,432	-	-	-	2,432
Equity securities	33	-	-	-	33
Exchange-traded fund	1,597	-	-	-	1,597
Mutual fund	3,757	-	-	-	3,757
Common trust funds	-	-	-	87,764	87,764
Total assets of trusts administered by the Eastern Territory	<u>7,819</u>	<u>-</u>	<u>-</u>	<u>87,764</u>	<u>95,583</u>
Interests in trusts held by others	-	-	232,853	-	232,853
Total spill-interest agreements	<u>7,819</u>	<u>-</u>	<u>232,853</u>	<u>87,764</u>	<u>328,430</u>
Total assets	<u>\$ 773,827</u>	<u>\$ 255,296</u>	<u>\$ 256,561</u>	<u>\$ 1,529,367</u>	<u>\$ 2,815,061</u>
LIABILITIES					
Interest rate swaps	\$ -	\$ 78,555	\$ -	\$ -	\$ 78,555
Total liabilities	<u>\$ -</u>	<u>\$ 78,555</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,555</u>

* Excluded from the summary of investments but included in the Eastern Territory's investments are pending trade receivables, pending trade payables and accrued income.

The following are rollforwards of Level 3 financial assets for the years ended September 30, 2019 and 2018:

	Beginning Balance as of October 1, 2018	Purchases/ Additions	Sales/ Distributions	Net Realized and Unrealized Gains (Losses)	Ending Balance as of September 30, 2019
Real estate alternative investment	\$ 23,708	\$ 3,464	\$ (6,830)	\$ 3,004	\$ 23,346
Interests in trusts held by others	232,853	11,337	(5,739)	(7,373)	231,078
	<u>\$ 256,561</u>	<u>\$ 14,801</u>	<u>\$ (12,569)</u>	<u>\$ (4,369)</u>	<u>\$ 254,424</u>
	Beginning Balance as of October 1, 2017	Purchases/ Additions	Sales/ Distributions	Net Realized and Unrealized Gains	Ending Balance as of September 30, 2018
Real estate alternative investment	\$ 18,681	\$ -	\$ (470)	\$ 5,497	\$ 23,708
Interests in trusts held by others	225,208	16,771	(14,147)	5,021	232,853
	<u>\$ 243,889</u>	<u>\$ 16,771</u>	<u>\$ (14,617)</u>	<u>\$ 10,518</u>	<u>\$ 256,561</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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Net realized and unrealized gains in the table above are reflected in the accompanying consolidated statements of activities and included as part of investment return, net, and change in value of split-interest agreements.

The Eastern Territory uses the NAV per share or its equivalent as a practical expedient to determine the fair value of all the underlying investments, which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

The following table lists investments valued at NAV per share or its equivalent, by major category, at September 30, 2019:

	Strategy	NAV in Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Private Equity	Venture and buyout in the U.S. and International	\$ 164,558	20	1 - 12 years	\$ 95,093	No liquidity	N/A
Real Estate	Real Estate	56,848	9	8 funds 1 - 10 years, 1 fund N/A	32,885	Quarterly for 1 fund, No liquidity for remaining funds	N/A
Timber	Holdings of timber producing property	74,552	8	1 - 3 years	-	No liquidity	N/A
Commingled Funds	Distressed asset funds and credit strategies	3,876	1	2 years	760	No liquidity	N/A
Commingled Funds	Global funds	576,576	10	9 funds N/A, 1 fund pending liquidation	2,248	Monthly for 3 funds, Quarterly for 4 funds, 1 fund pending liquidation	3 funds have redemption gates
Commodities	Energy, Metals, Agriculture	37,477	3	1 fund 3 years, 2 funds 6-8 years	15,338	No liquidity	N/A
Hedge Funds	U.S. and Global Long/ Short-Term Equities	\$12,327	12	1 fund 14 years, 8 funds N/A 5 funds pending liquidation	-	Monthly for 3 funds, Quarterly for 2 funds, Annual for 1 fund, Biannual for 1 fund, 5 funds pending liquidation	2 funds have redemption gates
Common Trust Funds	Track or exceed certain U.S. and international equity and fixed income indices	64,816	9	N/A	-	Daily liquidity	N/A
	Total	\$ 1,311,128	71		\$ 149,312		

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

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The following table lists investments valued at NAV per share or its equivalent, by major category, at September 30, 2018:

		2018					
	Strategy	NAV In Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Private Equity	Venture and buyout in the U.S. and International	\$ 141,822	19	1 - 9 years	\$ 79,679	No liquidity	N/A
Real Estate	Real Estate	82,511	9	8 funds 1 - 11 years, 1 fund N/A	43,495	Quarterly for 1 fund, No liquidity for remaining funds	N/A
Timber	Holdings of timber producing property	84,770	8	1 - 4 years	-	No liquidity	N/A
Commingled Funds	Distressed asset funds and credit strategies	4,430	1	1 year	750	No liquidity	N/A
Commingled Funds	Global funds	643,459	10	1 fund terminates May 2019, 9 funds N/A	2,248	Monthly for 5 funds, Quarterly for 4 funds, No liquidity for 1 fund	1 year lock up for 1 fund; 3 funds have redemption gates
Commodities	Energy, Metals, Agriculture	35,009	3	1 fund 4 years, 2 funds 7 - 9 years	22,213	No liquidity	N/A
Hedge Funds	U.S. and Global Long/ Short-Term Equities	449,802	13	1 fund 15 years, 6 funds N/A 6 funds pending liquidation	-	Monthly for 3 funds, Quarterly for 2 funds, Annual for 1 fund, Biannual for 1 fund, 6 funds pending liquidation	2 funds have redemption gates
Common Trust Funds	Track or exceed certain U.S. and international equity and fixed income indices	87,784	8	N/A	-	Daily liquidity	N/A
	Total	<u>\$ 1,629,367</u>	<u>71</u>		<u>\$ 148,385</u>		

NOTE 7 PENSION, RETIREMENT AND OTHER POSTRETIREMENT PLANS

Employee Pension Plans

Eligible employees participate in the Employee Pension Plan (the "Plan") with other Salvation Army Territories which provides for death, disability and retirement benefits. The Plan is a defined contribution, money purchase plan.

Annual contributions to the Plan for the Eastern Territory are based on a stipulated 6% of employees' salaries. In fiscal years 2019 and 2018, the Eastern Territory incurred \$8,990 and \$9,110 of expenses under this plan, net of employee forfeitures of \$2,368 and \$2,186, respectively. The Eastern Territory has recorded a liability for contributions accrued under the Plan of \$2,193 and \$2,383 as of September 30, 2019 and 2018, respectively, and are included on the accompanying consolidated statements of financial position as part of liability for pension and other postretirement benefits.

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The Eastern Territory has board-designated assets of \$4,371 and \$4,687 as of September 30, 2019 and 2018, respectively, for an inactive money purchase pension plan for employees whose benefits were frozen as of April 30, 1977. The liability for benefits accrued under this plan of \$4,371 and \$4,687 as of September 30, 2019 and 2018, respectively, are included on the accompanying consolidated statements of financial position as part of liability for pension and other postretirement benefits.

Officers Retirement Provisions and Other Post-Retirement Benefits

The Eastern Territory has a noncontributory retirement provision for officers which provides retirement benefits, as defined by The Salvation Army policy governing such benefits. Retirement allowances are determined based upon active officer allowances and length of service.

They are self-funded principally by annual assessments to all centers of operation, by designated portions of legacy income, by earnings on assets designated for retirement benefits and by special appropriations. Such designated assets, which were \$22,982 and \$26,739 as of September 30, 2019 and 2018, respectively, are included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

The Eastern Territory also provides certain healthcare and death benefits for retired Salvation Army officers as part of the retirement provision for officers. The Eastern Territory also provides a housing and furnishings allowance at the time of retirement. All Eastern Territory officers and their eligible dependents are eligible for these benefits, as defined by the Eastern Territory policy. Provisions for these benefits are self-funded in a manner similar to officers' retirement benefits. Such designated assets, which were \$73,809 and \$79,723 as of September 30, 2019 and 2018, respectively, are included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

The following table summarizes the benefit obligations, fair value of plan assets, funded status, and accrued benefit cost of the plans reported on the consolidated statements of financial position at September 30, 2019 and 2018:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Benefit obligation, beginning of year	\$ 291,568	\$ 363,654	\$ 305,441	\$ 405,925
Service cost	8,315	12,110	8,975	14,113
Interest cost	12,085	15,311	11,563	15,951
Assumption changes	33,838	46,992	(17,457)	(22,459)
Actuarial loss (gain)	2,745	(28,383)	(2,054)	(40,451)
Benefit payments	(15,463)	(9,826)	(14,900)	(9,425)
Benefit obligation, end of year	<u>\$ 332,888</u>	<u>\$ 399,858</u>	<u>\$ 291,568</u>	<u>\$ 363,654</u>
Fair value of plan assets at September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funded status at September 30	<u>\$ (332,888)</u>	<u>\$ (399,858)</u>	<u>\$ (291,568)</u>	<u>\$ (363,654)</u>
Accrued benefit cost	<u>\$ 307,611</u>	<u>\$ 350,581</u>	<u>\$ 271,689</u>	<u>\$ 332,725</u>

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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The amounts reflected above as assumption changes, which served to increase the fiscal year 2019 benefit obligations of the plans by \$80,630, is primarily due to a decrease in the discount rates commensurate with lower long-term interest rates. The amount reflected above as an actuarial gain, which served to decrease the fiscal year 2019 benefit obligation of the postretirement plan by \$28,383, is primarily due to differences between actual and expected plan experience relating to claims paid and demographic changes.

In December 2019, Congress passed the 2020 Further Consolidated Appropriations Act (the "Act") which repealed the Cadillac Tax, a tax on high-cost health care plans that was originally passed as a provision of the Affordable Care Act. Since the Act was enacted subsequent to September 30, 2019, the Eastern Territory's postretirement benefit obligation does not incorporate the impact of the change in law. However, had the Act been in effect as of September 30, 2019, the Eastern Territory's postretirement benefit obligation would have been reduced by approximately 5%.

The amount of contributions and benefit payments from the plans for the years ended September 30, 2019 and 2018 were:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Employer contributions	\$ 15,463	\$ 9,826	\$ 14,900	\$ 9,425
Participant contributions	-	-	-	-
Benefit payments	<u>\$ 15,463</u>	<u>\$ 9,826</u>	<u>\$ 14,900</u>	<u>\$ 9,425</u>

The following table provides the components of the net periodic benefit cost recognized as expense for the years ended September 30, 2019 and 2018:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Service cost	\$ 8,315	\$ 12,110	\$ 8,975	\$ 14,113
Interest cost	12,085	15,311	11,563	15,951
Amortization of unrecognized:				
Prior service cost	1,477	261	2,384	261
Net actuarial loss	2,803	-	4,508	4,066
Net periodic benefit cost	<u>\$ 24,680</u>	<u>\$ 27,682</u>	<u>\$ 27,430</u>	<u>\$ 34,391</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
September 30, 2019 and 2018
(in thousands)

For the years ended September 30, 2019 and 2018, the change in estimated additional minimum liability for retirement and other post-retirement benefits consisted of:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Net actuarial loss (gain)	\$ 36,383	\$ 18,609	\$ (19,510)	\$ (62,911)
Amortization of net actuarial loss	(2,803)	-	(4,508)	(4,086)
Amortization of prior service cost	(1,477)	(261)	(2,384)	(261)
	<u>\$ 32,103</u>	<u>\$ 18,348</u>	<u>\$ (26,402)</u>	<u>\$ (67,238)</u>

Items not yet recognized as a component of net periodic benefit cost as of September 30, 2019 and 2018 consisted of:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Unrecognized actuarial loss	\$ 101,451	\$ 47,565	\$ 67,870	\$ 28,956
Unrecognized prior service cost	14,035	1,710	15,513	1,971
	<u>\$ 115,486</u>	<u>\$ 49,275</u>	<u>\$ 83,383</u>	<u>\$ 30,927</u>

The estimated net actuarial loss and prior service cost for the defined benefit pension plan that will be amortized from net assets without donor restrictions into the net periodic benefit cost during the next fiscal year are \$4,793 and \$1,422, respectively. The estimated net actuarial loss and prior service cost for the postretirement benefit plan that will be amortized from net assets without donor restrictions into the net periodic benefit cost during the next fiscal year are \$533 and \$212, respectively.

The weighted-average rates used in the measurement of the benefit obligations as of September 30, 2019 and 2018, were as follows:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Discount rate	3.24%	3.34%	4.24%	4.27%
Rate of compensation increase	2.50%	N/A	2.50%	N/A
Expected rate of return on plan assets	N/A	N/A	N/A	N/A

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Other actuarial assumptions used as of September 30, 2019 and 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Initial healthcare cost trend rate:		
Pre-65	7.02%	7.38%
Post-65	7.52%	7.92%
Ultimate healthcare cost trend rate:		
Pre-65	4.50%	4.50%
Post-65	4.50%	4.50%
Year ultimate healthcare cost trend rate is achieved	2028/2028	2026/2026

The weighted-average rates used in the measurement of the net periodic benefit cost for the years ended September 30, 2019 and 2018, were as follows:

	<u>2019</u>		<u>2018</u>	
	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>
Discount rate	4.24%	4.27%	3.88%	3.98%
Rate of compensation increase	2.50%	N/A	2.50%	N/A

Other actuarial assumptions used for the years ended September 30, 2019 and 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Initial healthcare cost trend rate:		
Pre-65	7.38%	6.96%
Post-65	7.92%	8.18%
Ultimate healthcare cost trend rate:		
Pre-65	4.50%	4.50%
Post-65	4.50%	4.50%
Year ultimate healthcare cost trend rate is achieved	2026/2026	2026/2025

For the year ended September 30, 2019, the effect of a 1% change in the healthcare cost trend rate was as follows:

	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on net periodic benefit cost	\$ 6,567	\$ (4,907)
Effect on accumulated benefit obligation	80,340	(62,221)

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

The estimated future benefit payments as of September 30, 2019, were projected to be as follows:

<u>Fiscal Year</u>	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>
2020	\$ 14,866	\$ 10,389
2021	13,159	11,162
2022	14,748	11,485
2023	15,209	12,140
2024	17,295	12,778
2025 - 2029	99,736	78,007

Because the plans are unfunded, the estimated future benefit payments also represent the expected contributions to the plans for that year.

NOTE 8 ESTIMATED LIABILITY FOR SELF-INSURANCE CLAIMS

Officers and employees of the Eastern Territory are provided health benefits under a self-insured program which is administered by a third-party claims administrator. The employee medical plan is funded by employee contributions and annual assessments to all centers of operations.

The Eastern Territory also maintains self-insurance programs for general liability, automobile, workers' compensation, and property coverage. The programs are administered by the Eastern Territory Headquarters and are intended to provide coverage for claims arising in all centers of operations. Funding for these programs is obtained through assessments to all centers of operations for each line of coverage and through earnings on designated assets held to pay claims. Assets designated by the Eastern Territory's Board of Trustees for insurance programs amounted to \$57,333 and \$57,778 at September 30, 2019 and 2018, respectively, and were included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

Liabilities for self-insurance claims have been developed based on an actuarial model based on historical claims and industry experience. As of September 30, 2019 and 2018, the actuarially determined liabilities consisted of the following:

<u>2019</u>	<u>Case Reserve</u>	<u>Incurred But Not Reported</u>	<u>Total</u>
Officer and Employee Medical Plan	\$ 203	\$ 9,269	\$ 9,472
General liability, automobile, workers' compensation and property coverage	<u>22,315</u>	<u>28,525</u>	<u>50,840</u>
Total liability for self-insurance claims	<u>\$ 22,518</u>	<u>\$ 37,794</u>	<u>\$ 60,312</u>

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

<u>2018</u>	<u>Case Reserve</u>	<u>Incurred But Not Reported</u>	<u>Total</u>
Officer and Employee Medical Plan	\$ 304	\$ 9,903	\$ 10,207
General liability, automobile, workers' compensation and property coverage	<u>23,641</u>	<u>27,963</u>	<u>51,604</u>
Total liability for self-insurance claims	<u>\$ 23,945</u>	<u>\$ 37,866</u>	<u>\$ 61,811</u>

NOTE 9 MORTGAGES AND NOTES PAYABLE**Notes Payable**

On August 16, 2007, the Eastern Territory issued an offering memorandum for the sale and issuance of up to \$400,000 of Taxable Commercial Paper Notes (the "Notes") for the purpose of real estate acquisitions and facilities construction. The Notes were split into two Series, the Series 2007A Notes and the Series 2007B Notes, and were purchased or the sale arranged by JPMorgan Chase Securities, Inc. ("JPMorgan") and Merrill Lynch & Co. Inc. ("Merrill Lynch"), respectively, the dealers in the transactions. The Series 2007A Notes were sold at a discount with the face amount payable at maturity and the Series 2007B Notes were offered at both a discount and at par with the face amount payable at maturity and both series are interest bearing. The Notes carry maximum maturities of 270 days and may be issued in denominations of \$100 or in integral multiples of \$1 in excess of \$100. The Notes are unsecured general obligations of the Eastern Territory. Deutsche Bank Trust Company Americas was the issuing and paying agent.

On August 22, 2007, \$100,000 of Series 2007A Notes and \$60,000 of Series 2007B Notes were issued. On September 11, 2008, an additional \$35,000 of Series 2007A Notes and \$40,000 of Series 2007B Notes were issued. On October 15, 2009, an additional \$50,000 of Series 2007A Notes was issued. On October 9, 2010, the Eastern Territory issued an additional \$35,000 of Series 2007A Notes and \$25,000 of Series 2007B Notes. Deutsche Bank Trust Company Americas was the issuing and paying agent. On August 13, 2013, U.S. Bank Global Corporate Trust Services became the issuing and paying agent.

On November 29, 2011, the Eastern Territory entered a credit agreement with U.S. Bank for two term loans in accordance with its long-term financing strategy. The first term loan ("Term Loan A") of \$45,000 with a repayment term of 54 months was due and payable in full on December 1, 2019. On February 6, 2019, the credit agreement was amended to extend the loan maturity date to July 1, 2022. Proceeds were used to pay down \$45,000 of Series 2007B Notes issued in 2007. The second term loan ("Term Loan B") of \$55,000 with a repayment term of 10 years is due and payable in full on November 29, 2021. The loans bear interest daily at a per annum rate equal to one-month LIBOR plus the applicable margin, which amount to 0.40% (0.50% prior to December 28, 2018) and 0.80% for Term Loan A and Term Loan B, respectively. At September 30, 2019 and 2018, the Eastern Territory had a combined principal balance outstanding of \$100,000 for Term Loans A and B. Term Loans A and B are unsecured general obligations of the Eastern Territory. The interest rates on Term Loans A and B were 2.500% and 2.900%, respectively, at September 30, 2019 and 2.604% and 2.904%, respectively, at September 30, 2018.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

On May 24, 2012, the Eastern Territory entered into a credit agreement with TD Bank for a term loan in accordance with its long-term financing strategy. The term loan ("TD Term Loan") of \$100,000 with a repayment term of 10 years is due and payable in full on May 24, 2022. Proceeds were used to retire \$20,000 of Series 2007A Notes issued in 2007 and \$50,000 of Series 2007B Notes issued in 2007 and 2008. On June 5, 2012, \$14,000 of Series 2007B Notes issued in 2008 and 2010 were paid down and not reissued and on July 6, 2012, an additional \$16,000 of Series 2007B Notes issued in 2008 and 2010 were paid down and not reissued. The loan bears interest daily at a per annum rate equal to one-month LIBOR plus an applicable margin of 1.0%. At September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$100,000. The interest rate on the TD Term Loan was 3.100% and 3.104% at September 30, 2019 and 2018, respectively.

On February 17, 2016, the Eastern Territory issued a Supplement to the Offering Memorandum dated April 16, 2015 (the "Supplement"). As set forth in the Supplement, the Eastern Territory reduced the principal amount of the Series 2007A Notes to \$100,000, and issued a new series of commercial paper notes in an amount up to \$100,000, which was denoted as Taxable Commercial Paper Notes, Series 2016A. J.P. Morgan Securities LLC, the dealer with respect to the 2007A Notes, serves as dealer with respect to the Series 2016A Notes. JPMorgan Chase Bank, N.A. provided \$100,000 of liquidity for the payment of maturing principal of the Series 2016A Notes pursuant to the terms of a Revolving Loan Agreement. The Series 2016A Notes carry maximum maturities of 270 days and may be issued in denominations of \$100 or in integral multiples of \$1 in excess of \$100. The Series 2016A Notes are unsecured general obligations of the Eastern Territory. U.S. Bank National Association is the issuing and paying agent.

As of September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$198,810, net of discount \$1,190, and a principal balance of \$198,791, net of discount of \$1,209, respectively, for Series 2007A and Series 2016A Notes. During fiscal years 2019 and 2018, interest rates on the Series 2007A and Series 2016A Notes ranged from 1.92% to 2.80% and 1.27% to 2.30%, respectively.

Total interest expense related to the long-term financing strategy for the years ended September 30, 2019 and 2018 was \$18,807 and \$19,270, respectively. Included in this amount are net payments to counterparties related to interest rate swap agreements (see Note 10) of \$7,837 and \$10,669 for the years ended September 30, 2019 and 2018, respectively.

Mortgages Payable

United States Department of Housing and Urban Development

The Eastern Territory is obligated under various mortgages payable, which represent liabilities to the United States Department of Housing and Urban Development ("HUD") related to the purchase of land and construction of buildings for senior citizens' residences as well as for transitional and emergency shelter programs.

Funding from HUD has been in the form of mortgage notes and capital advances, some of which bear interest expense and for which repayment is not required as long as the Eastern Territory operates the programs stipulated by HUD. At the end of a 40-year period, the mortgage notes and capital advances payable to HUD are to be forgiven by HUD assuming that terms of the agreement are satisfied. Mortgages payable and capital advances in the amount of \$40,068 as of September 30, 2019 and 2018, have been included in mortgages and notes payable in the accompanying consolidated statements of financial position. All HUD mortgages and capital advances are collateralized by the related underlying assets.

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One HUD mortgage, which requires principal and interest payments, is financed with a third-party financial institution. At September 30, 2019 and 2018, the amounts outstanding were \$5,533 and \$5,614, respectively, with interest payable at 5.4% per annum. The financing is collateralized by the related underlying assets.

Other Mortgages Payable

A mortgage which requires no current principal or interest payment is financed with a New Jersey State agency. The mortgage is reduced by 20% per year over a five-year period and repayment is not required unless the Eastern Territory discontinues the related program or sells the underlying assets. At September 30, 2019 and 2018, the amounts outstanding were \$0 and \$40, respectively.

At September 30, 2019 and 2018, the Eastern Territory had multiple mortgages payable outstanding aggregating \$6,874 and \$7,046, respectively, inclusive of accrued interest payable of \$981 and \$904, respectively, with interest payable at rates varying from 0.00% to 5.61% per annum with maturities through fiscal year 2047. These mortgages are collateralized by the related underlying assets.

Future principal payments on notes and mortgages payable noted above as of September 30, 2019 are as follows:

Fiscal Year

2020	\$ 200,345
2021	149
2022	200,096
2023	101
2024	107
Thereafter	<u>11,609</u>
	412,407
HUD mortgages not requiring repayment	40,068
Discount on commercial paper	<u>(1,190)</u>
Total	<u>\$ 451,285</u>

Line of Credit and Other Credit Facilities

The Eastern Territory has a \$100,000 unsecured master line of credit (the "Master LOC") available from Bank of America. At September 30, 2019, the Eastern Territory had \$15,372 outstanding on the Master LOC, which bears interest at one-month LIBOR plus 0.50% (2.589% at September 30, 2019). At September 30, 2018, the Eastern Territory had \$39,764 outstanding on the Master LOC, which bears interest at one-month LIBOR plus 0.45% or 0.50% (2.564% or 2.614% at September 30, 2018). Amounts drawn down from the Master LOC are payable on or before July 31, 2021.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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On April 5, 2018, the Eastern Territory entered into a \$35 million unsecured credit facility agreement with U.S. Bank National Association to provide bridge financing for a capital project. Amounts drawn from the credit facility will bear interest at a rate equal to the bank cost of funds rate plus a margin (0.23% per annum) as determined on the date of each loan. Interest on outstanding amounts are payable monthly with full repayment of principal due on April 4, 2021. As of September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$25,000 (interest rates ranged from 2.32% to 3.40%) and \$0, respectively. Subsequent to September 30, 2019, the Eastern Territory drew down an additional \$4.4 million from the credit facility.

On September 23, 2019, the Eastern Territory entered into a 30 day interest-free loan for \$645 with the Fund for the City of New York to provide bridge financing to cover operating expenses pending the receipt of a grant from a state agency. Subsequent to September 30, 2019, the loan was repaid.

Debt Covenants

The terms of the term loans and line of credit agreements contain requirements for maintaining certain financial and non-financial covenants. The Eastern Territory was in compliance with all applicable covenants at September 30, 2019 and 2018.

New Markets Tax Credits

During fiscal years 2015 and 2014, the Eastern Territory entered into New Markets Tax Credit transactions for the benefit of the Camden Kroc Center. Through these transactions, the Eastern Territory issued leveraged loans receivables of \$7,054 to one investment fund in fiscal 2015 and \$12,663 to two investment funds in fiscal 2014, due in 2045 and 2044, respectively, with interest payments only on the loans until 2022 and 2021, respectively. The loans bear an interest rate of 1% and are unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$19,717 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the Camden New Markets Tax Credits transactions, the Eastern Territory obtained loans payable for \$17,641 and \$9,800 for the Camden Kroc Center during the years ended September 30, 2015 and 2014, respectively, maturing in 2045 and 2044, respectively. The loans bear interest rates that range between 0.71% and 1.15%. Interest-only payments are required until maturity upon which time the entire principal balance will become due. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$27,441 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

During fiscal year 2016, the Eastern Territory entered into a New Markets Tax Credit transaction for the benefit of the Greater Cleveland Area Services ("GCAS"). Through this transaction, the Eastern Territory issued a leveraged loan receivable for \$11,508 to an investment fund due in 2045. The loan bears an interest rate of 1.15%. Interest-only payments are required until 2022 and the loan is unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$11,508 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the GCAS New Markets Tax Credit transaction, the Eastern Territory obtained three loans payable totaling \$17,435 for the GCAS. The loans bear an interest rate of 1%. Interest-only payments are required until maturity in 2045. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$17,435 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

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During fiscal year 2018, the Eastern Territory entered into a New Markets Tax Credit transaction for the benefit of the Harrisburg Corps ("Harrisburg"). Through this transaction, the Eastern Territory issued a leveraged loan receivable for \$6,802 to an investment fund due in 2040. The loan bears an interest rate of 1%. Interest-only payments are required until 2025 and the loan is unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$6,802 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the Harrisburg New Markets Tax Credit transaction, the Eastern Territory obtained two loans payable totaling \$9,700 for Harrisburg. The loans bear an interest rate of 1.52%. Interest-only payments are required until maturity in 2048. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$9,700 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

At the closing of each of the respective New Markets Tax Credits transactions, the Eastern Territory and investor executed put and call option agreements that would grant the respective investor the right and option to cause the Eastern Territory to purchase (within three months after the seven-year compliance period) the investor's membership interests in the fund (i.e., the "put") for a predetermined purchase price of approximately \$1. If the investor does not elect to put its interests to the Eastern Territory beyond the end of month 87, the Eastern Territory will have the right to call its purchase right in the fund for the current fair market value.

Other Financing Obligation

On October 16, 2015, the Eastern Territory entered into a sale of property in New York City for \$108,750, in exchange for cash proceeds of \$70,000 and a purchase money mortgage note of \$38,750. The principal amount is due on its maturity date of December 31, 2050, unless terminated earlier upon agreement of both parties to certain terms and conditions. Interest is payable monthly at 6% per annum. The Eastern Territory simultaneously entered into a lease for the premises, expiring no later than October 15, 2045, with an annual base rent of \$2,325, subject to the same termination conditions included in the purchase money mortgage. The lease also requires payment of property taxes and certain utilities and maintenance expenses. This sale-leaseback transaction did not qualify for sale-leaseback accounting due to the Eastern Territory's continuing involvement and as a result, the transaction was accounted for by the Eastern Territory using the financing method. Under the financing method, the Eastern Territory did not recognize any profit during the fiscal years 2019 or 2018, did not record the note receivable as of September 30, 2019 and 2018 and continued to report the property on the accompanying consolidated statements of financial position. The net book value of the property was approximately \$1,300 at September 30, 2019 and 2018. The financing obligation (net of closing costs and additional rent paid) totaled \$59,642 as of September 30, 2019 and 2018, and has been recorded within other liabilities in the accompanying consolidated statements of financial position.

Subsequent to September 30, 2019, the termination conditions stipulated in the purchase money mortgage and lease were met by the Eastern Territory. Accordingly, full repayment of the purchase money mortgage note of \$38,750 is due from the buyer during fiscal year 2020, which upon receipt, the Eastern Territory will recognize the sale and profit from the sale of property.

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NOTE 10P INTEREST RATE SWAPS

Concurrent with the issuance of the Notes, the Eastern Territory entered into a total of six interest rate swap agreements with notional amounts totaling \$345,000 in order to hedge its interest rate risk on the Notes whereby the Eastern Territory agreed to pay a counterparty a fixed rate and the counterparty agreed to pay the Eastern Territory a variable interest rate intended to approximate the variable rate equal to 30-Day LIBOR (2.016% at September 30, 2019 and 2.260% at September 30, 2018) on the Eastern Territory's Commercial Paper and Term Loans. The interest rate swap agreements issued concurrently with the issuance of the Notes in fiscal years 2007 through 2011 were maintained to hedge interest rate risk on the 2007A Notes and 2016A Notes.

Concurrent with the issuance of Term Loan B, the Eastern Territory has entered into an interest rate swap transaction with U.S. Bank in the notional amount of \$55,000, wherein the Eastern Territory agreed to pay U.S. Bank a fixed rate of interest equal to 2.149% of the notional amount and receive from U.S. Bank an interest payment equal to 30-Day LIBOR (2.016% at September 30, 2019 and 2.260% at September 30, 2018). The interest rate swap agreement issued concurrently with the 2007 Series B Notes was maintained to hedge interest rate risk on Term Loan A.

The summary of the Eastern Territory's interest rate swap agreements as of September 30, 2019 and 2018 are as follows:

Counterparty	Notional Amount	Eastern Territory Fixed Rate	Expiration	Counterparty Interest Rate
JPMorgan	\$ 100,000	5.615%	June 1, 2040	30-Day LIBOR
Bank of America	60,000	5.615%	June 1, 2040	30-Day LIBOR
JPMorgan	40,000	4.576%	June 1, 2040	30-Day LIBOR
Merrill Lynch	35,000	4.576%	June 1, 2040	30-Day LIBOR
U.S. Bank	50,000	3.960%	June 1, 2024	30-Day LIBOR
U.S. Bank	60,000	2.975%	June 1, 2024	30-Day LIBOR
U.S. Bank	55,000	2.149%	November 1, 2021	30-Day LIBOR
	<u>\$ 400,000</u>			

The Eastern Territory accounts for its interest rate swap agreements in accordance with *Accounting for Derivative Instruments and Hedging Activities*. Fair values of interest rate swap agreements are the estimated amounts that the Eastern Territory would have received or paid, including accrued interest, to terminate the agreements on the date of the consolidated statement of financial position. The estimated fair values of the agreements are recorded as assets or liabilities within the consolidated statement of financial position. Changes in the estimated fair values are recorded in the consolidated statements of activities.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Amounts included within the consolidated financial statements as of September 30, 2019 and 2018 are as follows:

Counterparty	Fair Value as of September 30, 2019	Fair Value as of September 30, 2018	Consolidated Statement of Financial Position Location	Change in Fair Value for the Year Ended September 30, 2019	Change in Fair Value for the Year Ended September 30, 2018	Consolidated Statement of Activities Location
JPMorgan	\$ 65,121	\$ 37,700		\$ (27,421)	\$ 14,078	
Bank of America	39,073	22,820		(16,453)	8,447	
JPMorgan	19,349	8,932		(10,417)	5,006	
Merrill Lynch	16,931	7,815		(9,116)	4,380	
U.S. Bank	5,804	2,655		(3,149)	3,403	
U.S. Bank	4,283	85		(4,198)	3,490	
U.S. Bank	742	(1,252)		(1,994)	1,934	
	<u>\$ 151,303</u>	<u>\$ 78,555</u>	Interest rate swaps	<u>\$ (72,749)</u>	<u>\$ 40,739</u>	Change in fair value of interest rate swaps

NOTE 11P CONDITIONAL ASSET RETIREMENT OBLIGATIONS

The Eastern Territory is required to recognize a conditional asset retirement obligation ("CARO") related to the cost associated with the eventual remediation and abatement of asbestos and other environmental hazards contained within its physical plant. The cost of the abatement was based upon a consultant's estimate which specializes in such abatements. At September 30, 2019 and 2018, the CARO was \$66,046 and \$65,579, respectively. Land, buildings and equipment included capitalized conditional asset retirement obligations at a cost of \$13,810 and accumulated depreciation of \$13,646 and \$13,317 at September 30, 2019 and 2018, respectively. For the years ended September 30, 2019 and 2018, the Eastern Territory recorded accretion expense of \$1,915 and \$1,885, respectively. During fiscal years 2019 and 2018, the remediation costs amounted to \$1,448 and \$855, respectively, and were recorded as a reduction to the CARO.

NOTE 12P ENDOWMENTS

The Eastern Territory's endowment consists of approximately one thousand three hundred individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Interpretation of Relevant Law

The Eastern Territory is subject to the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), as enacted by the State of New York and thus, classifies earnings in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditure. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Trustees has interpreted NYPMIFA as not requiring the maintenance or purchasing power of the original gift amount contributed to the endowment fund, unless explicit donor restrictions to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Eastern Territory considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gifts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Eastern Territory has interpreted NYPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. Additionally, in accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Spending Policy

The Eastern Territory has a policy of making available for distribution each year 5% of its endowment fund's average fair value over the prior 20 quarters. In establishing this policy, the Eastern Territory considered the long-term expected return on its endowment. Accordingly, over the long-term, the Eastern Territory expects the current spending policy to allow its endowment to grow at an average real rate of return greater than inflation. This is consistent with the Eastern Territory's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Return Objectives and Risk Parameters

The Eastern Territory has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets are those assets of donor-restricted funds that the Eastern Territory must hold in perpetuity or for donor-specified periods as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, the Eastern Territory relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Eastern Territory targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that donors or NYPMIFA requires the Eastern Territory to retain as a fund of perpetual duration.

Deficiencies of this nature exist in donor-restricted endowment funds, which together have an original gift value of \$10,243, a current fair value of \$9,799, and a deficiency of \$444 as of September 30, 2019. Deficiencies of this nature exist in donor-restricted endowment funds, which together have an original gift value of \$6,778, a current fair value of \$6,677, and a deficiency of \$101 as of September 30, 2018. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new contributions for donor-restricted endowment funds and continued appropriations for certain programs that were deemed prudent by the Board of Trustees.

Endowment Net Asset Composition by Type of Fund

The following table summarizes endowment net asset composition by type of fund as of September 30, 2019 and 2018:

	2019		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 214,531	\$ -	\$ 214,531
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	-	436,373	436,373
Accumulated investment gains			
Without purpose restrictions	-	27,883	27,883
With purpose restrictions	-	230,524	230,524
	-	258,407	258,407
Total endowment funds	\$ 214,531	\$ 694,780	\$ 909,311
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 226,537	\$ -	\$ 226,537
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	-	434,257	434,257
Accumulated investment gains			
Without donor restrictions	-	30,519	30,519
With donor restrictions	-	259,632	259,632
	-	290,151	290,151
Total endowment funds	\$ 226,537	\$ 724,408	\$ 950,945

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
September 30, 2019 and 2018
(In thousands)

The following table summarizes changes in endowment net assets for fiscal years 2019 and 2018.

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, September 30, 2017	\$ 225,381	\$ 731,153	\$ 956,544
Contributions and bequests	-	14,185	14,185
Designated by Board	18,088	-	18,088
Appropriation of endowment assets for expenditure	(31,379)	(37,043)	(68,422)
Reduction of previous years accumulated unspent appropriation	-	(38,573)	(38,573)
Investment return, net	14,437	54,686	69,123
Endowment net assets, September 30, 2018	226,537	724,408	950,945
Contributions and bequests	-	2,364	2,364
Designated by Board	19,212	-	19,212
Appropriation of endowment assets for expenditure	(40,100)	(34,180)	(74,280)
Investment return, net	8,882	2,188	11,070
Endowment net assets, September 30, 2019	<u>\$ 214,531</u>	<u>\$ 694,780</u>	<u>\$ 909,311</u>

Following a review of the Eastern Territory's endowment funds during fiscal year 2018, the Eastern Territory determined that certain amounts appropriated in previous years remained unspent and were not removed and reported as a reduction of endowment assets in its accounting records as required by US GAAP. Accordingly, during the year ended September 30, 2018, the Eastern Territory recorded an additional appropriation of \$38,573 to reflect the transfer of such amounts from endowment assets to non-endowment assets, resulting in an increase in non-endowment net assets without donor restrictions of \$1,536 and an increase in non-endowment net assets with donor restrictions of \$37,037.

NOTE 13P NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions is comprised of undesignated and Board-designated amounts for the following purposes at September 30, 2019 and 2018:

	2019	2018
General operating	\$ 9,737	\$ (26,036)
Board-designated		
Officer retirement and healthcare	(635,955)	(548,760)
Insurance programs	(2,979)	(4,033)
Split-interest agreements	22,520	22,023
Building/capital purposes	402,808	388,708
Other	317,275	671,385
	<u>103,669</u>	<u>529,323</u>
Land, buildings and equipment	<u>1,044,693</u>	<u>1,029,589</u>
	<u>\$ 1,158,099</u>	<u>\$ 1,532,876</u>

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

NOTE 14P NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose or future period		
Character building/social programs	\$ 346,996	\$ 363,622
Assets of trusts administered by the Eastern Territory	13,037	14,540
Beneficial interest in trusts held by others	19,977	17,844
Building/capital purposes	27,727	41,560
Camp and recreational activities	16,041	17,425
Pledges, legacies and bequests to be paid in future periods	<u>3,704</u>	<u>2,080</u>
Total subject to expenditure for specified purpose or future period	<u>427,482</u>	<u>457,071</u>
Endowments subject to spending policy and appropriation		
Investment in perpetuity, for which earnings may be appropriated to support:		
Character building/social programs	409,822	402,951
Building/capital purposes	3,284	3,284
Camp and recreational activities	<u>23,267</u>	<u>23,207</u>
Total endowments subject to spending policy and appropriation	<u>436,373</u>	<u>429,442</u>
Not subject to appropriation or expenditure		
Assets of trusts administered by the Eastern Territory	1,309	1,727
Beneficial interest in trusts held by others	211,101	215,009
Pledges, legacies and bequests to be paid in future periods	<u>605</u>	<u>846</u>
Total not subject to appropriation or expenditure	<u>213,015</u>	<u>217,582</u>
Total net assets with donor restrictions	<u>\$ 1,076,870</u>	<u>\$ 1,104,095</u>

NOTE 15P NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes and/or by occurrence of other events specified by the donors for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Purpose restriction accomplished:		
Character building/social programs	\$ 29,669	\$ 26,412
Building/capital purposes	<u>15,215</u>	<u>5,545</u>
	44,884	31,957
Time restrictions expired	<u>4,844</u>	<u>9,149</u>
Total net assets released from restrictions	<u>\$ 49,728</u>	<u>\$ 41,106</u>

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

NOTE 16 LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Eastern Territory's financial assets as of September 30, 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of September 30, 2019. Amounts not available include amounts set aside for long-term obligations that could be drawn upon if the Board of Trustees approves that action. However, amounts already appropriated from the donor-restricted endowment for general expenditure within one year of the consolidated statement of financial position date have not been subtracted as unavailable.

Financial assets at September 30, 2019	
Cash and cash equivalents	\$ 133,746
Accounts receivable	33,085
Legacies and bequest receivable	22,661
Pledges receivable, net	2,409
Investments, at fair value	<u>2,165,645</u>
Total financial assets at September 30, 2019	2,357,546
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Contractual restrictions	(29,601)
Subject to appropriation and satisfaction of purpose/time restrictions	(484,697)
Investments illiquid within one year	(307,701)
Pledges receivable collectible beyond one year	(1,030)
Board designations:	
Amounts set aside for long-term obligations	<u>(463,708)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,070,809</u>

The Eastern Territory is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Eastern Territory must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part of the Eastern Territory's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Eastern Territory invests cash in excess of daily requirements in short-term investments. In the event of an unanticipated liquidity need, the Eastern Territory could draw upon \$100,000 of an available line of credit (\$15,372 outstanding as of September 30, 2019 - see Note 9).

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

NOTE 17P FAIR VALUE OF FINANCIAL INSTRUMENTS AND CONCENTRATION OF CREDIT RISK

The Eastern Territory's financial instruments consist of cash and cash equivalents, accounts receivable, legacies and bequests receivable, pledges receivable, notes receivable, investments, assets held under split-interest agreements, beneficial interest in trusts held by others, accounts payable and accrued expenses, liability for split-interest agreements, mortgages and notes payable and interest rate swaps. Investments, assets held under split-interest agreements, beneficial interest in trusts held by others, and interest rate swaps are recorded at fair value. All other financial instruments are stated either at cost or net realizable value, which approximates fair value.

Financial instruments which potentially subject the Eastern Territory to concentrations of credit risk consist primarily of cash and cash equivalents, receivables and investment securities. The Eastern Territory maintains its cash and cash equivalents with large financial institutions. At certain times, the Eastern Territory's cash account balances may exceed federally insured limits. However, the Eastern Territory has not experienced, nor does it anticipate, any losses with respect to such bank balances. Receivables are due from a large number of government agencies, entities and individuals, thereby, diversifying the related concentration of credit risk. Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with investments, it is reasonably possible that changes in risk in the near term would materially affect the amounts reported in the consolidated statements of financial position. However, the Eastern Territory's investment portfolio is diversified with several investment managers in a variety of asset classes. The Eastern Territory regularly evaluates its depository arrangements and investments, including performance thereof.

NOTE 18P COMMITMENTS AND CONTINGENCIES

Letters of Credit

As of September 30, 2019, the Eastern Territory has issued letters of credit totaling \$18,840 to insurance companies under various insurance programs. These letters of credit are collateralized by the Eastern Territory's cash and cash equivalents and renew automatically each year.

Legal Proceedings

The Eastern Territory, in the normal course of its operations, is or could become a party to various legal proceedings and complaints, the majority of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management is not aware of any claims or contingencies, which are not covered by insurance, that would have a material adverse effect on the consolidated financial position, changes in net assets and cash flows of the Eastern Territory.

Real Estate and Construction Commitments

The Board of Trustees of the Eastern Territory had future capital commitments of approximately \$62,000 which was unspent as of September 30, 2019.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)**Government Grants and Contracts**

The Eastern Territory receives grants and contracts from federal, state and local governments. Cost-reimbursement grant programs, including those subject to independent audit under the Office of Management and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, may be reviewed by grantor agencies. These audits and reviews could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, management believes that any costs ultimately disallowed would not materially affect the Eastern Territory's consolidated financial position.

Leases

At September 30, 2019 and 2018, the Eastern Territory was committed under operating leases, principally for office space. Rent expense was \$12,974 and \$12,955 in fiscal years 2019 and 2018, respectively. Future minimum base rents under terms of noncancelable operating leases were as follows at September 30, 2019:

Year Ending September 30:

2020	\$ 6,353
2021	3,211
2022	1,617
2023	369
2024	<u>131</u>
Total	<u>\$ 11,681</u>

NOTE 19P RELATED PARTY TRANSACTIONS

For fiscal years 2019 and 2018, the Eastern Territory made payments for administrative services to The Salvation Army National Headquarters of \$1,200 and \$1,225, respectively. In addition, for fiscal years 2019 and 2018, the Eastern Territory made payments to The Salvation Army International Headquarters of \$6,332 and \$6,270, respectively, for World Services and \$6,477 and \$6,088, respectively, for other mission grants and administrative services.

NOTE 20P ACCOUNTING FOR INCOME TAXES

The Eastern Territory follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

The Eastern Territory has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it was nexus; and to identify and evaluate other matters that may be considered tax positions. The Eastern Territory has determined that as of September 30, 2019 and 2018, there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

NOTE 21P SUBSEQUENT EVENTS

The Eastern Territory evaluated its September 30, 2019 consolidated financial statements for subsequent events through May 8, 2020, the date the consolidated financial statements were issued. The Eastern Territory is not aware of any material subsequent events which would require recognition or disclosure in the accompanying consolidated financial statements, except as disclosed below and in Notes 3, 7 and 9.

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on the Eastern Territory's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on our funding agencies, donors, customers, thrift stores, employees and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact our consolidated financial position and changes in net assets and cash flows is uncertain and the accompanying consolidated financial statements include no adjustments relating to the effects of this pandemic.

THE SALVATION ARMY
a New York Corporation
FEIN 13-5562351
DUNS 06-2517941

Executive Address: 440 West Nyack Road
West Nyack, New York 10994-1739
T 845-620-7200 F.845-620-7615

Listing of Corporate Trustees and Officers

<u>NAME/EMPLOYMENT</u>	<u>TITLE</u>
David E. Hudson	Chairman Trustee
William A. Bamford III	President, Trustee
Philip J. Maxwell	Vice President, Trustee
Hubert S. Steele III	Treasurer, Trustee
Michelle L. Dressler	First Assistant Treasurer Trustee
Michael J. Southwick	Secretary
Richard D. Allen	Assistant Secretary – Legal
Thomas O. Henson	Second Assistant Treasurer
Charles S. Foster	Assistant Secretary – Property
Adolph M. Orlando	Second Assistant Secretary –Property
Beth A. Foster	Assistant Secretary – Finance
Lynn R. Gensler	Trustee
James P. LaBossiere	Trustee
Ruth A. Stoneburner	Trustee
G. Lorraine Bamford	Trustee
Deslea A. Maxwell	Trustee

As of 1 May 2020
(EXADPL)

Relevant Experience*Social Services*

- Connect clients to Social Service agencies, Sobriety resources and Healthcare.
- Provide Case Management by identifying client barriers and assist them with creative solutions.
- Assist clients with job search, placement and retention.
- Experience and training in the medical field.
- Familiar with Medicaid, Medicare, Long Term Care and Choices For Independence.

Management

- Facilitated Homeless Coalition meetings.
- Trained, coached and prioritized work of staff.
- Worked collaboratively with area agencies to end homelessness.
- Designed and utilized budget management system.
- Created training manual to provide continuity in job performance.
- Outreach and networking statewide.

Quality Control

- Analytical skills and the ability to accept/reject data.
- Attention to detail.
- Able to interpolate information.

Organization

- Provide informational meetings for individuals and groups.
- Proficient in HMIS, New Heights, Job Match System, Refer 7, Microsoft Word, Excel and EW.
- Develop individual employment plan with clients and provided case management.

Interpersonal

- Able to work with a wide variety of clients in a professional manner.
- Demonstrated ability to work independently and as part of a team.
- Flexible, patient and motivational.

Other Skills

- Inventive - created a statewide system whereby shelter bed availability was broadcast.
- Discernment - identify opportunities for fund raising.
- Collaboration – work with various agencies in solving issues that contribute to homelessness such as addiction, poor health, unemployment and lack of affordable housing, etc.

Employment History

Carey House	Director	6/2019 - Present
Ocean State Job Lot	Supervisor	8/2018 - 6/2019
Sam's Club	Cafe Assoc.	10/2017 - 7/2018
BJ's Wholesale Club	Varied	7/2017 - 10/2017
Self-Employed/Caregiver	Varied	2012 - Present
ServiceLink	I & R Generalist	2011 - 2012
Granite State Independent Living	Employment Coordinator	2010-2012
NH Employment Security/DHHS	FS Employment Spec.	2008 - 2010

EducationFranklin Pierce College

BA Human Services - Social Work and Counseling Track	1999
Honors: Magna Cum Laude	

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Paula Corriveau	Shelter Director	\$42,349.84	45%	\$19,057.43

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Salvation Army ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$569,845
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
 - 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies_he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/25/2021
Date

DocuSigned by:
Christine Santaniello
Name: ~~CHRISTINE SANTANIELLO~~ Christine santaniello
Title: Director

The Salvation Army

3/23/2021
Date

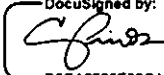
Michael J. Southwick
Name: Michael J. Southwick
Title: Secretary

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


D69A8292E32CAE...
Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

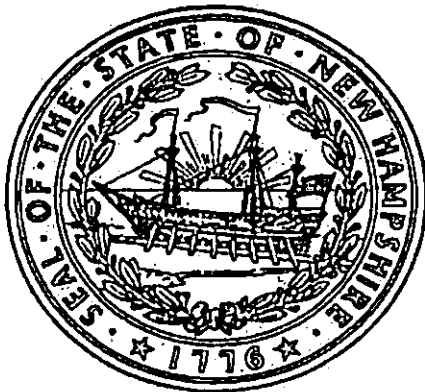
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE SALVATION ARMY is a New York Nonprofit Corporation registered to transact business in New Hampshire on July 19, 1954. 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: 64368

Certificate Number: 0005034386



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 27th day of October A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
THE SALVATION ARMY

Business ID
64368

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005052536	12/07/2020	12/07/2020	Nonprofit Report	2020
0004771308	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004530247	06/18/2019	06/18/2019	Change of Business Address	N/A
0004530244	06/18/2019	06/18/2019	Change of Officer/Director	N/A
0003210324	01/01/2016	01/01/2016	Agent Change/Resign	N/A
0003201100	12/31/2015	12/31/2015	Nonprofit Report	2015
0003006982	10/23/2014	10/23/2014	Agent Change/Resign	N/A
0000576240	05/05/2011	05/05/2011	Requalification	2011
0000576238	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0000576237	10/08/2010	10/08/2010	Reminder Letter	N/A
0000576236	05/16/2005	05/16/2005	Annual Report	2005
0000576235	04/07/2000	04/07/2000	Annual Report	2000
0000576234	02/03/1995	02/03/1995	Annual Report	2011
0000576233	02/09/1990	02/09/1990	Annual Report	1990
0000576232	03/24/1980	03/24/1980	Amendment	N/A
0000576231	07/19/1954	07/19/1954	Business Formation	N/A

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[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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GENERAL BRIAN PEDDLE

WILLIAM A. BAMFORD III
TERRITORIAL COMMANDER



THE SALVATION ARMY

FOUNDED IN 1865 BY WILLIAM AND CATHERINE BOOTH

EASTERN TERRITORIAL HEADQUARTERS

LEGAL DEPARTMENT
440 WEST NYACK ROAD, P.O. BOX C-835
WEST NYACK, NY 10994-1739
www.salvationarmy-useseast.org
TELEPHONE (845) 620-7200
FAX (845) 620-7753

CERTIFICATE OF CORPORATE RESOLUTION

I, ADOLPH M. ORLANDO, do hereby certify that at a duly authorized meeting of the Board of Trustees of The Salvation Army, a New York Corporation, held on September 8, 2015, at which a quorum of the Trustees were present, it was voted that effective September 1, 2015

Michael J. Southwick, Secretary or Richard D. Allen, Asst. Secretary –Legal

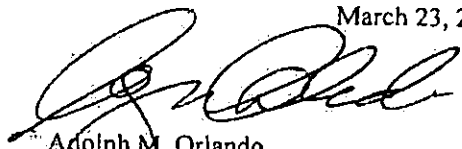
of the Corporation, together or separately, be hereby authorized to execute documents and contracts in the name of and on behalf of said Corporation, and are authorized to affix its Corporate seal thereto; and such execution or obligation in this Corporation's name on its behalf by such Secretary or Assistant Secretary - Legal under seal of the Corporation, shall be valid and binding upon this Corporation.

This authorization includes the submission of applications, contracts or agreements, documents, instruments, and revisions or modifications such as the Amendment # 2 to the State Grant in Aid Homeless Assistance Program contract with the State of New Hampshire, Department of Health and Human Services for our emergency shelter operations at 100 South Fruit Street, Concord, NH 03301.

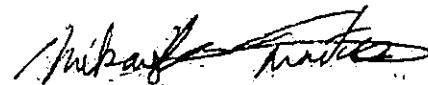
I hereby certify that I am Second Assistant Secretary - Property of The Salvation Army and that the above vote has not been amended or rescinded and remains in full force and effect as of the date of this certificate.

A True Copy; Under Seal of Corporation,

March 23, 2021


Adolph M. Orlando
Second Assistant Secretary – Property

Sworn to and subscribed before me this
23rd day of March in the year 2021



Mikayla Fuentes
Notary Public, State of New York
No. 01FU6311328

Qualified in Orange County
Commission Expires September 15, 2022



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/19/2021

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		CONTACT NAME: DEANNA M. KRUGER	
CHESTERFIELD INSURANCE AGENCY, INC. P. O. BOX 237 GREEN, OH 44232-0237		PHONE: (330) 896-7639 X 8123 FAX: (330) 896-6548	
INSURED		INSURER(S) AFFORDING COVERAGE	
THE SALVATION ARMY, A NEW YORK CORP. 440 WEST NYACK ROAD WEST NYACK, NY 10994-1739		INSURER A: ZURICH AMERICAN INS. CO. NAIC # 16535	
		INSURER B: THE SALVATION ARMY RISK TRUST	
		INSURER C: THE SALVATION ARMY, A NY CORP.	
		INSURER D: AMERICAN ZURICH INS. CO. NAIC # 40142	
		INSURER E:	
		INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 004/001/007 Concord, NH **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.

INTL	TYPE OF INSURANCE	ADDITIONAL INFO (MISC, V, W, Y, Z)	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENT. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:		SELF INSURED RETENTION	01/01/21	01/01/22	EACH OCCURRENCE \$ 500,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ 500,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 500,000 GENERAL AGGREGATE \$ 500,000 PRODUCTS - COMP/OP AGG \$ 500,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		BAP 8978527-25	01/01/21	01/01/22	COMBINED SINGLE LIMIT (EA ACCIDENT) \$ 100,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per person) \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$500,000		TRUST #19578500	01/01/21	01/01/22	EACH OCCURRENCE \$ 4,500,000 AGGREGATE \$ 4,500,000
D	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N <input type="checkbox"/> N/A (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		WC 8978533-25	01/01/21	01/01/22	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH FR E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	AUTO LIABILITY EXCESS		SELF INSURED RETENTION	01/01/21	01/01/22	\$400,000 XS OF \$100,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

McKenna House shelter program located at 100 South Fruit Street, Concord, NH, 3/19/2021 through 01/01/2022 contract amendment with SGIA through NH DHHS

CERTIFICATE HOLDER	CANCELLATION
State of NH Department of Health and Human Services 129 Pleasant Street 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 <i>Deanna M Kruger</i>



DOING THE MOST GOOD

The Salvation Army

Mission Statement

The Salvation Army, an international movement, is an evangelical part of the universal Christian church. Its message is based on the Bible. Its ministry is motivated by the love of God. Its mission is to preach the gospel of Jesus Christ and to meet human needs in His name without discrimination.

**Consolidated Financial Statements
Together with Report of Independent
Certified Public Accountants**

The Salvation Army - Eastern Territory

September 30, 2019 and 2018

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
The Salvation Army - Eastern Territory

Report on the financial statements

We have audited the accompanying consolidated financial statements of The Salvation Army - Eastern Territory (the "Eastern Territory"), which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Eastern Territory's preparation and fair presentation of the consolidated 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 Eastern Territory'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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Salvation Army - Eastern Territory as of September 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

New York, New York
May 8, 2020

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2019 and 2018
(in thousands)

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash and cash equivalents	\$ 133,746	\$ 129,234
Accounts receivable	33,085	24,285
Legacies and bequests receivable	22,661	17,570
Pledges receivable, net	2,409	2,926
Inventory	7,285	7,307
Prepaid expenses and deferred charges	9,777	8,129
Notes receivable	38,027	38,027
Investments, at fair value	2,165,645	2,454,950
Assets of trusts administered by the Eastern Territory	92,175	95,583
Beneficial interest in trusts held by others	231,078	232,853
Land, buildings and equipment, net		
Land	200,176	198,647
Buildings, net of accumulated depreciation of \$843,858 in 2019 and \$797,349 in 2018	855,391	875,437
Construction in progress	176,556	121,649
Equipment, net of accumulated depreciation of \$76,484 in 2019 and \$74,558 in 2018	19,910	19,869
Land, buildings and equipment, net	<u>1,252,033</u>	<u>1,215,602</u>
Total assets	<u>\$ 3,987,901</u>	<u>\$ 4,226,466</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 55,204	\$ 43,119
Liability for split-interest agreements	55,309	56,648
Mortgages and notes payable	546,878	545,899
Interest rate swaps	151,303	78,555
Conditional asset retirement obligations	66,046	65,579
Estimated liability for self-insurance claims	60,312	61,811
Estimated liability for pension and other postretirement benefits	739,310	662,292
Other liabilities	78,570	75,592
Total liabilities	<u>1,752,932</u>	<u>1,589,495</u>
Commitments and contingencies		
NET ASSETS (DEFICIT)		
Net assets without donor restrictions		
General operating	9,737	(26,036)
Board designated	103,669	529,323
Land, buildings and equipment	1,044,693	1,029,589
Total net assets without donor restrictions	<u>1,158,099</u>	<u>1,532,876</u>
Net assets with donor restrictions		
Amounts to be held in perpetuity	649,388	647,024
Other restrictions	427,482	457,071
Total net assets with donor restrictions	<u>1,076,870</u>	<u>1,104,095</u>
Total net assets	<u>2,234,969</u>	<u>2,636,971</u>
Total liabilities and net assets	<u>\$ 3,987,901</u>	<u>\$ 4,226,466</u>

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

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended September 30, 2019,
with comparative totals for the year ended September 30, 2018
(In thousands)

	2019		2018	
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenues				
Public support				
Received directly				
Contributions	\$ 155,229	\$ 4,212	\$ 159,441	\$ 195,100
Donations-in-kind and contributed services	116,395	-	116,395	130,251
Legacies and bequests	57,290	9,115	66,405	56,817
Special events	6,407	-	6,407	6,438
Pledges at present value	-	2,476	2,476	1,585
Contributions from split-interest agreements	842	12,203	13,045	18,708
Total received directly	<u>336,163</u>	<u>28,006</u>	<u>364,169</u>	<u>408,900</u>
Received indirectly				
Allocated by federated fund raising organizations	9,294	-	9,294	10,184
Total public support	<u>345,457</u>	<u>28,006</u>	<u>373,463</u>	<u>419,084</u>
Fees and grants from governmental agencies	<u>104,362</u>	<u>-</u>	<u>104,362</u>	<u>95,859</u>
Other revenues				
Program and service fees	41,386	-	41,386	37,201
Sales to the public	132,670	-	132,670	126,311
Investment return, net	(8,475)	3,151	(5,324)	202,127
Gain on sale/disposition of land, buildings and equipment	2,151	-	2,151	2,231
Other	5,196	-	5,196	16,946
Total other revenues	<u>172,828</u>	<u>3,151</u>	<u>176,079</u>	<u>384,816</u>
Total support and revenues before net assets released from restrictions and reclassifications	622,747	31,157	653,904	899,759
Net assets released from restrictions and reclassifications	<u>49,728</u>	<u>(49,728)</u>	<u>-</u>	<u>-</u>
Total support and revenues	<u>672,475</u>	<u>(18,571)</u>	<u>653,904</u>	<u>899,759</u>
Expenses				
Program services				
Corps community center services	281,032	-	281,032	291,108
Rehabilitation center services	209,437	-	209,437	205,911
Residential and institutional services	71,585	-	71,585	63,534
Other social services	203,682	-	203,682	204,317
Total program services	<u>765,736</u>	<u>-</u>	<u>765,738</u>	<u>764,871</u>
Supporting services				
Management and general	112,933	-	112,933	93,955
Fund raising	45,097	-	45,097	42,532
Total supporting services	<u>158,030</u>	<u>-</u>	<u>158,030</u>	<u>136,487</u>
Total expenses	<u>923,766</u>	<u>-</u>	<u>923,768</u>	<u>901,358</u>
Deficiency of support and revenues over expenses	(251,291)	(18,571)	(269,862)	(1,599)
Change in fair value of interest rate swaps	(72,748)	-	(72,748)	40,739
Change in value of split-interest agreements	(287)	(8,654)	(8,941)	(709)
Retirement related activity other than net periodic benefit cost	(50,451)	-	(50,451)	93,640
Change in net assets	(374,777)	(27,225)	(402,002)	132,071
Net assets at beginning of year	<u>1,532,876</u>	<u>1,104,095</u>	<u>2,636,971</u>	<u>2,504,900</u>
Net assets at end of year	<u>\$ 1,158,099</u>	<u>\$ 1,076,870</u>	<u>\$ 2,234,969</u>	<u>\$ 2,636,971</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended September 30, 2018
(in thousands)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenues			
Public support			
Received directly			
Contributions	\$ 165,363	\$ 29,737	\$ 195,100
Donations-in-kind and contributed services	130,251	-	130,251
Legacies and bequests	52,184	4,633	56,817
Special events	6,438	-	6,438
Pledges at present value	-	1,585	1,585
Contributions from split-interest agreements	1,119	17,590	18,709
Total received directly	<u>355,355</u>	<u>53,545</u>	<u>408,900</u>
Received indirectly			
Allocated by federated fund raising organizations	10,184	-	10,184
Total public support	<u>365,539</u>	<u>53,545</u>	<u>419,084</u>
Fees and grants from governmental agencies	<u>95,859</u>	-	<u>95,859</u>
Other revenues			
Program and service fees	37,201	-	37,201
Sales to the public	126,311	-	126,311
Investment return, net	145,907	56,220	202,127
Gain on sale/disposition of land, buildings and equipment	2,231	-	2,231
Other	16,946	-	16,946
Total other revenues	<u>328,596</u>	<u>56,220</u>	<u>384,816</u>
Total support and revenues before net assets released from restrictions and reclassifications	789,994	109,765	899,759
Net assets released from restrictions and reclassifications	<u>41,106</u>	<u>(41,106)</u>	<u>-</u>
Total support and revenues	<u>831,100</u>	<u>68,659</u>	<u>899,759</u>
Expenses			
Program services			
Corps community center services	291,109	-	291,109
Rehabilitation center services	205,911	-	205,911
Residential and institutional services	63,534	-	63,534
Other social services	204,317	-	204,317
Total program services	<u>764,871</u>	<u>-</u>	<u>764,871</u>
Supporting services			
Management and general	93,955	-	93,955
Fund raising	42,532	-	42,532
Total supporting services	<u>136,487</u>	<u>-</u>	<u>136,487</u>
Total expenses	<u>901,358</u>	<u>-</u>	<u>901,358</u>
(Deficiency) excess of support and revenues over expenses	(70,258)	68,659	(1,599)
Change in fair value of interest rate swaps	40,739	-	40,739
Change in value of split-interest agreements	(3,402)	2,693	(709)
Retirement related activity other than net periodic benefit cost	93,640	-	93,640
Change in net assets	60,719	71,352	132,071
Net assets at beginning of year	<u>1,472,157</u>	<u>1,032,743</u>	<u>2,504,900</u>
Net assets at end of year	<u>\$ 1,532,876</u>	<u>\$ 1,104,095</u>	<u>\$ 2,636,971</u>

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
 For the year ended September 30, 2019,
 with comparative totals for the year ended September 30, 2018
 (in thousands)

	Program Services				Total	Supporting Services		2019 Total	2018 Total	
	Corps Community Center Services	Rehabilitation Center Services	Residential and Institutional Services	Other Social Services		Management and General	Fund Raising			
Salaries, office allowances and payroll taxes	\$ 93,155	\$ 104,617	\$ 32,809	\$ 52,569	\$ 283,149	\$ 45,941	\$ 17,556	\$ 63,497	\$ 346,646	\$ 334,677
Office and employee benefits	47,976	20,799	9,801	14,710	93,056	14,470	3,937	18,407	111,463	108,640
Professional fees	8,470	1,676	4,148	4,818	20,106	7,640	9,398	17,047	37,155	34,980
Supplies	9,479	12,188	3,234	4,878	26,777	2,424	806	3,332	33,109	33,311
Telecommunications, postage and shipping	3,629	1,553	427	934	6,543	1,766	1,819	3,687	10,230	9,821
Occupancy, furnishings and equipment	41,359	41,514	8,374	9,909	102,246	15,708	1,194	16,902	118,148	118,441
Printing and publications	2,844	733	495	2,272	6,444	4,997	7,318	11,915	18,357	18,107
Travel, meals and transportation	14,701	8,257	927	3,108	27,033	3,741	1,407	5,148	32,181	33,728
Specific assistance to individuals	3,848	1,989	3,919	46,529	67,895	-	-	-	67,895	106,853
Works services	-	-	-	11,234	11,234	-	-	-	11,234	10,708
Interest expense	15,220	1,881	1,979	1,067	19,987	1,061	-	1,061	21,048	20,421
Depreciation	31,863	14,382	3,364	6,905	56,514	3,196	287	3,443	59,947	61,437
Other	7,308	220	1,490	2,712	11,790	12,418	1,175	13,593	25,353	13,624
Total expenses	\$ 291,022	\$ 209,437	\$ 71,595	\$ 203,862	\$ 795,736	\$ 117,833	\$ 45,077	\$ 158,030	\$ 973,795	\$ 901,309

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended September 30, 2018
(In thousands)

	Program Services				Supporting Services				Total
	Corps Community Center Services	Rehabilitation Center Services	Residential and Institutional Services	Other Social Services	Total	Management and General	Fund Raising	Total	
Salaries, officer allowances and payroll taxes	\$ 97,303	\$ 98,822	\$ 28,901	\$ 47,082	\$ 272,178	\$ 45,744	\$ 16,751	\$ 62,496	\$ 334,677
Officer and employee benefits	48,585	21,800	7,874	10,747	90,006	13,878	4,858	18,834	108,840
Professional fees	8,467	1,434	3,226	4,487	18,614	8,815	7,361	15,978	34,590
Supplies	10,307	12,250	3,051	4,966	30,573	1,728	1,010	2,738	33,311
Telecommunications, postage and shipping	3,876	1,419	368	810	6,473	1,857	1,581	3,148	9,821
Occupancy, furnishings and equipment	46,295	42,870	8,344	10,828	108,337	8,940	1,564	10,104	118,441
Printing and publications	2,843	656	334	2,023	5,860	3,879	6,448	10,127	18,107
Travel, meals and transportation	15,181	8,114	872	3,705	27,872	3,870	1,980	5,850	33,722
Specific assistance to individuals	3,656	1,722	3,833	96,842	105,853	-	-	-	105,853
World services	-	-	-	10,708	10,708	-	-	-	10,708
Interest expense	14,480	1,827	1,844	1,038	19,389	1,032	-	1,032	20,421
Depreciation	32,443	13,236	4,063	7,828	57,688	3,988	383	3,949	61,637
Other	5,482	1,541	700	3,478	11,200	1,838	788	2,424	13,624
Total expenses	\$ 291,102	\$ 205,811	\$ 63,534	\$ 254,317	\$ 794,871	\$ 83,953	\$ 42,532	\$ 136,487	\$ 901,358

The accompanying notes are an integral part of this consolidated financial statement.

The Salvation Army - Eastern Territory
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended September 30,
(in thousands)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Change in net assets	\$ (402,002)	\$ 132,071
Adjustments to reconcile change in net assets to net cash used in operating activities		
Change in fair value of interest rate swaps	72,748	(40,739)
Change in minimum liability for pension and other postretirement benefits	50,451	(93,640)
Depreciation	59,947	61,637
Realized and unrealized loss (gains) on investments	30,644	(170,649)
Change in value of split-interest agreements	8,941	709
Gain on sale/disposition of land, buildings and equipment	(2,151)	(2,231)
Legacies and bequests restricted for endowment	(1,296)	(2,668)
Contributions restricted for permanent investments and split-interest agreements	(1,259)	(11,260)
Contributions restricted for acquiring and constructing land, buildings and equipment	(2,476)	(1,585)
Changes in operating assets and liabilities		
Accounts receivable	(8,800)	486
Legacies and bequests receivable	(4,486)	6,625
Pledges receivable	(225)	1,017
Inventory	42	(484)
Prepaid expenses and deferred charges	(1,648)	(455)
Split-interest agreements	4,146	17,375
Accounts payable and accrued expenses	9,087	(97)
Conditional asset retirement obligations	467	1,030
Liability for self-insurance claims	(1,499)	(490)
Liability for pension and other postretirement benefits	26,567	37,230
Other liabilities	2,978	(1,702)
Net cash used in operating activities	<u>(159,814)</u>	<u>(67,820)</u>
Cash flows from investing activities		
Purchase of investments	(605,044)	(596,245)
Issuance of notes receivable	-	(6,802)
Proceeds from sale of investments	861,541	765,493
Proceeds from sale of land, buildings and equipment	3,913	3,743
Purchase of land, buildings and equipment	(95,152)	(87,307)
Net cash provided by investing activities	<u>165,258</u>	<u>78,882</u>
Cash flows from financing activities		
Legacies and bequests restricted for endowment	681	2,473
Contributions restricted for acquiring and constructing land, buildings and equipment	3,218	4,950
Contributions restricted for permanent investments and split-interest agreements	547	186
Payments related to split-interest agreements	(6,367)	(6,643)
Proceeds from mortgages and notes payable	515,454	742,962
Payments on mortgages and notes payable	(514,475)	(733,258)
Net cash (used in) provided by financing activities	<u>(932)</u>	<u>10,870</u>
Increase in cash and cash equivalents	4,512	21,732
Cash and cash equivalents, beginning of year	<u>129,234</u>	<u>107,502</u>
Cash and cash equivalents, end of year	<u>\$ 133,746</u>	<u>\$ 129,234</u>
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	<u>\$ 19,726</u>	<u>\$ 20,349</u>
Accounts payable for construction projects	<u>\$ 7,475</u>	<u>\$ 4,487</u>

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

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019 and 2018
(in thousands)

NOTE 1 PURPOSE AND ORGANIZATION

The Salvation Army, founded in 1865, is a not-for-profit international religious organization and charitable movement organized and operated on a quasi-military pattern and is a branch of the Christian Church. Its membership includes officers (clergy), soldiers and adherents (laity), members of various activity groups and volunteers who serve as advisors, associates and committed participants in its service functions.

The accompanying consolidated financial statements include all programs and operations of The Salvation Army - Eastern Territory (the "Eastern Territory") incorporated as The Salvation Army (A New York Corporation), with its corporate headquarters located in West Nyack, New York. The Eastern Territory comprises the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Ohio and Northeast Kentucky, the Commonwealth of Puerto Rico and the U.S. Virgin Islands. The Eastern Territory also consolidates other related entities in which it has an economic interest and control. The centers of operation, which are the divisional headquarters, institutions, corps community centers, service extension units and adult rehabilitation centers, maintain their own standardized financial systems and accounting records under powers of attorney granted by corporate authority, and issue such reports and financial statements as may be called for locally, pertaining to the financial and property resources which they administer. All intercompany accounts and transactions have been eliminated.

The Eastern Territory is an organization exempt from income taxes under Section 501(a) as an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended and is exempt from state income taxes under related state provisions.

The Eastern Territory operates a variety of programs including corps community centers that provide spiritual, educational and recreational services; homeless and emergency shelters; senior citizens' residences, children's homes and children's day care centers; adult rehabilitation centers and substance abuse centers; emergency disaster services; assistance for the poor, disabled, and retired; jail and hospital visitation; and camping activities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with the national accounting policies of The Salvation Army. These policies are consistent with accounting principles generally accepted in the United States of America ("US GAAP").

In order to observe restrictions which donors place on grants and other gifts, as well as designations made by the Board of Trustees, all assets, liabilities and activities are accounted for in the following net asset classifications:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be designated for specific purposes or locations by action of the Board of Trustees.

Net Assets With Donor Restrictions – Net assets that are subject to donor-imposed restrictions that will be fulfilled either by actions of the Eastern Territory or the passage of time or that include a stipulation that assets provided be retained and invested permanently while permitting the Eastern Territory to use all or part of the investment return on these assets for specified or unspecified purposes.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

Cash and Cash Equivalents

For purposes of these consolidated financial statements, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash and have original maturities of three months or less. Cash and cash equivalents do not include cash held for reinvestment which is included in investments. At September 30, 2019 and 2018, cash equivalents included \$20,811 and \$20,360, respectively, held in a money market account at a commercial bank as collateral for letters of credit for insurance purposes (see Note 18).

Pledges Receivable

Unconditional pledges receivable are recorded at net realizable value. Pledges receivable that are expected to be collected after one year are recorded at the present value of estimated future cash flows and discounted using a credit-adjusted discount rate applicable to the year in which the pledge was made. Amortization of the discount is recorded as additional contribution revenue. An allowance for uncollectible pledges receivable is based on management's judgment, including such factors as prior collection history, subsequent collections, creditworthiness of donor and nature of fundraising activity. Pledges are written off when determined to be uncollectible. Conditional pledges receivable are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

Inventory

Inventory for goods purchased for resale is stated at the lower of weighted average cost or market. Inventory for goods donated for resale is recorded based on estimated fair value.

Investments

Investments are recorded at fair value. Investment return includes interest and dividends and realized and unrealized appreciation (depreciation). Investment expenses, such as custodial fees, investment advisory fees and direct internal investment expenses involving the direct conduct or direct supervision of the strategic and tactical activities involved in generating investment return, are netted against investment return in the accompanying consolidated statements of activities.

The Eastern Territorial headquarters has the responsibility for investment activity for all units within the Eastern Territory. The portfolios related to net assets with donor restrictions are maintained on a pooled "mutual fund" accounting basis, with the net investment return being allocated to each participating account on a pro rata basis. Investment return earned on portfolios related to net assets without donor restrictions is distributed to the constituent accounts on the basis of a stated percentage of the monthly account balances during the year. Amounts so deposited may be withdrawn when required for use by the centers of operation.

Charitable gift annuities are maintained in a separate portfolio and are invested in accordance with applicable state laws for such monies. The Eastern Territory maintains assets sufficient to meet annuity requirements of various state laws.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

Split-Interest Agreements

Accounting standards require that the following instruments be recorded as income and net assets at the present value of their ultimate Eastern Territory interest:

Trusts Held by a Third Party

Donors have established and funded trusts which are administered by organizations other than the Eastern Territory. Under the terms of these trusts, the Eastern Territory has the irrevocable right to receive all or a portion of the income earned on the trust assets either in perpetuity or for the life of the trust. The Eastern Territory does not control the assets held by an outside trustee. The Eastern Territory records its beneficial interest in trusts held by a third party as increases in net assets with donor restrictions at the fair value of the assets contributed to the trust.

Distributions from trust assets that are free of purpose or time restrictions are recorded as net assets without donor restrictions. Distributions from trust assets that are restricted for a particular time or purpose are reported as net assets with donor restrictions and released from restrictions when the time has elapsed or the purpose has been satisfied. Adjustments to the beneficial interest to reflect changes in the fair value are reported in the consolidated statement of activities as a change in value of split-interest agreements.

Charitable Remainder Trusts

Donors have established and funded trusts under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. Upon termination of the trusts, the Eastern Territory receives the assets remaining in the trusts. Trusts are recorded as increases to net assets with donor restrictions at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trust on the date of the contribution using the Annuity 2012 mortality table. The discount rates ranged from 1.8% to 10.0% at September 30, 2019 and 2018.

Charitable Gift Annuities

Donors have contributed assets to the Eastern Territory in exchange for a promise by the Eastern Territory to pay a fixed amount or percentage for a specified period of time to the donors or to individuals or organizations designated by the donors. Under the terms of such agreements no trust exists as the assets received are held by, and the annuity liability is an obligation of, the Eastern Territory. Contribution revenue is recognized as increases to net assets with or without donor restrictions based on the existence or absence of donor-imposed restrictions and recorded at the fair value of the assets contributed, less the present value of the estimated future payments to be made under the specific terms of the agreement on the date of the contribution.

The discount rates ranged from 1.2% to 10.6% at September 30, 2019 and 2018. In fiscal years 2019 and 2018, the assumptions used in the valuation of the annuity liability include mortality data in accordance with the Annuity 2012 mortality table.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Pooled (Life) Income Funds

The Eastern Territory manages a life income fund. The fund is divided into units, and contributions from many donors are pooled and invested as a group. Donors are assigned a specific number of units based on the proportion of the fair value of their contributions to the total fair value of the pooled income fund on the date of the donor's entry into the pooled fund. The donor is paid the actual income earned on those units until his or her death. Upon the donor's death, the value of these assigned units reverts to the Eastern Territory.

The Eastern Territory recognizes its interest in the assets received as contribution revenue with donor restrictions, at the fair value of the assets received net of a discount for future interest based on the life expectancy of the donor. The contribution revenue net of this discount is recorded as contributions from split-interest agreements.

The discount rates ranged from 2.7% to 11.2% at September 30, 2019 and 2018. In fiscal years 2019 and 2018, the assumptions used in the valuation of the liability include mortality data in accordance with the Annuity 2012 mortality table.

Land, Buildings and Equipment

Land, buildings and equipment (with a purchase price of \$10 or more) are stated at cost or, if donated, at fair value at the date of donation.

Revenue Recognition

All items of support and revenue are stated on the accrual basis.

Support and revenue are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions that are not fulfilled in the accounting period. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. All expenses are reported as decreases in net assets without donor restrictions.

Contributions subject to donor-imposed restrictions are recorded as revenue with donor restrictions. When the donor-imposed restriction has been fulfilled or the stipulated time period has elapsed, the net assets are reclassified as net assets without donor restrictions and reported as net assets released from restrictions. Contributions with restrictions that are met during the fiscal year in which they are received are recorded as revenue without donor restrictions. Conditional promises to give and intentions to give are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met.

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), the Eastern Territory recognizes revenue when control of the promised goods or services are transferred to outside parties in an amount that reflects the consideration the Eastern Territory expects to be entitled to in exchange for those goods or services. Revenue for sales to public is recognized at the point in time of the sales transaction. Program and service fees are recognized as the services are rendered.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

The Eastern Territory recognizes revenue from grants and contracts in accordance with Accounting Standards Update ("ASU") 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. In accordance with ASU 2018-08, the Eastern Territory evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be an exchange transaction, the Eastern Territory applies guidance under ASC 606. If the transfer of assets is determined to be a contribution, the Eastern Territory evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before the Eastern Territory is entitled to the assets transferred and promised and (2) a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets.

Donations-in-Kind and Contributed Services

Material gifts-in-kind items used in the Eastern Territory's Corps and Unit programs and services (e.g., vehicles, free rent, and equipment, etc.) and donated goods distributed (e.g., clothing, furniture, and foodstuffs, etc.) are recorded at their estimated fair value as income when received and expense at the time the items are placed into service or distributed.

Goods donated for sale in the Eastern Territory's adult rehabilitation centers and thrift stores are recorded as contributions and processed donations-in-kind on the basis of a percentage of sales income determined by appraisal studies.

Contributed land, buildings and equipment are recorded at fair value at the date of donation as support and revenue without donor restrictions unless the use of such contributed assets is restricted by a donor-imposed restriction.

Contributed services are reported as contributions at their fair value if such services 1) create or enhance nonfinancial assets, or 2) they would typically need to be purchased if not provided by contribution, require specialized skills and are provided by individuals possessing such specialized skills. In addition, the appropriate value of donated services of individuals is recorded as an expense when such services qualify for cost reimbursement from third-party providers.

The Eastern Territory has a significant number of volunteers who contribute meaningful amounts of time in furtherance of the Eastern Territory's mission. Such contributions do not meet generally accepted accounting criteria for recognition as contributed services and, accordingly, are not reflected in the consolidated statement of activities.

Expenses

All expenses are stated on the accrual basis and are presented in the accompanying consolidated statements of activities and functional expenses. Expenses directly attributable to a specific functional category are reported as expenses of those functional categories. Expenses attributable to more than one functional category are allocated across program services and supporting services using a variety of cost allocation techniques. These techniques include the allocation of occupancy, furnishings and equipment, and depreciation expenses based on calculated use of the square footage of buildings. Salaries, allowances and taxes and employee and officer benefits are allocated based on an employee's time attributable to specific program and supporting services. Other expenses not attributed directly to a specific functional category are allocated based on the benefit attributed to each functional category.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Depreciation

Depreciation is provided on buildings, vehicles and equipment at straight-line rates based on estimated service lives. The estimated service lives for buildings and improvements are 20-50 years and 4-20 years for vehicles and equipment. For buildings, a half year of depreciation is charged in the year of acquisition or completion of construction, and in the year of disposition. For vehicles and equipment, a full year of depreciation is charged in the year of acquisition and no depreciation is charged in the year of disposition.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

Reclassification

Certain information in the fiscal 2018 consolidated financial statements has been reclassified to conform to the fiscal 2019 presentation.

NOTE 3 RECENT ACCOUNTING PRONOUNCEMENTS

In August 2016, the FASB issued ASU No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). The ASU amends the current reporting model for not-for-profit organizations and requires certain additional disclosures. The significant changes include:

- Requiring the presentation of two net asset classes classified as "net assets without donor restrictions" and "net assets with donor restrictions";
- Modifying the presentation of underwater endowment funds and related disclosures;
- Requiring the use of the placed in-service approach to recognize the satisfaction of restrictions on gifts used to acquire or construct long-lived assets, absent explicit donor stipulations otherwise;
- Requiring an analysis of expenses by function and nature in a separate statement or in the notes to the consolidated financial statements;
- Requiring disclosure of quantitative and qualitative information on liquidity;
- Presenting investment return net of external and direct internal investment expenses; and
- Modifying other consolidated financial statement reporting requirements and disclosures intended to increase the usefulness to the reader.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

As required by the ASU, the Eastern Territory adopted ASU 2016-14 as of and for the year ended September 30, 2019. A summary of net asset reclassification impacted by the adoption of ASU 2016-14 as of September 30, 2018 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Net assets, as previously presented			
Unrestricted	\$ 1,532,876	\$ -	\$ 1,532,876
Temporarily restricted	-	457,071	457,071
Permanently restricted	-	647,024	647,024
Net assets as previously presented	<u>1,532,876</u>	<u>1,104,095</u>	<u>2,636,971</u>
Reclassification of underwater endowments	-	-	-
Net assets, as currently presented	<u>\$ 1,532,876</u>	<u>\$ 1,104,095</u>	<u>\$ 2,636,971</u>

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* (ASC 606), which supersedes most of the current revenue recognition requirements. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance provides a five-step analysis of transactions to determine when and how revenue is recognized. Other major provisions include capitalization of certain contract costs, consideration of time value of money in the transaction price, and allowing estimates of variable consideration to be recognized before contingencies are resolved in certain circumstances. The guidance also requires enhanced disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The Eastern Territory adopted ASC 606 on October 1, 2018. The results of applying ASC 606 using the modified retrospective approach did not have a material impact on the consolidated financial position, changes in net assets, cash flows, business processes, controls or systems of the Eastern Territory.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which requires organizations to determine whether a contribution is conditional based on whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. If the agreement (or a referenced document) includes both, the recipient is not entitled to the transferred assets (or a future transfer of assets) until it has overcome the barriers in the agreement. The Eastern Territory adopted ASU No. 2018-08 for the year ended September 30, 2019.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which requires organizations that lease assets (lessees) to recognize the assets and related liabilities for the rights and obligations created by the leases on the statement of financial position for leases with terms exceeding 12 months. ASU No. 2016-02 defines a lease as a contract or part of a contract that conveys the right to control the use of identified assets for a period of time in exchange for consideration. The lessee in a lease will be required to initially measure the right-of-use asset and the lease liability at the present value of the remaining lease payments, as well as capitalize initial direct costs as part of the right-of-use asset. ASU No. 2016-02 is effective for the Eastern Territory for fiscal year 2020. In April 2020, the FASB issued a proposed ASU that would allow certain entities the option to defer the adoption of ASU 2016-02 by one year. As of the date the consolidated financial statements were issued, the proposed amendments are pending. The

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

Eastern Territory is in the process of evaluating the impact this standard will have on the consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, *Compensation Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*. The new guidance improves the presentation of net periodic pension cost and net period postretirement benefit cost ("Benefit Costs") by requiring an employer to report the service cost component with the other components of employee compensation costs in operating expenses while the other components will be reported in nonoperating activities. While this guidance changes the presentation of Benefit Costs in the consolidated statement of activities, it does change the rules over how the costs are measured. ASU No. 2017-07 is effective for the Eastern Territory for fiscal year 2020. The Eastern Territory is in the process of evaluating the impact this standard will have on the consolidated financial statements.

NOTE 4 PLEDGES RECEIVABLE, NET

Pledges receivable, net, at September 30, 2019 and 2018 include the following:

	2019	2018
Pledges receivable due in:		
Less than one year	\$ 2,433	\$ 3,188
One year to five years	1,030	506
Thereafter	-	526
	<u>3,463</u>	<u>4,220</u>
Discount to present value	(48)	(59)
Allowance for uncollectibles	<u>(1,006)</u>	<u>(1,235)</u>
Pledges receivable, net	<u>\$ 2,409</u>	<u>\$ 2,926</u>

At September 30, 2019 and 2018, the interest rates used to discount pledges receivable to present value ranged from 0.23% to 2.81% and 0.23% to 2.91%, respectively.

During fiscal years 2019 and 2018, the Eastern Territory received notification of certain intentions to give. However, due to their conditional nature, these gifts have not been reflected in the accompanying consolidated financial statements.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

NOTE 5 INVESTMENTS

Investments, at fair value, consisted of the following at September 30, 2019 and 2018:

	2019	2018
Marketable securities:		
Short-term securities	\$ 46,684	\$ 61,540
Corporate bonds and other fixed income securities	172,697	167,264
Government securities	121,546	129,859
Equity securities	613,705	662,641
Total marketable securities	954,632	1,021,304
Alternative investments:		
Private equity	164,558	141,622
Timber	74,552	84,770
Real estate	80,194	106,219
Hedge funds	312,327	449,802
Commingled funds	580,452	647,889
Commodities	37,477	35,009
Total alternative investments	1,249,560	1,465,311
Receivables for securities sold	68,216	33,655
Liabilities for securities purchased	(109,398)	(68,491)
Accrued income	2,635	3,171
Total investments, at fair value	\$ 2,165,645	\$ 2,454,950

Depending on the underlying asset, the fair value is determined through a national exchange price for securities with a readily determinable value or by valuations and estimates typically determined by the underlying asset manager. Although the majority of these investment values are determined through national exchanges, certain investment values may differ from the values that would have been used had a ready market for these investments existed and the differences could be material. The financial statements of these investments are audited annually (typically at December 31) by independent auditors.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(In thousands)

Investment return, net, for the years ended September 30, 2019 and 2018 consists of the following:

	2019	2018
Dividends and interest	\$ 44,414	\$ 47,653
Realized and unrealized (loss) gains, net	(30,644)	170,649
Investment fees	(19,094)	(16,175)
Investment return, net	\$ (5,324)	\$ 202,127

NOTE 6 FAIR VALUE MEASUREMENTS

US GAAP defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date.

US GAAP establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This fair value hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability developed from sources independent of the reporting entity; and unobservable inputs reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on inputs as follows:

Level 1 - Quoted market prices for identical assets or liabilities to which an entity has access at the measurement date.

Level 2 - Inputs and information other than quoted market indices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets;
- b. Quoted prices for identical or similar assets in markets that are not active;
- c. Observable inputs other than quoted prices for the asset or liability; and
- d. Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.

Level 3 - Inputs that are unobservable and significant to the overall fair value measurement of the asset or liability.

The Eastern Territory has segregated all financial assets and liabilities that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value, except for those investments and assets of trusts administered by the Eastern Territory that are measured at fair value using the net asset value ("NAV") per share practical expedient.

The Salvation Army - Eastern Territory
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September 30, 2019 and 2018
(in thousands)

The following table serves to prioritize the inputs used to value the Eastern Territory's financial assets and liabilities within the fair value hierarchy as of September 30, 2019:

	Level 1	Level 2	Level 3	Net Asset Value	Total
ASSETS					
Marketable securities:					
Short-term securities	\$ 43,041	\$ 3,643	\$ -	\$ -	\$ 46,684
Corporate bonds and other fixed income securities	3,981	168,738	-	-	172,697
Government securities	36,822	84,724	-	-	121,546
Equity securities	613,519	188	-	-	613,705
Total marketable securities	<u>697,343</u>	<u>257,289</u>	<u>-</u>	<u>-</u>	<u>954,632</u>
Alternative investments	-	-	23,346	1,226,214	1,249,560
Total investments *	<u>697,343</u>	<u>257,289</u>	<u>23,346</u>	<u>1,226,214</u>	<u>2,204,192</u>
Split-interest agreements:					
Assets of trusts administered by the Eastern Territory					
Cash and cash equivalents	2,162	-	-	-	2,162
Equity securities	36	-	-	-	36
Exchange-traded fund	1,648	-	-	-	1,648
Mutual fund	3,414	-	-	-	3,414
Common trust funds	-	-	-	84,915	84,915
Total assets of trusts administered by the Eastern Territory	<u>7,260</u>	<u>-</u>	<u>-</u>	<u>84,915</u>	<u>92,175</u>
Interests in trusts held by others	-	-	231,078	-	231,078
Total split-interest agreements	<u>7,260</u>	<u>-</u>	<u>231,078</u>	<u>84,915</u>	<u>323,253</u>
Total assets	<u>\$ 704,603</u>	<u>\$ 257,289</u>	<u>\$ 254,424</u>	<u>\$ 1,311,129</u>	<u>\$ 2,527,445</u>
LIABILITIES					
Interest rate swaps	\$ -	\$ 151,303	\$ -	\$ -	\$ 151,303
Total liabilities	<u>\$ -</u>	<u>\$ 151,303</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,303</u>

- * Excluded from the summary of investments but included in the Eastern Territory's investments are pending trade receivables, pending trade payables and accrued income.

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(In thousands)

The following table serves to prioritize the inputs used to value the Eastern Territory's financial assets and liabilities within the fair value hierarchy as of September 30, 2018:

	Level 1	Level 2	Level 3	Net Asset Value	Total
ASSETS					
Marketable securities:					
Short-term securities	\$ 80,025	\$ 11,515	\$ -	\$ -	\$ 91,540
Corporate bonds and other fixed income securities	5,706	101,558	-	-	107,264
Government securities	47,937	81,922	-	-	129,859
Equity securities	662,340	301	-	-	662,641
Total marketable securities	<u>796,008</u>	<u>255,296</u>	-	-	<u>1,051,304</u>
Alternative investments					
Total investments *	<u>796,008</u>	<u>255,296</u>	<u>23,708</u>	<u>1,441,603</u>	<u>2,465,311</u>
Split-interest agreements:					
Assets of trusts administered by the Eastern Territory					
Cash and cash equivalents	2,432	-	-	-	2,432
Equity securities	33	-	-	-	33
Exchange-traded fund	1,597	-	-	-	1,597
Mutual fund	3,757	-	-	-	3,757
Common trust funds	-	-	-	87,764	87,764
Total assets of trusts administered by the Eastern Territory	<u>7,819</u>	-	-	<u>87,764</u>	<u>95,583</u>
Interests in trusts held by others					
Total split-interest agreements	<u>7,819</u>	-	<u>232,853</u>	<u>87,764</u>	<u>328,430</u>
Total assets	<u>\$ 773,827</u>	<u>\$ 255,296</u>	<u>\$ 256,581</u>	<u>\$ 1,529,367</u>	<u>\$ 2,815,051</u>
LIABILITIES					
Interest rate swaps					
Total liabilities	<u>\$ -</u>	<u>\$ 78,555</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,555</u>

* Excluded from the summary of investments but included in the Eastern Territory's investments are pending trade receivables, pending trade payables and accrued income.

The following are rollforwards of Level 3 financial assets for the years ended September 30, 2019 and 2018:

	Beginning Balance as of October 1, 2018	Purchases/ Additions	Sales/ Distributions	Net Realized and Unrealized Gains (Losses)	Ending Balance as of September 30, 2019
Real estate alternative investment	\$ 23,708	\$ 3,464	\$ (8,830)	\$ 3,004	\$ 23,346
Interests in trusts held by others	<u>232,853</u>	<u>11,337</u>	<u>(5,739)</u>	<u>(7,373)</u>	<u>231,078</u>
	<u>\$ 256,561</u>	<u>\$ 14,801</u>	<u>\$ (12,569)</u>	<u>\$ (4,369)</u>	<u>\$ 254,424</u>

	Beginning Balance as of October 1, 2017	Purchases/ Additions	Sales/ Distributions	Net Realized and Unrealized Gains	Ending Balance as of September 30, 2018
Real estate alternative investment	\$ 18,681	\$ -	\$ (470)	\$ 5,497	\$ 23,708
Interests in trusts held by others	<u>225,208</u>	<u>18,771</u>	<u>(14,147)</u>	<u>5,021</u>	<u>232,853</u>
	<u>\$ 243,889</u>	<u>\$ 18,771</u>	<u>\$ (14,617)</u>	<u>\$ 10,518</u>	<u>\$ 256,561</u>

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(in thousands)

Net realized and unrealized gains in the table above are reflected in the accompanying consolidated statements of activities and included as part of investment return, net, and change in value of split-interest agreements.

The Eastern Territory uses the NAV per share or its equivalent as a practical expedient to determine the fair value of all the underlying investments, which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

The following table lists investments valued at NAV per share or its equivalent, by major category, at September 30, 2019:

	Strategy	NAV in Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Private Equity	Venture and buyout in the U.S. and International	\$ 164,558	20	1 - 12 years	\$ 95,093	No liquidity	N/A
Real Estate	Real Estate	58,848	9	8 funds 1 - 10 years, 1 fund N/A	32,885	Quarterly for 1 fund, No liquidity for remaining funds	N/A
Timber	Holdings of timber producing property	74,552	8	1 - 3 years	-	No liquidity	N/A
Commingled Funds	Distressed asset funds and credit strategies	3,878	1	2 years	750	No liquidity	N/A
Commingled Funds	Global funds	578,576	10	9 funds N/A, 1 fund pending liquidation	2,248	Monthly for 5 funds, Quarterly for 4 funds, 1 fund pending liquidation	3 funds have redemption gates
Commodities	Energy, Metals, Agriculture	37,477	3	1 fund 3 years, 2 funds 6-8 years	15,338	No liquidity	N/A
Hedge Funds	U.S. and Global Long/ Short-Term Equities	312,327	12	1 fund 14 years, 6 funds N/A, 5 funds pending liquidation	-	Monthly for 3 funds, Quarterly for 2 funds, Annual for 1 fund, Biannual for 1 fund, 5 funds pending liquidation	2 funds have redemption gates
Common Trust Funds	Track or exceed certain U.S. and international equity and fixed income indices	84,916	8	N/A	-	Daily liquidity	N/A
	Total	\$ 1,311,129	71		\$ 146,312		

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September 30, 2019 and 2018

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The following table lists investments valued at NAV per share or its equivalent, by major category, at September 30, 2018:

		2018					
	Strategy	NAV in Funds	# of Funds	Remaining Life	\$ Amount of Unfunded Commitments	Redemption Terms	Redemption Restrictions
Private Equity	Venture and buyout in the U.S. and international	\$ 141,822	19	1 - 9 years	\$ 79,679	No liquidity	N/A
Real Estate	Real Estate	82,511	9	8 funds 1 - 11 years, 1 fund N/A	43,495	Quarterly for 1 fund, No liquidity for remaining funds	N/A
Timber	Holdings of timber producing property	84,770	8	1 - 4 years	-	No liquidity	N/A
Commingled Funds	Distressed asset funds and credit strategies	4,430	1	1 year	750	No liquidity	N/A
Commingled Funds	Global funds	643,459	10	1 fund terminates May 2019, 9 funds N/A	2,248	Monthly for 5 funds, Quarterly for 4 funds, No liquidity for 1 fund	1 year lock up for 1 fund; 3 funds have redemption gates
Commodities	Energy, Metals, Agriculture	35,009	3	1 fund 4 years, 2 funds 7 - 9 years	22,213	No liquidity	N/A
Hedge Funds	U.S. and Global Long/ Short-Term Equities	449,802	13	1 fund 15 years, 6 funds N/A, 6 funds pending liquidation	-	Monthly for 3 funds, Quarterly for 2 funds, Annual for 1 fund, Biannual for 1 fund, 6 funds pending liquidation	2 funds have redemption gates
Common Trust Funds	Track or exceed certain U.S. and international equity and fixed income indices	87,764	8	N/A	-	Daily liquidity	N/A
	Total	<u>\$ 1,529,387</u>	<u>71</u>		<u>\$ 148,385</u>		

NOTE 7 PENSION, RETIREMENT AND OTHER POSTRETIREMENT PLANS

Employee Pension Plans

Eligible employees participate in the Employee Pension Plan (the "Plan") with other Salvation Army Territories which provides for death, disability and retirement benefits. The Plan is a defined contribution, money purchase plan.

Annual contributions to the Plan for the Eastern Territory are based on a stipulated 6% of employees' salaries. In fiscal years 2019 and 2018, the Eastern Territory incurred \$8,990 and \$9,110 of expenses under this plan, net of employee forfeitures of \$2,368 and \$2,186, respectively. The Eastern Territory has recorded a liability for contributions accrued under the Plan of \$2,193 and \$2,383 as of September 30, 2019 and 2018, respectively, and are included on the accompanying consolidated statements of financial position as part of liability for pension and other postretirement benefits.

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The Eastern Territory has board-designated assets of \$4,371 and \$4,687 as of September 30, 2019 and 2018, respectively, for an inactive money purchase pension plan for employees whose benefits were frozen as of April 30, 1977. The liability for benefits accrued under this plan of \$4,371 and \$4,687 as of September 30, 2019 and 2018, respectively, are included on the accompanying consolidated statements of financial position as part of liability for pension and other postretirement benefits.

Officers Retirement Provisions and Other Post-Retirement Benefits

The Eastern Territory has a noncontributory retirement provision for officers which provides retirement benefits, as defined by The Salvation Army policy governing such benefits. Retirement allowances are determined based upon active officer allowances and length of service.

They are self-funded principally by annual assessments to all centers of operation, by designated portions of legacy income, by earnings on assets designated for retirement benefits and by special appropriations. Such designated assets, which were \$22,982 and \$26,739 as of September 30, 2019 and 2018, respectively, are included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

The Eastern Territory also provides certain healthcare and death benefits for retired Salvation Army officers as part of the retirement provision for officers. The Eastern Territory also provides a housing and furnishings allowance at the time of retirement. All Eastern Territory officers and their eligible dependents are eligible for these benefits, as defined by the Eastern Territory policy. Provisions for these benefits are self-funded in a manner similar to officers' retirement benefits. Such designated assets, which were \$73,809 and \$79,723 as of September 30, 2019 and 2018, respectively, are included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

The following table summarizes the benefit obligations, fair value of plan assets, funded status, and accrued benefit cost of the plans reported on the consolidated statements of financial position at September 30, 2019 and 2018:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Benefit obligation, beginning of year	\$ 291,568	\$ 383,654	\$ 305,441	\$ 405,925
Service cost	8,315	12,110	8,975	14,113
Interest cost	12,085	15,311	11,563	15,951
Assumption changes	33,638	46,992	(17,457)	(22,459)
Actuarial loss (gain)	2,745	(28,383)	(2,054)	(40,451)
Benefit payments	(15,463)	(9,826)	(14,900)	(9,425)
Benefit obligation, end of year	<u>\$ 332,888</u>	<u>\$ 399,858</u>	<u>\$ 291,568</u>	<u>\$ 363,654</u>
Fair value of plan assets at September 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funded status at September 30	<u>\$ (332,888)</u>	<u>\$ (399,858)</u>	<u>\$ (291,568)</u>	<u>\$ (363,654)</u>
Accrued benefit cost	<u>\$ 307,611</u>	<u>\$ 350,581</u>	<u>\$ 271,889</u>	<u>\$ 332,725</u>

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The amounts reflected above as assumption changes, which served to increase the fiscal year 2019 benefit obligations of the plans by \$80,630, is primarily due to a decrease in the discount rates commensurate with lower long-term interest rates. The amount reflected above as an actuarial gain, which served to decrease the fiscal year 2019 benefit obligation of the postretirement plan by \$28,383, is primarily due to differences between actual and expected plan experience relating to claims paid and demographic changes.

In December 2019, Congress passed the 2020 Further Consolidated Appropriations Act (the "Act") which repealed the Cadillac Tax, a tax on high-cost health care plans that was originally passed as a provision of the Affordable Care Act. Since the Act was enacted subsequent to September 30, 2019, the Eastern Territory's postretirement benefit obligation does not incorporate the impact of the change in law. However, had the Act been in effect as of September 30, 2019, the Eastern Territory's postretirement benefit obligation would have been reduced by approximately 5%.

The amount of contributions and benefit payments from the plans for the years ended September 30, 2019 and 2018 were:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Employer contributions	\$ 15,463	\$ 9,828	\$ 14,900	\$ 9,425
Participant contributions	-	-	-	-
Benefit payments	\$ 15,463	\$ 9,826	\$ 14,900	\$ 9,425

The following table provides the components of the net periodic benefit cost recognized as expense for the years ended September 30, 2019 and 2018:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Service cost	\$ 8,315	\$ 12,110	\$ 8,975	\$ 14,113
Interest cost	12,085	15,311	11,563	15,951
Amortization of unrecognized:				
Prior service cost	1,477	261	2,384	261
Net actuarial loss	2,803	-	4,508	4,066
Net periodic benefit cost	\$ 24,680	\$ 27,682	\$ 27,430	\$ 34,391

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September 30, 2019 and 2018
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For the years ended September 30, 2019 and 2018, the change in estimated additional minimum liability for retirement and other post-retirement benefits consisted of:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Net actuarial loss (gain)	\$ 36,383	\$ 18,609	\$ (19,510)	\$ (62,911)
Amortization of net actuarial loss	(2,803)		(4,508)	(4,066)
Amortization of prior service cost	(1,477)	(261)	(2,384)	(261)
	<u>\$ 32,103</u>	<u>\$ 18,348</u>	<u>\$ (26,402)</u>	<u>\$ (67,238)</u>

Items not yet recognized as a component of net periodic benefit cost as of September 30, 2019 and 2018 consisted of:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Unrecognized actuarial loss	\$ 101,451	\$ 47,565	\$ 67,870	\$ 28,956
Unrecognized prior service cost	14,035	1,710	15,513	1,971
	<u>\$ 115,486</u>	<u>\$ 49,275</u>	<u>\$ 83,383</u>	<u>\$ 30,927</u>

The estimated net actuarial loss and prior service cost for the defined benefit pension plan that will be amortized from net assets without donor restrictions into the net periodic benefit cost during the next fiscal year are \$4,793 and \$1,422, respectively. The estimated net actuarial loss and prior service cost for the postretirement benefit plan that will be amortized from net assets without donor restrictions into the net periodic benefit cost during the next fiscal year are \$533 and \$212, respectively.

The weighted-average rates used in the measurement of the benefit obligations as of September 30, 2019 and 2018, were as follows:

	2019		2018	
	Retirement Provisions	Other Postretirement Benefits	Retirement Provisions	Other Postretirement Benefits
Discount rate	3.24%	3.34%	4.24%	4.27%
Rate of compensation increase	2.50%	N/A	2.50%	N/A
Expected rate of return on plan assets	N/A	N/A	N/A	N/A

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September 30, 2019 and 2018
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Other actuarial assumptions used as of September 30, 2019 and 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Initial healthcare cost trend rate:		
Pre-65	7.02%	7.38%
Post-65	7.52%	7.92%
Ultimate healthcare cost trend rate:		
Pre-65	4.50%	4.50%
Post-65	4.50%	4.50%
Year ultimate healthcare cost trend rate is achieved	2028/2028	2026/2026

The weighted-average rates used in the measurement of the net periodic benefit cost for the years ended September 30, 2019 and 2018, were as follows:

	<u>2019</u>		<u>2018</u>	
	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>
Discount rate	4.24%	4.27%	3.88%	3.98%
Rate of compensation increase	2.50%	N/A	2.50%	N/A

Other actuarial assumptions used for the years ended September 30, 2019 and 2018, were as follows:

	<u>2019</u>	<u>2018</u>
Initial healthcare cost trend rate:		
Pre-65	7.38%	6.96%
Post-65	7.92%	8.18%
Ultimate healthcare cost trend rate:		
Pre-65	4.50%	4.50%
Post-65	4.50%	4.50%
Year ultimate healthcare cost trend rate is achieved	2026/2026	2026/2025

For the year ended September 30, 2019, the effect of a 1% change in the healthcare cost trend rate was as follows:

	<u>1% Increase</u>	<u>1% Decrease</u>
Effect on net periodic benefit cost	\$ 6,567	\$ (4,907)
Effect on accumulated benefit obligation	80,340	(62,221)

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The estimated future benefit payments as of September 30, 2019, were projected to be as follows:

<u>Fiscal Year</u>	<u>Retirement Provisions</u>	<u>Other Postretirement Benefits</u>
2020	\$ 14,866	\$ 10,389
2021	13,159	11,162
2022	14,748	11,485
2023	15,209	12,140
2024	17,295	12,778
2025 - 2029	99,736	78,007

Because the plans are unfunded, the estimated future benefit payments also represent the expected contributions to the plans for that year.

NOTE 8 ESTIMATED LIABILITY FOR SELF-INSURANCE CLAIMS

Officers and employees of the Eastern Territory are provided health benefits under a self-insured program which is administered by a third-party claims administrator. The employee medical plan is funded by employee contributions and annual assessments to all centers of operations.

The Eastern Territory also maintains self-insurance programs for general liability, automobile, workers' compensation, and property coverage. The programs are administered by the Eastern Territory Headquarters and are intended to provide coverage for claims arising in all centers of operations. Funding for these programs is obtained through assessments to all centers of operations for each line of coverage and through earnings on designated assets held to pay claims. Assets designated by the Eastern Territory's Board of Trustees for insurance programs amounted to \$57,333 and \$57,778 at September 30, 2019 and 2018, respectively, and were included in board-designated net assets. These assets may be reallocated for other purposes at any time by the Eastern Territory's Board of Trustees.

Liabilities for self-insurance claims have been developed based on an actuarial model based on historical claims and industry experience. As of September 30, 2019 and 2018, the actuarially determined liabilities consisted of the following:

<u>2019</u>	<u>Case Reserve</u>	<u>Incurred But Not Reported</u>	<u>Total</u>
Officer and Employee Medical Plan	\$ 203	\$ 9,269	\$ 9,472
General liability, automobile, workers' compensation and property coverage	22,315	28,525	50,840
Total liability for self-insurance claims	<u>\$ 22,518</u>	<u>\$ 37,794</u>	<u>\$ 60,312</u>

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<u>2018</u>	<u>Case Reserve</u>	<u>Incurred But Not Reported</u>	<u>Total</u>
Officer and Employee Medical Plan General liability, automobile, workers' compensation and property coverage	\$ 304	\$ 9,903	\$ 10,207
	<u>23,641</u>	<u>27,963</u>	<u>51,604</u>
Total liability for self-insurance claims	<u>\$ 23,945</u>	<u>\$ 37,866</u>	<u>\$ 61,811</u>

NOTE 9 MORTGAGES AND NOTES PAYABLE*Notes Payable*

On August 16, 2007, the Eastern Territory issued an offering memorandum for the sale and issuance of up to \$400,000 of Taxable Commercial Paper Notes (the "Notes") for the purpose of real estate acquisitions and facilities construction. The Notes were split into two Series, the Series 2007A Notes and the Series 2007B Notes, and were purchased or the sale arranged by JPMorgan Chase Securities, Inc. ("JPMorgan") and Merrill Lynch & Co. Inc. ("Merrill Lynch"), respectively, the dealers in the transactions. The Series 2007A Notes were sold at a discount with the face amount payable at maturity and the Series 2007B Notes were offered at both a discount and at par with the face amount payable at maturity and both series are interest bearing. The Notes carry maximum maturities of 270 days and may be issued in denominations of \$100 or in integral multiples of \$1 in excess of \$100. The Notes are unsecured general obligations of the Eastern Territory. Deutsche Bank Trust Company Americas was the issuing and paying agent.

On August 22, 2007, \$100,000 of Series 2007A Notes and \$60,000 of Series 2007B Notes were issued. On September 11, 2008, an additional \$35,000 of Series 2007A Notes and \$40,000 of Series 2007B Notes were issued. On October 15, 2009, an additional \$50,000 of Series 2007A Notes was issued. On October 9, 2010, the Eastern Territory issued an additional \$35,000 of Series 2007A Notes and \$25,000 of Series 2007B Notes. Deutsche Bank Trust Company Americas was the issuing and paying agent. On August 13, 2013, U.S. Bank Global Corporate Trust Services became the issuing and paying agent.

On November 29, 2011, the Eastern Territory entered a credit agreement with U.S. Bank for two term loans in accordance with its long-term financing strategy. The first term loan ("Term Loan A") of \$45,000 with a repayment term of 54 months was due and payable in full on December 1, 2019. On February 6, 2019, the credit agreement was amended to extend the loan maturity date to July 1, 2022. Proceeds were used to pay down \$45,000 of Series 2007B Notes issued in 2007. The second term loan ("Term Loan B") of \$55,000 with a repayment term of 10 years is due and payable in full on November 29, 2021. The loans bear interest daily at a per annum rate equal to one-month LIBOR plus the applicable margin, which amount to 0.40% (0.50% prior to December 28, 2018) and 0.80% for Term Loan A and Term Loan B, respectively. At September 30, 2019 and 2018, the Eastern Territory had a combined principal balance outstanding of \$100,000 for Term Loans A and B. Term Loans A and B are unsecured general obligations of the Eastern Territory. The interest rates on Term Loans A and B were 2.500% and 2.900%, respectively, at September 30, 2019 and 2.604% and 2.904%, respectively, at September 30, 2018.

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(in thousands)

On May 24, 2012, the Eastern Territory entered into a credit agreement with TD Bank for a term loan in accordance with its long-term financing strategy. The term loan ("TD Term Loan") of \$100,000 with a repayment term of 10 years is due and payable in full on May 24, 2022. Proceeds were used to retire \$20,000 of Series 2007A Notes issued in 2007 and \$50,000 of Series 2007B Notes issued in 2007 and 2008. On June 5, 2012, \$14,000 of Series 2007B Notes issued in 2008 and 2010 were paid down and not reissued and on July 6, 2012, an additional \$16,000 of Series 2007B Notes issued in 2008 and 2010 were paid down and not reissued. The loan bears interest daily at a per annum rate equal to one-month LIBOR plus an applicable margin of 1.0%. At September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$100,000. The interest rate on the TD Term Loan was 3.100% and 3.104% at September 30, 2019 and 2018, respectively.

On February 17, 2016, the Eastern Territory issued a Supplement to the Offering Memorandum dated April 16, 2015 (the "Supplement"). As set forth in the Supplement, the Eastern Territory reduced the principal amount of the Series 2007A Notes to \$100,000, and issued a new series of commercial paper notes in an amount up to \$100,000, which was denoted as Taxable Commercial Paper Notes, Series 2016A. J.P. Morgan Securities LLC, the dealer with respect to the 2007A Notes, serves as dealer with respect to the Series 2016A Notes. JPMorgan Chase Bank, N.A. provided \$100,000 of liquidity for the payment of maturing principal of the Series 2016A Notes pursuant to the terms of a Revolving Loan Agreement. The Series 2016A Notes carry maximum maturities of 270 days and may be issued in denominations of \$100 or in integral multiples of \$1 in excess of \$100. The Series 2016A Notes are unsecured general obligations of the Eastern Territory. U.S. Bank National Association is the issuing and paying agent.

As of September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$198,810, net of discount \$1,190, and a principal balance of \$198,791, net of discount of \$1,209, respectively, for Series 2007A and Series 2016A Notes. During fiscal years 2019 and 2018, interest rates on the Series 2007A and Series 2016A Notes ranged from 1.92% to 2.80% and 1.27% to 2.30%, respectively.

Total interest expense related to the long-term financing strategy for the years ended September 30, 2019 and 2018 was \$18,807 and \$19,270, respectively. Included in this amount are net payments to counterparties related to interest rate swap agreements (see Note 10) of \$7,837 and \$10,669 for the years ended September 30, 2019 and 2018, respectively.

Mortgages Payable

United States Department of Housing and Urban Development

The Eastern Territory is obligated under various mortgages payable, which represent liabilities to the United States Department of Housing and Urban Development ("HUD") related to the purchase of land and construction of buildings for senior citizens' residences as well as for transitional and emergency shelter programs.

Funding from HUD has been in the form of mortgage notes and capital advances, some of which bear interest expense and for which repayment is not required as long as the Eastern Territory operates the programs stipulated by HUD. At the end of a 40-year period, the mortgage notes and capital advances payable to HUD are to be forgiven by HUD assuming that terms of the agreement are satisfied. Mortgages payable and capital advances in the amount of \$40,068 as of September 30, 2019 and 2018, have been included in mortgages and notes payable in the accompanying consolidated statements of financial position. All HUD mortgages and capital advances are collateralized by the related underlying assets.

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One HUD mortgage, which requires principal and interest payments, is financed with a third-party financial institution. At September 30, 2019 and 2018, the amounts outstanding were \$5,533 and \$5,614, respectively, with interest payable at 5.4% per annum. The financing is collateralized by the related underlying assets.

Other Mortgages Payable

A mortgage which requires no current principal or interest payment is financed with a New Jersey State agency. The mortgage is reduced by 20% per year over a five-year period and repayment is not required unless the Eastern Territory discontinues the related program or sells the underlying assets. At September 30, 2019 and 2018, the amounts outstanding were \$0 and \$40, respectively.

At September 30, 2019 and 2018, the Eastern Territory had multiple mortgages payable outstanding aggregating \$6,874 and \$7,046, respectively, inclusive of accrued interest payable of \$981 and \$904, respectively, with interest payable at rates varying from 0.00% to 5.61% per annum with maturities through fiscal year 2047. These mortgages are collateralized by the related underlying assets.

Future principal payments on notes and mortgages payable noted above as of September 30, 2019 are as follows:

<u>Fiscal Year</u>	
2020	\$ 200,345
2021	149
2022	200,096
2023	101
2024	107
Thereafter	<u>11,609</u>
	412,407
HUD mortgages not requiring repayment	40,068
Discount on commercial paper	<u>(1,190)</u>
Total	<u>\$ 451,285</u>

Line of Credit and Other Credit Facilities

The Eastern Territory has a \$100,000 unsecured master line of credit (the "Master LOC") available from Bank of America. At September 30, 2019, the Eastern Territory had \$15,372 outstanding on the Master LOC, which bears interest at one-month LIBOR plus 0.50% (2.589% at September 30, 2019). At September 30, 2018, the Eastern Territory had \$39,764 outstanding on the Master LOC, which bears interest at one-month LIBOR plus 0.45% or 0.50% (2.564% or 2.614% at September 30, 2018). Amounts drawn down from the Master LOC are payable on or before July 31, 2021.

The Salvation Army - Eastern Territory

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On April 5, 2018, the Eastern Territory entered into a \$35 million unsecured credit facility agreement with U.S. Bank National Association to provide bridge financing for a capital project. Amounts drawn from the credit facility will bear interest at a rate equal to the bank cost of funds rate plus a margin (0.23% per annum) as determined on the date of each loan. Interest on outstanding amounts are payable monthly with full repayment of principal due on April 4, 2021. As of September 30, 2019 and 2018, the Eastern Territory had a principal balance outstanding of \$25,000 (interest rates ranged from 2.32% to 3.40%) and \$0, respectively. Subsequent to September 30, 2019, the Eastern Territory drew down an additional \$4.4 million from the credit facility.

On September 23, 2019, the Eastern Territory entered into a 30 day interest-free loan for \$645 with the Fund for the City of New York to provide bridge financing to cover operating expenses pending the receipt of a grant from a state agency. Subsequent to September 30, 2019, the loan was repaid.

Debt Covenants

The terms of the term loans and line of credit agreements contain requirements for maintaining certain financial and non-financial covenants. The Eastern Territory was in compliance with all applicable covenants at September 30, 2019 and 2018.

New Markets Tax Credits

During fiscal years 2015 and 2014, the Eastern Territory entered into New Markets Tax Credit transactions for the benefit of the Camden Kroc Center. Through these transactions, the Eastern Territory issued leveraged loans receivables of \$7,054 to one investment fund in fiscal 2015 and \$12,663 to two investment funds in fiscal 2014, due in 2045 and 2044, respectively, with interest payments only on the loans until 2022 and 2021, respectively. The loans bear an interest rate of 1% and are unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$19,717 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the Camden New Markets Tax Credits transactions, the Eastern Territory obtained loans payable for \$17,641 and \$9,800 for the Camden Kroc Center during the years ended September 30, 2015 and 2014, respectively, maturing in 2045 and 2044, respectively. The loans bear interest rates that range between 0.71% and 1.15%. Interest-only payments are required until maturity upon which time the entire principal balance will become due. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$27,441 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

During fiscal year 2016, the Eastern Territory entered into a New Markets Tax Credit transaction for the benefit of the Greater Cleveland Area Services ("GCAS"). Through this transaction, the Eastern Territory issued a leveraged loan receivable for \$11,508 to an investment fund due in 2045. The loan bears an interest rate of 1.15%. Interest-only payments are required until 2022 and the loan is unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$11,508 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the GCAS New Markets Tax Credit transaction, the Eastern Territory obtained three loans payable totaling \$17,435 for the GCAS. The loans bear an interest rate of 1%. Interest-only payments are required until maturity in 2045. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$17,435 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

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During fiscal year 2018, the Eastern Territory entered into a New Markets Tax Credit transaction for the benefit of the Harrisburg Corps ("Harrisburg"). Through this transaction, the Eastern Territory issued a leveraged loan receivable for \$6,802 to an investment fund due in 2040. The loan bears an interest rate of 1%. Interest-only payments are required until 2025 and the loan is unsecured. As of September 30, 2019 and 2018, amounts due to the Eastern Territory totaled \$6,802 and are included in notes receivable on the accompanying consolidated statements of financial position.

In connection with the Harrisburg New Markets Tax Credit transaction, the Eastern Territory obtained two loans payable totaling \$9,700 for Harrisburg. The loans bear an interest rate of 1.52%. Interest-only payments are required until maturity in 2048. As of September 30, 2019 and 2018, amounts payable by the Eastern Territory totaled \$9,700 and are included in mortgages and notes payable on the accompanying consolidated statements of financial position.

At the closing of each of the respective New Markets Tax Credits transactions, the Eastern Territory and investor executed put and call option agreements that would grant the respective investor the right and option to cause the Eastern Territory to purchase (within three months after the seven-year compliance period) the investor's membership interests in the fund (i.e., the "put") for a predetermined purchase price of approximately \$1. If the investor does not elect to put its interests to the Eastern Territory beyond the end of month 87, the Eastern Territory will have the right to call its purchase right in the fund for the current fair market value.

Other Financing Obligation

On October 16, 2015, the Eastern Territory entered into a sale of property in New York City for \$108,750, in exchange for cash proceeds of \$70,000 and a purchase money mortgage note of \$38,750. The principal amount is due on its maturity date of December 31, 2050, unless terminated earlier upon agreement of both parties to certain terms and conditions. Interest is payable monthly at 6% per annum. The Eastern Territory simultaneously entered into a lease for the premises, expiring no later than October 15, 2045, with an annual base rent of \$2,325, subject to the same termination conditions included in the purchase money mortgage. The lease also requires payment of property taxes and certain utilities and maintenance expenses. This sale-leaseback transaction did not qualify for sale-leaseback accounting due to the Eastern Territory's continuing involvement and as a result, the transaction was accounted for by the Eastern Territory using the financing method. Under the financing method, the Eastern Territory did not recognize any profit during the fiscal years 2019 or 2018, did not record the note receivable as of September 30, 2019 and 2018 and continued to report the property on the accompanying consolidated statements of financial position. The net book value of the property was approximately \$1,300 at September 30, 2019 and 2018. The financing obligation (net of closing costs and additional rent paid) totaled \$59,642 as of September 30, 2019 and 2018, and has been recorded within other liabilities in the accompanying consolidated statements of financial position.

Subsequent to September 30, 2019, the termination conditions stipulated in the purchase money mortgage and lease were met by the Eastern Territory. Accordingly, full repayment of the purchase money mortgage note of \$38,750 is due from the buyer during fiscal year 2020, which upon receipt, the Eastern Territory will recognize the sale and profit from the sale of property.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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NOTE 10P INTEREST RATE SWAPS

Concurrent with the issuance of the Notes, the Eastern Territory entered into a total of six interest rate swap agreements with notional amounts totaling \$345,000 in order to hedge its interest rate risk on the Notes whereby the Eastern Territory agreed to pay a counterparty a fixed rate and the counterparty agreed to pay the Eastern Territory a variable interest rate intended to approximate the variable rate equal to 30-Day LIBOR (2.016% at September 30, 2019 and 2.260% at September 30, 2018) on the Eastern Territory's Commercial Paper and Term Loans. The interest rate swap agreements issued concurrently with the issuance of the Notes in fiscal years 2007 through 2011 were maintained to hedge interest rate risk on the 2007A Notes and 2016A Notes.

Concurrent with the issuance of Term Loan B, the Eastern Territory has entered into an interest rate swap transaction with U.S. Bank in the notional amount of \$55,000, wherein the Eastern Territory agreed to pay U.S. Bank a fixed rate of interest equal to 2.149% of the notional amount and receive from U.S. Bank an interest payment equal to 30-Day LIBOR (2.016% at September 30, 2019 and 2.260% at September 30, 2018). The interest rate swap agreement issued concurrently with the 2007 Series B Notes was maintained to hedge interest rate risk on Term Loan A.

The summary of the Eastern Territory's interest rate swap agreements as of September 30, 2019 and 2018 are as follows:

Counterparty	Notional Amount	Eastern Territory Fixed Rate	Expiration	Counterparty Interest Rate
JPMorgan	\$ 100,000	5.615%	June 1, 2040	30-Day LIBOR
Bank of America	60,000	5.615%	June 1, 2040	30-Day LIBOR
JPMorgan	40,000	4.576%	June 1, 2040	30-Day LIBOR
Merrill Lynch	35,000	4.576%	June 1, 2040	30-Day LIBOR
U.S. Bank	50,000	3.960%	June 1, 2024	30-Day LIBOR
U.S. Bank	60,000	2.975%	June 1, 2024	30-Day LIBOR
U.S. Bank	55,000	2.149%	November 1, 2021	30-Day LIBOR
	<u>\$ 400,000</u>			

The Eastern Territory accounts for its interest rate swap agreements in accordance with *Accounting for Derivative Instruments and Hedging Activities*. Fair values of interest rate swap agreements are the estimated amounts that the Eastern Territory would have received or paid, including accrued interest, to terminate the agreements on the date of the consolidated statement of financial position. The estimated fair values of the agreements are recorded as assets or liabilities within the consolidated statement of financial position. Changes in the estimated fair values are recorded in the consolidated statements of activities.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

Amounts included within the consolidated financial statements as of September 30, 2019 and 2018 are as follows:

Counterparty	Fair Value as of September 30, 2019	Fair Value as of September 30, 2018	Consolidated Statement of Financial Position Location	Change in Fair Value for the Year Ended September 30, 2019	Change in Fair Value for the Year Ended September 30, 2018	Consolidated Statement of Activities Location
JPMorgan	\$ 65,121	\$ 37,700		\$ (27,421)	\$ 14,079	
Bank of America	39,073	22,620		(16,453)	8,447	
JPMorgan	19,349	8,932		(10,417)	5,006	
Merrill Lynch	16,931	7,815		(9,116)	4,360	
U.S. Bank	5,804	2,655		(3,149)	3,403	
U.S. Bank	4,283	85		(4,198)	3,490	
U.S. Bank	742	(1,252)		(1,994)	1,934	
	<u>\$ 151,303</u>	<u>\$ 78,555</u>	Interest rate swaps	<u>\$ (72,749)</u>	<u>\$ 40,739</u>	Change in fair value of interest rate swaps

NOTE 11P CONDITIONAL ASSET RETIREMENT OBLIGATIONS

The Eastern Territory is required to recognize a conditional asset retirement obligation ("CARO") related to the cost associated with the eventual remediation and abatement of asbestos and other environmental hazards contained within its physical plant. The cost of the abatement was based upon a consultant's estimate which specializes in such abatements. At September 30, 2019 and 2018, the CARO was \$66,046 and \$65,579, respectively. Land, buildings and equipment included capitalized conditional asset retirement obligations at a cost of \$13,810 and accumulated depreciation of \$13,646 and \$13,317 at September 30, 2019 and 2018, respectively. For the years ended September 30, 2019 and 2018, the Eastern Territory recorded accretion expense of \$1,915 and \$1,885, respectively. During fiscal years 2019 and 2018, the remediation costs amounted to \$1,448 and \$855, respectively, and were recorded as a reduction to the CARO.

NOTE 12P ENDOWMENTS

The Eastern Territory's endowment consists of approximately one thousand three hundred individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by US GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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Interpretation of Relevant Law

The Eastern Territory is subject to the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), as enacted by the State of New York and thus, classifies earnings in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditure. Most of those net assets are also subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Trustees has interpreted NYPMIFA as not requiring the maintenance or purchasing power of the original gift amount contributed to the endowment fund, unless explicit donor restrictions to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Eastern Territory considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gifts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Eastern Territory has interpreted NYPMIFA to permit spending from underwater funds in accordance with prudent measures required under the law. Additionally, in accordance with NYPMIFA, the Board of Trustees considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

Spending Policy

The Eastern Territory has a policy of making available for distribution each year 5% of its endowment fund's average fair value over the prior 20 quarters. In establishing this policy, the Eastern Territory considered the long-term expected return on its endowment. Accordingly, over the long-term, the Eastern Territory expects the current spending policy to allow its endowment to grow at an average real rate of return greater than inflation. This is consistent with the Eastern Territory's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Return Objectives and Risk Parameters

The Eastern Territory has adopted investment policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets are those assets of donor-restricted funds that the Eastern Territory must hold in perpetuity or for donor-specified periods as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of appropriate benchmarks without putting the assets at imprudent risk.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)**Strategies Employed for Achieving Objectives**

To satisfy its long-term objectives, the Eastern Territory relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Eastern Territory targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Underwater Endowment Funds

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that donors or NYPMIFA requires the Eastern Territory to retain as a fund of perpetual duration.

Deficiencies of this nature exist in donor-restricted endowment funds, which together have an original gift value of \$10,243, a current fair value of \$9,799, and a deficiency of \$444 as of September 30, 2019. Deficiencies of this nature exist in donor-restricted endowment funds, which together have an original gift value of \$6,778, a current fair value of \$6,677, and a deficiency of \$101 as of September 30, 2018. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new contributions for donor-restricted endowment funds and continued appropriations for certain programs that were deemed prudent by the Board of Trustees.

Endowment Net Asset Composition by Type of Fund

The following table summarizes endowment net asset composition by type of fund as of September 30, 2019 and 2018:

	2019		Total
	Without Donor Restrictions	With Donor Restrictions	
Board designated endowment funds	\$ 214,531	\$ -	\$ 214,531
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	-	436,373	436,373
Accumulated investment gains			
Without purpose restrictions	-	27,883	27,883
With purpose restrictions	-	230,524	230,524
	-	258,407	258,407
Total endowment funds	<u>\$ 214,531</u>	<u>\$ 694,780</u>	<u>\$ 909,311</u>
	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Board designated endowment funds	\$ 226,537	\$ -	\$ 226,537
Donor-restricted endowment funds			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity	-	434,257	434,257
Accumulated investment gains			
Without donor restrictions	-	30,519	30,519
With donor restrictions	-	259,632	259,632
	-	290,151	290,151
Total endowment funds	<u>\$ 226,537</u>	<u>\$ 724,408</u>	<u>\$ 950,945</u>

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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(in thousands)

The following table summarizes changes in endowment net assets for fiscal years 2019 and 2018.

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, September 30, 2017	\$ 225,391	\$ 731,153	\$ 956,544
Contributions and bequests	-	14,185	14,185
Designated by Board	18,088	-	18,088
Appropriation of endowment assets for expenditure	(31,379)	(37,043)	(68,422)
Reduction of previous years accumulated unspent appropriation	-	(38,573)	(38,573)
Investment return, net	14,437	54,688	69,123
Endowment net assets, September 30, 2018	228,537	724,408	950,945
Contributions and bequests	-	2,364	2,364
Designated by Board	19,212	-	19,212
Appropriation of endowment assets for expenditure	(40,100)	(34,180)	(74,280)
Investment return, net	8,882	2,188	11,070
Endowment net assets, September 30, 2019	<u>\$ 214,531</u>	<u>\$ 694,780</u>	<u>\$ 909,311</u>

Following a review of the Eastern Territory's endowment funds during fiscal year 2018, the Eastern Territory determined that certain amounts appropriated in previous years remained unspent and were not removed and reported as a reduction of endowment assets in its accounting records as required by US GAAP. Accordingly, during the year ended September 30, 2018, the Eastern Territory recorded an additional appropriation of \$38,573 to reflect the transfer of such amounts from endowment assets to non-endowment assets, resulting in an increase in non-endowment net assets without donor restrictions of \$1,536 and an increase in non-endowment net assets with donor restrictions of \$37,037.

NOTE 13P NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions is comprised of undesignated and Board-designated amounts for the following purposes at September 30, 2019 and 2018:

	2019	2018
General operating	\$ 9,737	\$ (26,036)
Board-designated		
Officer retirement and healthcare	(635,955)	(548,760)
Insurance programs	(2,979)	(4,033)
Split-interest agreements	22,520	22,023
Building/capital purposes	402,808	388,708
Other	317,275	671,385
	<u>103,669</u>	<u>529,323</u>
Land, buildings and equipment	<u>1,044,693</u>	<u>1,029,589</u>
	<u>\$ 1,158,099</u>	<u>\$ 1,532,876</u>

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
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NOTE 14P NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose or future period		
Character building/social programs	\$ 346,996	\$ 363,622
Assets of trusts administered by the Eastern Territory	13,037	14,540
Beneficial interest in trusts held by others	19,977	17,844
Building/capital purposes	27,727	41,560
Camp and recreational activities	16,041	17,425
Pledges, legacies and bequests to be paid in future periods	<u>3,704</u>	<u>2,080</u>
Total subject to expenditure for specified purpose or future period	<u>427,482</u>	<u>457,071</u>
Endowments subject to spending policy and appropriation		
Investment in perpetuity, for which earnings may be appropriated to support:		
Character building/social programs	409,822	402,951
Building/capital purposes	3,284	3,284
Camp and recreational activities	<u>23,267</u>	<u>23,207</u>
Total endowments subject to spending policy and appropriation	<u>436,373</u>	<u>429,442</u>
Not subject to appropriation or expenditure		
Assets of trusts administered by the Eastern Territory	1,309	1,727
Beneficial interest in trusts held by others	211,101	215,009
Pledges, legacies and bequests to be paid in future periods	605	846
Total not subject to appropriation or expenditure	<u>213,015</u>	<u>217,582</u>
Total net assets with donor restrictions	<u>\$ 1,076,870</u>	<u>\$ 1,104,095</u>

NOTE 15P NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes and/or by occurrence of other events specified by the donors for the years ended September 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Purpose restriction accomplished:		
Character building/social programs	\$ 29,669	\$ 26,412
Building/capital purposes	15,215	5,545
	<u>44,884</u>	<u>31,957</u>
Time restrictions expired	<u>4,844</u>	<u>9,149</u>
Total net assets released from restrictions	<u>\$ 49,728</u>	<u>\$ 41,106</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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NOTE 16P LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Eastern Territory's financial assets as of September 30, 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of September 30, 2019. Amounts not available include amounts set aside for long-term obligations that could be drawn upon if the Board of Trustees approves that action. However, amounts already appropriated from the donor-restricted endowment for general expenditure within one year of the consolidated statement of financial position date have not been subtracted as unavailable.

Financial assets at September 30, 2019	
Cash and cash equivalents	\$ 133,746
Accounts receivable	33,085
Legacies and bequest receivable	22,661
Pledges receivable, net	2,409
Investments, at fair value	<u>2,165,645</u>
Total financial assets at September 30, 2019	2,357,546
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Contractual restrictions	(29,601)
Subject to appropriation and satisfaction of purpose/time restrictions	(484,697)
Investments illiquid within one year	(307,701)
Pledges receivable collectible beyond one year	(1,030)
Board designations:	
Amounts set aside for long-term obligations	<u>(463,708)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 1,070,809</u>

The Eastern Territory is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Eastern Territory must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditures within one year. As part of the Eastern Territory's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Eastern Territory invests cash in excess of daily requirements in short-term investments. In the event of an unanticipated liquidity need, the Eastern Territory could draw upon \$100,000 of an available line of credit (\$15,372 outstanding as of September 30, 2019 - see Note 9).

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

NOTE 17P FAIR VALUE OF FINANCIAL INSTRUMENTS AND CONCENTRATION OF CREDIT RISK

The Eastern Territory's financial instruments consist of cash and cash equivalents, accounts receivable, legacies and bequests receivable, pledges receivable, notes receivable, investments, assets held under split-interest agreements, beneficial interest in trusts held by others, accounts payable and accrued expenses, liability for split-interest agreements, mortgages and notes payable and interest rate swaps. Investments, assets held under split-interest agreements, beneficial interest in trusts held by others, and interest rate swaps are recorded at fair value. All other financial instruments are stated either at cost or net realizable value, which approximates fair value.

Financial instruments which potentially subject the Eastern Territory to concentrations of credit risk consist primarily of cash and cash equivalents, receivables and investment securities. The Eastern Territory maintains its cash and cash equivalents with large financial institutions. At certain times, the Eastern Territory's cash account balances may exceed federally insured limits. However, the Eastern Territory has not experienced, nor does it anticipate, any losses with respect to such bank balances. Receivables are due from a large number of government agencies, entities and individuals, thereby, diversifying the related concentration of credit risk. Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with investments, it is reasonably possible that changes in risk in the near term would materially affect the amounts reported in the consolidated statements of financial position. However, the Eastern Territory's investment portfolio is diversified with several investment managers in a variety of asset classes. The Eastern Territory regularly evaluates its depository arrangements and investments, including performance thereof.

NOTE 18P COMMITMENTS AND CONTINGENCIES

Letters of Credit

As of September 30, 2019, the Eastern Territory has issued letters of credit totaling \$18,840 to insurance companies under various insurance programs. These letters of credit are collateralized by the Eastern Territory's cash and cash equivalents and renew automatically each year.

Legal Proceedings

The Eastern Territory, in the normal course of its operations, is or could become a party to various legal proceedings and complaints, the majority of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management is not aware of any claims or contingencies, which are not covered by insurance, that would have a material adverse effect on the consolidated financial position, changes in net assets and cash flows of the Eastern Territory.

Real Estate and Construction Commitments

The Board of Trustees of the Eastern Territory had future capital commitments of approximately \$62,000 which was unspent as of September 30, 2019.

The Salvation Army - Eastern Territory
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

Government Grants and Contracts

The Eastern Territory receives grants and contracts from federal, state and local governments. Cost-reimbursement grant programs, including those subject to independent audit under the Office of Management and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, may be reviewed by grantor agencies. These audits and reviews could result in the disallowance of expenditures under the terms of the grant or reductions of future grant funds. Based on prior experience, management believes that any costs ultimately disallowed would not materially affect the Eastern Territory's consolidated financial position.

Leases

At September 30, 2019 and 2018, the Eastern Territory was committed under operating leases, principally for office space. Rent expense was \$12,974 and \$12,955 in fiscal years 2019 and 2018, respectively. Future minimum base rents under terms of noncancelable operating leases were as follows at September 30, 2019:

Year Ending September 30:

2020	\$ 6,353
2021	3,211
2022	1,617
2023	369
2024	<u>131</u>
Total	<u>\$ 11,681</u>

NOTE 19P RELATED PARTY TRANSACTIONS

For fiscal years 2019 and 2018, the Eastern Territory made payments for administrative services to The Salvation Army National Headquarters of \$1,200 and \$1,225, respectively. In addition, for fiscal years 2019 and 2018, the Eastern Territory made payments to The Salvation Army International Headquarters of \$6,332 and \$6,270, respectively, for World Services and \$6,477 and \$6,088, respectively, for other mission grants and administrative services.

NOTE 20P ACCOUNTING FOR INCOME TAXES

The Eastern Territory follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

The Salvation Army - Eastern Territory

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2019 and 2018
(in thousands)

The Eastern Territory has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it was nexus; and to identify and evaluate other matters that may be considered tax positions. The Eastern Territory has determined that as of September 30, 2019 and 2018, there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

NOTE 21P SUBSEQUENT EVENTS

The Eastern Territory evaluated its September 30, 2019 consolidated financial statements for subsequent events through May 8, 2020, the date the consolidated financial statements were issued. The Eastern Territory is not aware of any material subsequent events which would require recognition or disclosure in the accompanying consolidated financial statements, except as disclosed below and in Notes 3, 7 and 9.

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of COVID-19 on the Eastern Territory's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impact on our funding agencies, donors, customers, thrift stores, employees and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact our consolidated financial position and changes in net assets and cash flows is uncertain and the accompanying consolidated financial statements include no adjustments relating to the effects of this pandemic.

THE SALVATION ARMY
a New York Corporation
FEIN 13-5562351
DUNS 06-2517941

Executive Address: 440 West Nyack Road
West Nyack, New York 10994-1739
T 845-620-7200 F 845-620-7615

Listing of Corporate Trustees and Officers

<u>NAME/EMPLOYMENT</u>	<u>TITLE</u>
David E. Hudson	Chairman Trustee
William A. Bamford III	President, Trustee
Philip J. Maxwell	Vice President, Trustee
Hubert S. Steele III	Treasurer, Trustee
Michelle L. Dressler	First Assistant Treasurer Trustee
Michael J. Southwick	Secretary
Richard D. Allen	Assistant Secretary – Legal
Thomas O. Henson	Second Assistant Treasurer
Charles S. Foster	Assistant Secretary – Property
Adolph M. Orlando	Second Assistant Secretary –Property
Beth A. Foster	Assistant Secretary – Finance
Lynn R. Gensler	Trustee
James P. LaBossiere	Trustee
Ruth A. Stoneburner	Trustee
G. Lorraine Bamford	Trustee
Deslea A. Maxwell	Trustee

As of 1 May 2020
(EXADPL)

Richard O Artz

Education

University of Central Florida

Bachelor's Degree in Business Administration – 1982

Occupational Licenses & Certificates

Narcotics Administration

Nonviolent Crisis Intervention

Professional Experience

The Salvation Army McKenna House

House Supervisor - February 2018 to present

Oversee and manage running of shelter during evening hours, shelter reception, manage all incoming phone calls and messages, maintain daily reports and logs, develop rapport with clients, oversee client program compliance, communication with director and other staff of any arising issues or concerns, USDA inventory, chore scheduling

SCSEP and Residential Staff Volunteer - Front Desk - April 2016 to February 2018

Shelter reception, manage all incoming phone calls and messages, complete forms for NH-HMIS Coordinated Entry, schedule and complete intakes of new clients, maintain daily reports and logs, develop rapport with clients, oversee client program compliance, effective and timely communication with professional staff of any arising issues or concerns

City Cab of Orlando – February 1997 to September 2012

Taxi Cab Driver

Tiffany Furniture – 1989 to December 1996

Warehouse Supervisor

Ability Summary

I am a quick learner, diligent, punctual, conscientious, and reliable. I have the ability to communicate to diverse groups of people. My experience includes retail, customer service, seven years in a supervisory position in production and warehouse, and almost two years as front office staff for a 42 bed homeless shelter. I am also familiar with data entry and internet navigation.

THOMAS RYAN

MCKENNA HOUSE

CASE MANAGER

8-13-16 to Present

Perform new client assessments, enter information in HMIS, work with clients to structure goals to obtain housing, also offer them community resources to also help with making their transition easier. Drug test clients when needed, and act accordingly when a problem arises. Listen to clients and try to solve whatever problems they may have. And most importantly keep the house safe

HOUSE SUPERVISOR

8-1-15 to 8-13-16

Overseeing 5 other staff members to help keep the house safe. Performed resident intakes, breathalyze, and U/A residents when needed. Assigned and made sure every resident had a daily chore. Assigned staff weekly work schedule. Distribute Medications to Residents, also discharging clients if need so. Checking in new meds as well as refills. Performed repairs around the house as needed

OBJECTIVE

Make sure house runs smoothly, and take care of any problems that may arise.---

SKILLS

I feel I am good at relating to people, I try to understand their needs and concerns. When asked to perform a job, I try to the best of my ability to complete it.

STAFF/ MCKENNA

2-16-15 to 8-1-15

Answered phones, client pre-intakes. Breathalyze, distribute meds, keep house safe.

Self -Employed painter

1-1-01 to 1-1-13

PAINT INTERIOR-EXTERIOR HOMES, HIRED CREW WHEN NEEDED, BILLING, ESTIMATES

NHTI

8-1-17 TO PRESENT

MEMORIAL HIGH EDUCATION SCHOOL

1972-1976

GENERAL STUDIES

Jenny Connor-Belcourt, CRSW

Education

New Hampshire Technical Institute

Associate of Science – Addiction Counseling – 2010

Fullerton College, CA

Environmental Science - 1981

Occupational Licenses and Certificates

Certified Recovery Support Worker (No.0001) State of New Hampshire

Notary Public for the State of New Hampshire

New Hampshire Commercial Driver's License

Clerical Certificate

Professional Experience

The Salvation Army McKenna House - 2012 to present

Shelter Director - June 2016 to present

- Program Development, Facilities Management, Fundraising, Staff Supervision, Fiscal Management & Planning, Community Relations, Development & Implementation of Procedures

Case Manager/Recovery Support Worker – October 2012 to June 2016

- Bio/psycho/social assessments, develop rapport, work with residents to develop a case management plan toward gaining independence and transition into permanent housing, referrals, follow-up, maintaining updated records, group facilitator
- Work closely with Shelter Director and Shelter Supervisor to review case management plans of residents, team discussion of matters affecting the shelter overall (residents, building, policies, programs, etc.)

Phoenix House of New England – 2009 to 2012

Counselor/Director of IDIP

- Direct care to clients in residential treatment, facilitated educational and counseling groups, supervision of second shift staff
- Developed IDIP educational program with Phoenix House Franklin Center Director to comply with NH rules and statutes

Contoocook Covered Bridge Restaurant – 2003 to 2009

Front Manager

- Responsible for customer service, supervision of wait staff, scheduling, supplies, till

Other Activities

- Mission Board Member, First Church of Hopkinton
- Narcan Administration
- Regularly attend trainings to maintain CRSW, and those pertinent to homelessness and housing

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jenny Connor-Belcourt	Shelter Director	47,008	40%	\$18,803
Tom Ryan	Case Manager	16,562	40%	\$6625
Rich Artz	House Supervisor	16,484	40%	\$6594

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Seacoast Family Promise ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$180,305
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:
 2. **Scope of Services**
 - 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.
 - 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/29/2021
Date

DocuSigned by:
Christine Santaniello
80004FFCE0484...
Name: Christine Santaniello
Title: Director

3/29/2021
Date


Seacoast Family Promise
DocuSigned by:
Pati Frew Waters
2483801A371E4C2
Name: Pati Frew Waters
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


DSCA9202E32C4AE...
Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

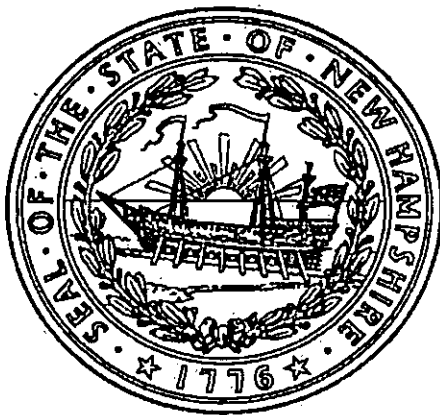
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SEACOAST FAMILY PROMISE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 27, 2001. 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: 384988

Certificate Number: 0005037498



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of November A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name	Business ID
Seacoast Family Promise	384988

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005277152	03/03/2021	03/03/2021	Revival	N/A
0005277151	03/03/2021	03/03/2021	Nonprofit Report	2020
0005305977	01/01/2021	01/01/2021	Admin Dissolution/Suspension	N/A
0004770105	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003382413	11/18/2016	11/18/2016	Reinstatement	N/A
0003382412	11/18/2016	11/18/2016	Nonprofit Report	2015
0003202083	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0001190304	03/04/2011	03/04/2011	Reinstatement	2010
0001190303	02/15/2011	02/15/2011	Admin Dissolution/Suspension	N/A
0001190302	10/08/2010	10/08/2010	Reminder Letter	N/A
0001190301	10/04/2010	10/04/2010	Amendment	N/A
0001190297	02/11/2005	02/11/2005	Annual Report	2005
0001190299	10/16/2003	10/16/2003	Amendment	N/A
0001190298	08/27/2001	08/27/2001	Business Formation	N/A

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CERTIFICATE OF AUTHORITY

I, IRVING CAWNER, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Seacoast Family Promise.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 10, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That PATT FREN-WATERS, EXECUTIVE DIR. (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Seacoast Family Promise to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/22/21

Irving Cawner
Signature of Elected Officer
Name:
Title:

Seacoast Family Promise has been serving families in need from a range of backgrounds since 2003. We help families who are experiencing homelessness to find stable housing and return to self-sufficiency. Seacoast Family Promise is a 501(c)(3) nonprofit, and an affiliate of Family Promise, a national organization that operates successfully with 200 affiliates in 41 states.

Any family can meet with hardships that cause loss of income and, consequently, their home. Whether it's due to job loss, catastrophic illness, lack of affordable housing, divorce or separation, or any number of unforeseen circumstances, Seacoast Family Promise is here to provide initial temporary housing, food and shelter. But we also offer much more: We help those families on a structured journey back to self-sufficiency and the return to a place they can call home.

Our Mission: To empower families with children who are experiencing homelessness to achieve sustainable independence through a community-based response.

Our Vision: We envision a community in which every family has a home, a livelihood and the foundation on which to build a better future together.

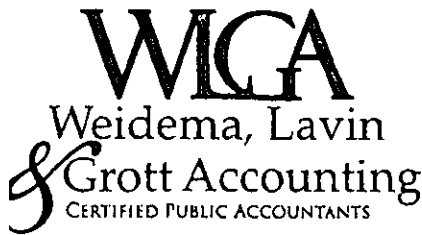
SEACOAST FAMILY PROMISE
FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION
For The Year Ended December 31, 2017

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Statement of Cash Flows	6
Notes to Financial Statements	7
SUPPLEMENTARY INFORMATION	
Statement of Functional Expenses	11

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Gerry S. Weidema, CPA, CFP®
Ellen M. Lavin, CPA
Debra E. Grott, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Seacoast Family Promise
Stratham, New Hampshire

We have audited the accompanying financial statements of Seacoast Family Promise (a nonprofit organization), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Seacoast Family Promise as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary statement of functional expenses as of December 31, 2017 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information. Such information is the responsibility of the Organization's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Weidema, Quinn & Smith Accounting, P.C.

Portsmouth, New Hampshire
November 7, 2018

SEACOAST FAMILY PROMISE
STATEMENT OF FINANCIAL POSITION
December 31, 2017

Assets

CURRENT ASSETS

Cash and cash equivalents	\$ 292,791
Prepaid real estate taxes	8,721
Total Current Assets	<u>301,512</u>

PROPERTY AND EQUIPMENT

Property and Equipment	300,000
Less: Accumulated depreciation	(6,667)
	<u>293,333</u>

TOTAL ASSETS

\$ 594,845

Liabilities and Net Assets

CURRENT LIABILITIES

Accounts payable and other expenses	\$ 5,977
Mortgage payable	6,950
Total Current Liabilities	<u>12,927</u>

LONG-TERM LIABILITIES

Mortgage payable	<u>94,797</u>
------------------	---------------

Net Assets:

Without donor restrictions	238,155
With donor restrictions	248,966
	<u>487,121</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 594,845

SEACOAST FAMILY PROMISE
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
For The Year Ended December 31, 2017

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT			
Contributions and grants	\$ 220,023	\$ 43,687	\$ 263,710
Fundraising events, net of related expenses	33,040	-	33,040
Other income	442	214	656
Total Revenues, Gains and Other Support	<u>253,505</u>	<u>43,901</u>	<u>297,406</u>
EXPENSES			
Program services	156,482	-	156,482
Mangement and general	40,300	-	40,300
Fund raising	19,478	-	19,478
Property renovations	-	97,733	97,733
All other	-	11,492	11,492
Total expense	<u>216,260</u>	<u>109,225</u>	<u>325,485</u>
Changes in Net Assets	37,245	(65,324)	(28,079)
Mortgage paydown from unrestricted funds	(6,312)	6,312	-
NET ASSETS, Beginning of Year	<u>207,222</u>	<u>307,978</u>	<u>515,200</u>
NET ASSETS, End of Year	<u>\$ 238,155</u>	<u>\$ 248,966</u>	<u>\$ 487,121</u>

See accompanying accountants' audit report and notes to the financial statements.

**SEACOAST FAMILY PROMISE
STATEMENT OF CASH FLOWS
For The Year Ended December 31, 2017**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CASH FLOWS PROVIDED BY (USED FOR):			
OPERATING ACTIVITIES			
Change in Net Assets	\$ 30,933	\$ (59,012)	\$ (28,079)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:			
Depreciation	-	6,667	6,667
Changes in operating assets and liabilities:			
Prepaid real estate taxes	(8,721)	-	(8,721)
Mortgage reduction	-	(48,253)	(48,253)
Accounts payable and other expenses	58	-	58
Net cash provided by operating activities	<u>22,270</u>	<u>(100,598)</u>	<u>(78,328)</u>
Net increase (decrease) in cash	22,270	(100,598)	(78,328)
Cash and cash equivalents, beginning of year	<u>213,141</u>	<u>157,978</u>	<u>371,119</u>
Cash and cash equivalents, end of year	<u>\$ 235,411</u>	<u>\$ 57,380</u>	<u>\$ 292,791</u>

SEACOAST FAMILY PROMISE
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2017

NOTE 1 – ORGANIZATION AND HISTORY

The Seacoast Family Promise (the organization), is a New Hampshire nonprofit organization. Located in Exeter, New Hampshire, the Organization provides transitional housing, meals and support services to homeless families in the Seacoast area of New Hampshire and surrounding communities. The Organization is supported primarily through donor contributions and grants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements and notes are the representations of the Organization's management, who are responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The financial statements of Seacoast Family Promise are prepared using the accrual basis of accounting and accordingly reflect all significant receivables, payables and liabilities.

Financial Statement Presentation

The Organization follows *Accounting for Contributions Received and Contributions Made and Financial Statements of Not-for-Profit Organizations* as required by the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC). Under these guidelines, the Organization is required to distinguish between contributions that increase permanently restricted net assets, temporarily restricted assets, and unrestricted net asset. It also requires recognition of contributions, including contributed services, meeting certain criteria at fair values. These reporting standards establish standards for financial statements of not-for-profit organizations and require a Statement of Financial Position, a Statement of Activities, a Statement of Cash Flows, and a Statement of Function Expenses.

Without Donor Restrictions – Net assets not subject to donor-imposed stipulations.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will meet, either by actions of the Organization under/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions. At December 31, 2017, there are donor restrictions imposed by the Capital Campaign which raised funds for the Phase 1 Build Out of Improvements for the Day Center, the amount is at \$248,966.

SEACOAST FAMILY PROMISE
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers highly liquid investments with an initial maturity of three (3) months or less to be cash equivalents.

Property and Equipment

Property and equipment is stated at cost or, if donated, at estimated fair market value at the date of donation. Depreciation is provided using the straight-line method over their estimated useful lives of the related assets.

<u>Description</u>	<u>Estimated Life-Years</u>
Furniture and equipment	3-7
Building and improvements	15-39

When assets are retired, or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period. The cost of maintenance and repairs is charged to expense as paid; significant renewals and betterments that extend the useful lives of the assets are capitalized.

Contributions

Contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions.

Revenue Recognition

Funds received from various government and or community agencies represent grants awarded to the Organization to provide program services. Revenue with respect to these awards is recognized to the extent of expenses incurred under the award terms. Upon completion or expiration of a grant, unexpended funds are not available to the Organization.

Contributed Services

Numerous unpaid volunteers have made significant contributions of their time in support of various program activities of the Organization; however, since the services do not require specialized skills, and do not enhance nonfinancial assets, no amounts have been reflected in these financial statements.

SEACOAST FAMILY PROMISE
NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2017

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Expenses

The costs of providing various programs and activities have been summarized on a function basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general costs include those expenses that are not directly identifiable with any other specific function but do provide for the overall support and direction of the Organization.

Income Taxes

The Organization is a not-for-profit organization that is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code and accordingly, is not liable for federal and state income taxes.

Subsequent Events

The Organization has evaluated subsequent events through DATE, the date the financial statements were available to be issued.

Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents. The Organization maintains its cash in bank deposit accounts, that are federally insured.

Estimates

Management uses estimates and assumptions in preparing the financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

SEACOAST FAMILY PROMISE
 NOTES TO THE FINANCIAL STATEMENTS
 Year Ended December 31, 2017

NOTE 3 – NOTES PAYABLE

The Organization’s long-term debt consists of the following:

	<u>2017</u>
Note with bank, monthly payments include interest at 3.75% maturing in the year 2036. The note is secured by a building.	\$101,747
Less: Current maturities	<u>(6,950)</u>
	<u>\$ 94,797</u>

Maturities of notes payable are as follows:

December 31, 2018	\$ 6,950
December 31, 2019	6,950
December 31, 2020	6,950
December 31, 2021 and beyond	<u>80,897</u>
	<u>\$101,747</u>

NOTE 4 – COMMITMENTS AND CONTINGENCIES

As required, the Organization has applied for property tax exemption status for the year 2018 with the Town of Exeter, New Hampshire.

NOTE 5 - TAXES

All required tax returns have been timely filed and taxes, including, but not limited to, payroll taxes, were either paid prior to December 31, 2017, or paid subsequent to year-end.

SEACOAST FAMILY PROMISE
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended December 31, 2017

EXPENSES	Without	Donor	Restrictions	With	Total
	Program	Support	Services		
	Services	Management	Fundraising	Restrictions	
		& General			
Salaries	\$ 101,015	\$ 35,486	\$ 10,722	\$ -	\$147,223
Payroll taxes and benefits	4,814	4,814	2,407	-	12,035
	<u>105,829</u>	<u>40,300</u>	<u>13,129</u>	<u>-</u>	<u>159,258</u>
Occupancy and renovations	6,349	-	6,349	97,733	110,431
Office supplies and expense	16,318	-	-	-	16,318
Guest services	5,513	-	-	-	5,513
Professional affiliations	3,790	-	-	-	3,790
Legal	-	-	-	3,428	3,428
Insurance	2,860	-	-	-	2,860
Website and technology	1,663	-	-	-	1,663
Conferences	1,426	-	-	-	1,426
Background checks	1,033	-	-	-	1,033
Bedding	1,019	-	-	-	1,019
Travel	352	-	-	-	352
Training	338	-	-	-	338
All other	9,992	-	-	1,397	11,389
	<u>156,482</u>	<u>40,300</u>	<u>19,478</u>	<u>102,558</u>	<u>318,818</u>
Total expense before depreciation					
Depreciation	-	-	-	6,667	6,667
	<u>\$ 156,482</u>	<u>\$ 40,300</u>	<u>\$ 19,478</u>	<u>\$ 109,225</u>	<u>\$325,485</u>
Total Expenses					

See accompanying accountants' audit report and notes to the financial statements.

SFP

STATEMENT OF FINANCIAL POSITION

As of December 31, 2019

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1008 Cambridge Trust - Facilities Account	49,212.60
1104.1 Cambridge Trust - MM (Capital Acct)	-18,660.27
1104.2 CAPITAL RESERVE	20,000.00
Total 1104.1 Cambridge Trust - MM (Capital Acct)	1,339.73
1105 Cambridge Trust - Operating Account	282,502.40
1105.1 OPERATING RESERVE	40,000.00
Total 1105 Cambridge Trust - Operating Account	322,502.40
1106 Bank of NH - Savings	9,000.21
1107 Cambridge Trust - Facebook Fundraising	100.00
NECU - Checking (Closed Acct)	0.00
TD Bank (Closed Acct)	0.00
Total Bank Accounts	\$382,154.94
Accounts Receivable	
1200 Accounts Receivable	0.00
Total Accounts Receivable	\$0.00
Other Current Assets	
13505 Property Tax Refund	0.00
1499 Undeposited Funds	0.00
Total Other Current Assets	\$0.00
Total Current Assets	\$382,154.94
Fixed Assets	
15100 Buildings - 27 Hampton Road	297,028.00
15100.1 Accumulated Depreciation	-26,666.56
17400 Accum Depr - Vehicles	0.00
25 Hampton Rd Condos	359,451.64
Vehicle	0.00
Total Fixed Assets	\$629,813.08
Other Assets	
19000 Tax Escrow Account	0.00
Total Other Assets	\$0.00
TOTAL ASSETS	\$1,011,968.02
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 Payroll Liabilities	0.00
Federal Taxes (941/944)	4,009.72
ME Income Tax	0.00
NH Unemployment Tax	118.19

	TOTAL
Total 2100 Payroll Liabilities	4,127.91
2600 Deferred Grant - Medical Needs (Kingston)	0.00
Total Other Current Liabilities	\$4,127.91
Total Current Liabilities	\$4,127.91
Long-Term Liabilities	
27100 Notes, Mortgages, and Leases	87,550.61
Total Long-Term Liabilities	\$87,550.61
Total Liabilities	\$91,678.52
Equity	
3000 Capital	17,650.00
3010 Opening Bal Equity	29,829.21
3020 Retained Earnings	641,016.16
Net Revenue	231,794.13
Total Equity	\$920,289.50
TOTAL LIABILITIES AND EQUITY	\$1,011,968.02

**SEACOAST FAMILY PROMISE
BOARD OF DIRECTORS EXTERNAL – March 2021**

Andrea Patrick-Baudet (9/23)	Irving Canner (1/22) President	Diane Charney (6/22)
Scott Earwood	Mark Fichera (11/22)	Jared Fuller (11/23)
Judy George (12/21) Vice President	Ken George (12/21) Treasurer	Susan Hess (1/22)
John Potter (4/22)	Kim Wood (12/23)	Molly Wynne (10/22)
		Pati Frew-Waters <i>Executive Director</i>

Ashley Miller, BSW

Case Manager 1

EDUCATION

University of New Hampshire – Durham, NH
May, 2016
Bachelor of Social Work

University of New Hampshire – Durham, NH
December, 2021
Master of Social Work Anticipated Graduation –

PROFESSIONAL EXPERIENCE

Seacoast Family Promise – Exeter, NH
February, 2016 – Present
Case Manager.

Aftercare Coordinator
February, 2016 – Present

Seacoast Family Promise – Exeter, NH
2015 – May 2016 September
Social Work Intern

TRAININGS AND CERTIFICATIONS

University of New Hampshire
September, 2018 – Current
Department of Social Work Internship Supervisor

NH – HMIS
2016 – Current
Trained and Certified

Connors Climb Foundation
August, 2020
SOS Signs of Suicide Implementer Training

University of New Hampshire Professional Development Training
November, 2018
Trauma Informed Care

The NH Alcohol and Other Drug Service Providers Association
March, 2016
Addressing Substance Misuse in the Home Environment

Katie Kerrigan
Case Manager 2

EDUCATION

University of New Hampshire - Durham, NH
2021

Expected Graduation: May

Bachelor of Science: Social Work - Minor: Psychology
GPA: 3.56

- Dean's List: Fall 2018, Spring 2019, Fall 2019, Spring 2020 and Fall 2020

PROFESSIONAL EXPERIENCE

Family Promise of Seacoast New Hampshire – Exeter, NH
2020 – Present

August

Case Manager
January 2021– Present

Social Work Intern
2020– January 2021

August

St. Stephen's Youth Programs – Boston, MA
- August 2020

January 2020

Academic Coordinator
2020 – August 2020

June

College and Career Program Fellow
2020 – May 2020

January

Central Park School – Morris Plains, NJ
– August 2019

June 2018

EXECUTIVE DIRECTOR

Pati Frew-Waters

Education

Keene State College 1971 – 1973

UNH 1973 – 1975

Professional Experience

Grant Writer

Newburyport Theatre Company – 1975 – 1982

News Director WHAV Radio, Haverhill MA 1982 – 1989

News Director WKPS Radio, Rochester, NH 1989 – 1995

Development Director, St. Michael's Catholic School 1997 – 2000

Executive Director, Durham Main Street, Durham, NH 2001 – 2006

Executive Director, Seacoast Family Promise, Exeter, NH 2006 to present

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Ashley Miller	Case Manager	48,400	30	14,520
Katie Kerrigan	Case Manager	28,000	35	9,800
Pati Frew-Waters	Executive Director	70,000	0	0

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Southwestern Community Services Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2023

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$992,485

3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

- 2. Scope of Services**

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

- 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

- 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

- 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

- 2.1.3.1. Building maintenance and repair.

- 2.1.3.2. Security systems.

- 2.1.3.3. Heating and possible cooling equipment.

- 2.1.3.4. Property and business insurance.

- 2.1.3.5. Utilities and furnishings.

- 2.1.3.6. Amenities, including bathrooms.

- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

DS
JM

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/22/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

Southwestern Community Services Inc.

3/22/2021
Date

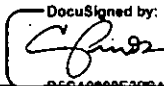
DocuSigned by:
John Manning
Name: John Manning
Title: CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

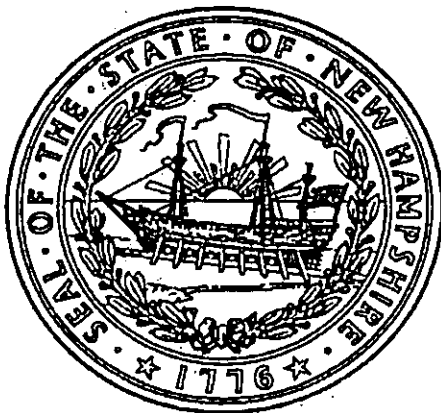
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 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: 65514

Certificate Number: 0005232985



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 21st day of January A.D. 2021.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
SOUTHWESTERN COMMUNITY SERVICES, INC.

Business ID
65514

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004810547	02/13/2020	02/13/2020	Nonprofit Report	2020
0004774584	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0004195673	10/09/2018	10/09/2018	Amendment	N/A
0003197312	12/28/2015	12/28/2015	Nonprofit Report	2015
0000682867	06/10/2014	06/10/2014	Amendment	N/A
0000682866	01/03/2011	01/03/2011	Annual Report	2010
0000682865	10/08/2010	10/08/2010	Reminder Letter	N/A
0000682864	02/13/2006	02/13/2006	Annual Report	2005
0000682863	02/23/2001	02/23/2001	Reinstatement	2000
0000682862	02/01/2001	02/01/2001	Withdraw/Dissolve/Cancel	N/A
0000682861	01/18/1996	01/18/1996	Annual Report	1995
0000682860	02/07/1990	02/07/1990	Annual Report	1990
0000682859	01/16/1976	01/16/1976	Annual Report	N/A
0000682858	09/11/1975	09/11/1975	Amendment	N/A
0000682857	02/23/1966	02/23/1966	Amendment	N/A
0000682856	05/19/1965	05/19/1965	Business Formation	N/A

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NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Kevin Watterson, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected ~~Clerk~~/Secretary/Officer of Southwestern Community Services Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on February 8, 2016, at which a quorum of the Directors/shareholders were present and voting.
(Date)


VOTED: That John A. Manning, CEO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Southwestern Community Services Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/19/2021



Signature of Elected Officer
Name: Kevin Watterson
Title: Chairman



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/11/2020

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 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 Clark - Mortenson Insurance P.O. Box 606 Keene NH 03431	CONTACT NAME: PHONE (A/C, No, Ext): 603-362-2121 FAX (A/C, No): 603-357-8491 E-MAIL ADDRESS: csr24admin@clark-mortenson.com
INSURED Southwestern Community Services Inc PO Box 603 Keene NH 03431	INSURER(S) AFFORDING COVERAGE INSURER A : Philadelphia Insurance Company NA# : 1 INSURER B : Maine Employer Mutual Insurance Co. 0 INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER: 1771028441** **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	ADDITIONAL		POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
		INSR	WVD					
A	<input checked="" type="checkbox"/> 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:			PHPK2000692	6/30/2020	6/30/2021	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
							MED EXP (Any one person)	\$ 5,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMP/OP AGG	\$ 2,000,000
								\$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS			PHPK2000704	6/30/2020	6/30/2021	COMBINED SINGLE LIMIT (Ea resident)	\$ 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			PHUB061876	6/30/2020	6/30/2021	EACH OCCURRENCE	\$ 2,000,000
							AGGREGATE	\$ 2,000,000
								\$
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/EMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	3102800768	4/1/2020	4/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-FR	
							E.L. EACH ACCIDENT	\$ 800,000
							E.L. DISEASE - EA EMPLOYEE	\$ 500,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Workers Compensation laws apply for the state of: NH
 All Officers are included

CERTIFICATE HOLDER

CANCELLATION

Department of Health & Human Services Bureau of Contracts & Procurement Unit 129 Pleasant Street 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
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Vision Statement

Southwestern Community Services

SCS seeks to **create** and **support** a climate within the communities of southwestern New Hampshire wherein **poverty is never accepted** as a chronic or permanent condition of any person's life.

Mission Statement

Southwestern Community Services

SCS strives to **empower** low income people and families. With **dignity and respect**, **SCS** will provide direct assistance, reduce stressors and advocate for such persons and families as they lift themselves toward **self-sufficiency**.

In **partnership** and close **collaboration** with local communities, **SCS** will provide **leadership** and **support** to develop resources, programs and services to further aid this population.

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. **AND RELATED COMPANIES**

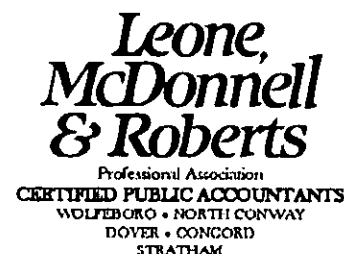
**FOR THE YEARS ENDED
MAY 31, 2020 AND 2019
AND
INDEPENDENT AUDITORS' REPORTS**

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2020 AND 2019**

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To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2020 and 2019, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 5, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the Schedules of Functional Revenues and Expenses, are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2020, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leone McDonnell & Roberts Professional Association

October 5, 2020
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2020 AND 2019****ASSETS**

	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,400,153	\$ 882,187
Accounts receivable	1,203,489	1,245,826
Prepaid expenses	57,168	51,722
Notes receivable	-	112,000
Interest receivable	-	45,547
	<u>2,660,810</u>	<u>2,337,282</u>
PROPERTY		
Land and buildings	19,243,210	19,188,791
Vehicles and equipment	541,236	554,976
Furniture and fixtures	271,753	220,291
Total property	<u>20,056,199</u>	<u>19,964,058</u>
Less accumulated depreciation	<u>8,557,576</u>	<u>7,938,217</u>
Property, net	<u>11,498,623</u>	<u>12,025,841</u>
OTHER ASSETS		
Investment in related parties	198,492	198,728
Due from related parties	59,067	59,102
Cash escrow and reserve funds	809,897	849,334
Security deposits	69,767	62,996
Other assets	384	384
	<u>1,137,607</u>	<u>1,170,544</u>
Total other assets	<u>1,137,607</u>	<u>1,170,544</u>
Total assets	<u>\$ 15,297,040</u>	<u>\$ 15,533,667</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 160,672	\$ 391,613
Accrued expenses	87,023	119,620
Accrued payroll and payroll taxes	228,394	233,900
Other current liabilities	149,154	138,740
Refundable advances	290,437	180,994
Interest payable	-	49,547
Current portion of long term debt	125,324	227,221
	<u>1,041,004</u>	<u>1,341,635</u>
Total current liabilities	<u>1,041,004</u>	<u>1,341,635</u>
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	8,905,857	9,086,445
Paycheck Protection Program	439,070	-
	<u>9,344,927</u>	<u>9,086,445</u>
Total noncurrent liabilities	<u>9,344,927</u>	<u>9,086,445</u>
Total liabilities	<u>10,385,931</u>	<u>10,428,080</u>
NET ASSETS		
Without donor restrictions	4,766,637	4,922,671
With donor restrictions	144,472	182,916
	<u>4,911,109</u>	<u>5,105,587</u>
Total net assets	<u>4,911,109</u>	<u>5,105,587</u>
Total liabilities and net assets	<u>\$ 15,297,040</u>	<u>\$ 15,533,667</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2020 Total</u>	<u>2019 Total</u>
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 10,619,721	\$ -	\$ 10,619,721	\$ 10,672,702
Program service fees	2,605,816	-	2,605,816	2,485,405
Rental income	1,165,032	-	1,165,032	995,380
Developer fee income	1,508	-	1,508	-
Support	516,375	77,235	593,610	452,391
Sponsorship	26,546	-	26,546	70,893
Interest income	9,224	-	9,224	7,153
Forgiveness of debt	79,338	-	79,338	388,849
Miscellaneous	148,113	-	148,113	120,697
In-kind contributions	167,553	-	167,553	241,499
	<u>15,339,226</u>	<u>77,235</u>	<u>15,416,461</u>	<u>15,434,969</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>115,679</u>	<u>(115,679)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>15,454,905</u>	<u>(38,444)</u>	<u>15,416,461</u>	<u>15,434,969</u>
EXPENSES				
Program services				
Home energy programs	5,153,989	-	5,153,989	5,238,483
Education and nutrition	2,687,612	-	2,687,612	2,659,830
Homeless programs	2,060,655	-	2,060,655	1,994,872
Housing services	2,433,660	-	2,433,660	2,319,865
Economic development services	737,663	-	737,663	721,370
Other programs	775,342	-	775,342	894,986
	<u>13,848,921</u>	<u>-</u>	<u>13,848,921</u>	<u>13,829,406</u>
Supporting activities				
Management and general	1,761,642	-	1,761,642	1,880,406
	<u>15,610,563</u>	<u>-</u>	<u>15,610,563</u>	<u>15,709,812</u>
CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	(155,658)	(38,444)	(194,102)	(274,843)
LOSS ON SALE OF PROPERTY	(140)	-	(140)	(6,481)
(LOSS) GAIN ON INVESTMENT IN LIMITED PARTNERSHIPS	(236)	-	(236)	18,116
CHANGE IN NET ASSETS	(156,034)	(38,444)	(194,478)	(263,208)
NET ASSETS, BEGINNING OF YEAR	4,922,671	182,916	5,105,587	3,932,113
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,436,682</u>
NET ASSETS, END OF YEAR	<u>\$ 4,766,637</u>	<u>\$ 144,472</u>	<u>\$ 4,911,109</u>	<u>\$ 5,105,587</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED MAY 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (194,478)	\$ (263,208)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	663,252	580,115
Loss on disposal of property	140	6,481
Loss (gain) on investment in limited partnerships	236	(18,116)
Forgiveness of debt	(79,338)	(388,849)
Decrease (increase) in assets:		
Accounts receivable	42,337	(185,904)
Prepaid expenses	(5,446)	5,509
Interest receivable	45,547	-
Due from related parties	35	44,240
Security deposits	(6,771)	5,151
(Decrease) increase in liabilities:		
Accounts payable	(230,941)	145,829
Accrued expenses	(32,597)	(106,905)
Accrued payroll and payroll taxes	(5,506)	(16,792)
Other current liabilities	10,414	3,167
Refundable advances	109,443	(12,937)
Interest payable	(49,547)	49,547
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>266,780</u>	<u>(152,672)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property	-	215,000
Purchase of property	(136,174)	(139,717)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	<u>(136,174)</u>	<u>75,283</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	36,679	40,048
Repayment of long term debt	(127,826)	(160,029)
Paycheck Protection Program funds received	439,070	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>347,923</u>	<u>(119,981)</u>
NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH	478,529	(197,370)
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	1,731,521	1,604,748
CASH TRANSFERRED FROM LIMITED PARTNERSHIP	-	324,143
CASH AND RESTRICTED CASH, END OF YEAR	<u>\$ 2,210,050</u>	<u>\$ 1,731,521</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ 165,929	\$ 203,408
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Transfer of assets from newly consolidated LP:		
Prepaid expenses	\$ -	\$ (22,212)
Land and buildings	-	(2,373,335)
Furniture and fixtures	-	(168,237)
Security deposits	-	(16,151)
	<u>-</u>	<u>(2,579,935)</u>
Total transfer of assets from newly consolidated LP	\$ -	\$ (2,579,935)
Transfer of liabilities from newly consolidated LP:		
Accounts payable	\$ -	\$ 121,699
Accrued expenses	-	20,347
Due to related parties	-	85,181
Long term debt	-	1,332,075
	<u>-</u>	<u>1,559,302</u>
Total transfer of liabilities from newly consolidated LP	\$ -	\$ 1,559,302
Total partners' capital from newly consolidated LP	\$ -	\$ 1,344,776
Partners' capital previously recorded as investment in related parties	-	91,906
	<u>-</u>	<u>1,436,682</u>
Total transfer of partners' capital from newly consolidated LP	\$ -	\$ 1,436,682

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2020**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2020 Total
Payroll	\$ 487,456	\$ 1,374,787	\$ 335,905	\$ 735,214	\$ 435,177	\$ 424,014	\$ 3,772,553	\$ 731,826	\$ 4,504,379
Payroll taxes	36,287	107,590	25,566	56,083	35,147	32,738	293,411	55,964	349,375
Employee benefits	135,770	412,407	121,495	271,770	85,902	193,929	1,221,273	45,011	1,266,284
Retirement	29,265	71,941	19,791	58,108	21,016	13,973	214,094	64,115	278,209
Advertising	728	3,064	83	2,632	3,999	2,100	12,626	591	13,217
Bank charges	4	-	17	4,117	-	54	4,192	7,456	11,648
Bad debt expense	-	45	195	-	-	-	240	4,000	4,240
Computer cost	-	28,124	5,538	8,120	15,541	-	57,323	166,243	223,566
Contractual	776,055	18,582	13,624	27,752	2,719	74,250	912,982	41,190	954,172
Depreciation	-	27,369	108,291	366,399	-	10,913	512,972	150,280	663,252
Dues/registration	-	977	-	495	468	-	1,940	9,720	11,660
Duplicating	-	7,480	-	-	-	-	7,480	5,684	13,164
Insurance	6,667	13,010	24,560	56,680	14,271	5,968	121,156	36,841	157,997
Interest	-	7,198	7,527	36,985	-	-	51,710	114,881	166,591
Meeting and conference	457	1,042	262	4,913	1,118	2,029	9,821	13,879	23,700
Miscellaneous expense	3,543	1,597	60	44,189	4,722	163	54,274	18,105	72,379
Miscellaneous taxes	-	-	-	61,942	-	-	61,942	200	62,142
Equipment purchases	24,948	1,646	-	6,426	-	-	33,020	30	33,050
Office expense	20,017	8,744	6,002	9,148	10,480	33	54,424	24,136	78,560
Postage	240	261	123	189	252	-	1,065	24,447	25,512
Professional fees	2,045	-	3,200	28,718	-	706	34,669	89,175	123,844
Staff development and training	-	2,135	648	1,208	415	3,088	7,494	2,787	10,281
Subscriptions	-	-	-	95	-	-	95	1,801	1,896
Telephone	2,283	1,968	17,624	17,959	3,179	1,166	44,179	41,601	85,780
Travel	6,792	16,310	12,602	7,545	30,585	15	73,849	3,031	78,880
Vehicle	3,902	5,121	5,574	30,678	36,849	9,696	91,820	8,202	100,022
Rent	-	25,570	-	-	-	-	25,570	-	25,570
Space costs	-	174,312	352,469	583,375	2,699	89	1,112,944	100,446	1,213,390
Direct client assistance	3,637,530	208,759	999,499	12,920	33,124	418	4,892,250	-	4,892,250
In-kind expenses	-	167,553	-	-	-	-	167,553	-	167,553
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,153,989	2,687,612	2,060,655	2,433,660	737,663	775,342	13,848,921	1,761,642	15,610,563
Allocation of management and general expenses	<u>655,609</u>	<u>341,876</u>	<u>262,124</u>	<u>309,572</u>	<u>93,834</u>	<u>98,627</u>	<u>1,761,642</u>	<u>(1,761,642)</u>	<u>-</u>
TOTAL FUNCTIONAL EXPENSES	\$ 5,809,598	\$ 3,029,488	\$ 2,322,779	\$ 2,743,232	\$ 831,497	\$ 873,969	\$ 15,610,563	\$ -	\$ 15,610,563

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIESCONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2019

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,598
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,936	27,831	16,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	16,730
Bank charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt expense	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,610	39,363	164,045	203,408
Meeting and conference	8,673	813	2,567	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,695	11,475	6,458	807	58,754	11,656	70,410
Postage	97	268	138	53	214	-	770	24,238	25,008
Professional fees	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	608	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	99,402	13,436	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	376	1,041,065	106,866	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	-	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,086	121,693	1,880,406	(1,880,406)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,456	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2020 AND 2019**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support service 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.

Principles of Consolidation

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey) – Sold 2/1/19
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester)
- Swanzey Township Housing Associates, Limited Partnership (Swanzey)
- Snow Brook Meadow Village Housing Associates, Limited Partnership (Snow Brook)

Basis of Accounting

The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor-imposed restrictions.

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 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 met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of May 31, 2020 and 2019, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2019 from which the summarized information was derived.

Refundable Advances

The Organization records grant and contract revenue as refundable advances until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

In-Kind Support

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

The following table provides a reconciliation of cash and restricted cash reported within the statements of financial position that sum to the total in the statements of cash flows as of May 31:

	<u>2020</u>	<u>2019</u>
Cash, operations	\$ 1,400,153	\$ 882,187
Cash escrow and reserve funds	<u>809,897</u>	<u>849,334</u>
Total cash and restricted cash	<u>\$ 2,210,050</u>	<u>\$ 1,731,521</u>

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2020 and 2019. The Organization has no policy for charging interest on overdue accounts.

Notes Receivable

The Organization had two notes receivable from Monadnock Economic Development Corporation (MEDC), an unrelated third party. The notes receivables were stated at the amount that was expected to be collected at year end. Interest was accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable was \$112,000 and \$45,547, respectively, at May 31, 2019. Payment on the notes receivable and accrued interest was realized during the year ended May 31, 2020.

Current Vulnerability Due to Certain Concentrations

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. For the years ended May 31, 2020 and 2019, approximately 69% of the Organization's total revenue was received from government agencies. The future nature of the Organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

Property and Depreciation

Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than \$5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2020 and 2019 totaled \$663,252 and \$580,115, respectively.

Advertising

The Organization expenses advertising costs as incurred.

Revenue Recognition

Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as with donor restrictions if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Income Taxes

Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling \$1,230,191 and \$1,012,604 at May 31, 2020 and 2019, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$555 and \$579 at May 31, 2020 and 2019, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Tax benefit from loss carryforwards	\$258,457	\$212,768
Valuation allowance	<u>(258,457)</u>	<u>(212,768)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

Drewsville, Jaffrey, Troy Senior, Winchester, Keene East Side, Swanzey, and Snow Brook are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2018 – 2020), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

FASB ASC Topic No. 820-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The carrying amount of cash, accounts receivables, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

New Accounting Pronouncement

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (230): Restricted Cash (ASU 2016-18). The amendments address diversity in practice that exists in the classification and presentation of changes in restricted cash on the statement of cash flows. The amendments require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts shown on the statement of cash flows. ASU 2016-18 is effective for the Organization's fiscal year ending May 31, 2020 and has been applied retrospectively to all periods presented.

During the year, the Organization adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. Results for reporting the years ending May 31, 2020 and 2019 are presented under FASB ASU 2018-08. The comparative information has not been restated and continues to be reported under the accounting standards in effect in those reporting periods. There was no material impact to the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 11.96% effective from June 1, 2017 through May 31, 2020.

NOTE 2

BANK LINE OF CREDIT

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2020 and 2019, the interest rate was 3.25% and 5.50%, respectively. There was no outstanding balance at May 31, 2020 and 2019.

NOTE 3 **LONG TERM DEBT**

The long term debt at May 31, 2020 and 2019 consisted of the following:

	<u>2020</u>	<u>2019</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	\$ 136,370	\$ 145,647
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on an operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	29,589	31,589
5.25% note payable to a bank in monthly installments for principal and interest of \$988 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	9,652	20,672
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 41-43 Central).	376,363	376,363
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019, and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	130,230	146,515

	<u>2020</u>	<u>2019</u>
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,175,749	2,212,288
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015, at which time a final balloon payment of the entire principal balance was due. The remaining balance was still outstanding at May 31, 2019. The note was satisfied during the year ended May 31, 2020. The note was secured by real estate of the Organization (MEDC, Keene Office/Community Way).	-	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance was still outstanding at May 31, 2019. The note was satisfied during the year ended May 31, 2020. The note was secured by real estate of the Organization (MEDC, Keene Office/Community Way).	-	45,000
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% at May 31, 2020 and 2019. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	389,578	401,891

	<u>2020</u>	<u>2019</u>
5.19% note payable to a bank in monthly installments for principal and interest of \$889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).	88,433	94,733
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	100,000	125,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	60,000	75,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	328,219	344,536
Non-interest bearing note payable to a county in New Hampshire, relating to an agreement between the City of Keene and SCS for the purpose of renovating Keene shelters. In total, SCS will receive \$472,000 from CDBG. SCS will receive the funds as progress is made. The note is secured by real estate of the Organization and will be fully forgiven providing the facility serves low- and moderate-income individuals for 20 years (CDBG, Keene Shelter).	9,500	-

	<u>2020</u>	<u>2019</u>
6.99% note payable to a finance company in monthly installments for principal and interest of \$652 through June 2019. The note was secured by a vehicle (TCF, Econoline Van) and paid in full during 2020.	-	1,293
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	12,637	19,287
6.54% note payable to a finance company in monthly installments for principal and interest of \$442 through November 2023. The note is secured by a vehicle (Ally, GMC Acadia).	15,903	-
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	162,880	185,899

	<u>2020</u>	<u>2019</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	228,934	228,934
Swanzey - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	289,996	282,720
Swanzey - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	365,474	377,110
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	441,872	446,561
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	237,173

	<u>2020</u>	<u>2019</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).	46,978	50,436
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).	85,028	92,058
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	<u>150,000</u>	<u>150,000</u>
Total long-term debt before unamortized deferred financing costs	9,049,462	9,332,609
Unamortized deferred financing costs	<u>(18,281)</u>	<u>(18,943)</u>
	9,031,181	9,313,666
Less current portion due within one year	<u>125,324</u>	<u>227,221</u>
	<u>\$ 8,905,857</u>	<u>\$ 9,086,445</u>

The schedule of maturities of long term debt at May 31, 2020 is as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2021	\$ 125,324
2022	120,502
2023	119,477
2024	120,573
2025	123,395
Thereafter	<u>8,440,191</u>
Total	<u>\$ 9,049,462</u>

NOTE 4 **OPERATING LEASES**

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2025. Monthly lease payments range from \$60 to \$3,625. Lease expense for the years ended May 31, 2020 and 2019 totaled \$140,758 and \$144,880, respectively.

Future minimum payments as of May 31, 2020 on the above leases are as follows:

Year Ending <u>May 31</u>	<u>Amount</u>
2021	\$ 84,318
2022	18,318
2023	1,050
2024	720
2025	<u>120</u>
Total	<u>\$ 104,526</u>

NOTE 5 **ACCRUED COMPENSATED BALANCES**

At May 31, 2020 and 2019, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$141,970 and \$131,864, respectively.

NOTE 6 **CONTINGENCIES**

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$13,988,000 and \$14,151,000 at May 31, 2020 and 2019, respectively.

Partnership real estate with a cost basis of approximately \$35,896,000 and \$35,831,000 at May 31, 2020 and 2019, respectively, provides collateral on these loans.

The Organization receives funds under various state grants and from Federal 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 costs were found not to have been incurred 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 been determined or assessed by government audits as of May 31, 2020 and 2019.

NOTE 7 **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2020 and 2019, SCS Housing, Inc. managed eight and ten limited partnerships, respectively. Management fees charged by SCS Housing, Inc. totaled \$295,814 and \$313,466, for the years ended May 31, 2020 and 2019, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$59,067 and \$59,102 at May 31, 2020 and 2019, respectively.

NOTE 8 **EQUITY INVESTMENT**

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	<u>2020</u>	<u>2019</u>
Cityside Housing Associates, LP	\$ (9,505)	\$ (9,500)
Marlborough Homes, LP	(27)	(11)
Payson Village Senior Housing Associates, LP	(12,514)	(12,503)
Railroad Square Senior Housing Associates, LP	(2,071)	(1,897)
Warwick Meadows Housing Associates, LP	(28)	(21)
Woodcrest Drive Housing Associates, LP	222,842	222,842
Westmill Senior Housing, LP	64	78
Keene Highland Housing Associates, LP	<u>(269)</u>	<u>(260)</u>
	<u>\$ 198,492</u>	<u>\$ 198,728</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner of Westmill Senior Housing, LP during the years ended May 31, 2020 and 2019.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2020 and 2019.

The remaining 99.99% ownership interest in Swanzey Township Housing Associates, LP and Snow Brook Meadow Village Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2019 (see Note 13), and therefore the limited partnership is included in the consolidated financial statements for the years ended May 31, 2020 and 2019.

Southwestern Community Services, Inc. was a 14.3% member of Pilot Health, LLC during the year ended May 31, 2018. Pilot Health was terminated during the year ended May 31, 2019.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2020 and 2019, consists of the following:

	<u>2020</u>	<u>2019</u>
Total assets	<u>\$ 5,510</u>	<u>\$ 5,745</u>
Total liabilities	2,448	2,454
Capital/Member's equity	<u>3,062</u>	<u>3,291</u>
	<u>\$ 5,510</u>	<u>\$ 5,745</u>
Income	\$ 440	\$ 426
Expenses	<u>648</u>	<u>661</u>
Net income (loss)	<u>\$ (208)</u>	<u>\$ (235)</u>

NOTE 9 **RETIREMENT PLAN**

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$278,209 and \$296,009 for the years ended May 31, 2020 and 2019, respectively.

NOTE 10 RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes:

	<u>2020</u>	<u>2019</u>
NNECAC – Annual Conference Fund	\$ 4,814	\$ 5,973
GAPS/Warm Fund	91,725	91,908
Transport	40,000	47,260
HS Parents Association	7,933	6,575
EHS	<u>-</u>	<u>31,200</u>
Total net assets with donor restrictions	<u>\$ 144,472</u>	<u>\$ 182,916</u>

NOTE 11 BOARD DESIGNATED NET ASSETS

The board designates a portion of the unrestricted net assets for WM Marcello GAPS funds. There was \$14,888 and \$12,784 designated by the board at May 31, 2020 and 2019, respectively.

NOTE 12 FORGIVENESS OF DEBT

During the years ended May 31, 2020 and 2019, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$79,338 and \$388,849 for the years ended May 31, 2020 and 2019, respectively.

NOTE 13 TRANSFER OF PARTNERSHIP INTEREST

During the year ended May 31, 2019, Southwestern Community Services, Inc. acquired a partnership interest in two low-income housing limited partnerships: Swanzey and Snow Brook. The amount paid for the partnership interest in Swanzey and Snow Brook was \$1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

	<u>Swanzey</u>	<u>Snow Brook</u>
Date of Transfer	06/30/2018	05/01/2019
Cash	\$ 12,856	\$ 13,374
Security deposits	7,330	8,821
Cash reserves	119,061	178,852
Property, net	1,330,231	1,211,341
Other assets	<u>6,436</u>	<u>15,776</u>
Total assets	<u>1,475,914</u>	<u>1,428,164</u>

Notes payable	666,902	665,173
Other Liabilities	<u>87,108</u>	<u>140,119</u>
Total liabilities	<u>754,010</u>	<u>805,292</u>
Partners' capital	721,904	622,872
Partners' capital previously recorded as an investment in related parties	<u>31,190</u>	<u>60,716</u>
Partners' capital transferred	<u>\$ 753,094</u>	<u>\$ 683,588</u>

NOTE 14 AVAILABILITY AND LIQUIDITY

The following represents Southwestern Community Services, Inc. and related companies' financial assets as of May 31, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 1,400,153	\$ 882,187
Accounts receivable	1,203,489	1,245,826
Due from related party	59,067	59,102
Notes receivable	-	112,000
Interest receivable	-	45,547
Cash escrow and reserve funds	<u>809,897</u>	<u>849,334</u>
Total financial assets	<u>3,472,606</u>	<u>3,193,996</u>
Less amounts not available to be used within one year:		
Due from related party	(59,067)	(59,102)
Notes receivable	-	(112,000)
Interest receivable	-	(45,547)
Reserve funds	<u>(809,897)</u>	<u>(849,334)</u>
Total amounts not available within one year	<u>(868,964)</u>	<u>(1,065,983)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,603,642</u>	<u>\$ 2,128,013</u>

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$1,215,000 and \$1,224,000 at May 31, 2020 and 2019, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

NOTE 15 **PAYCHECK PROTECTION PROGRAM**

In April 2020, the Organization received loan proceeds in the amount of \$439,070 under the Paycheck Protection Program (“PPP”). The PPP, is established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES ACT”). If the Organization does not meet the loan criteria, the unforgiven portion of the PPP loan is payable over five years at an interest rate of 1%, with a deferral of payments for the first six months. As of the date of the audit report, the Organization has been using the proceeds for purposes consistent with the PPP. The Organization has 24 weeks beginning the date the proceeds were received to use up all the PPP proceeds. Through the date of this report, the Organization is on track to have the entire loan balance forgiven; however, the final determination of this has not occurred.

NOTE 16 **RECLASSIFICATION**

Certain amounts and accounts from the prior year’s financial statements were reclassified to enhance comparability with the current year’s financial statements.

NOTE 17 **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 5, 2020, the date the financial statements were available to be issued.

Subsequent to year end, the Organization obtained approval from the Small Business Administration for an Economic Injury Disaster Loan (EIDL). The terms of the agreement allow the Organization to draw up to \$150,000. Interest will accrue at the rate of 2.75% per annum and will accrue only on funds actually advanced from the date(s) of each advance. Installments, including principal and interest, of \$641 monthly will begin in June 2021. The balance of principal and interest will be payable in June 2050. The loan is secured by the Small Business Administration. The schedule of maturities on this loan at May 31, 2020 is as follows:

Year Ending	<u>Amount</u>
<u>May 31</u>	
2021	\$ -
2022	3,201
2023	3,585
2024	3,685
2025	3,788
Thereafter	<u>135,741</u>
Total	<u>\$ 150,000</u>

The impact of the novel coronavirus (COVID-19) and measures to prevent its spread are affecting the Organization's operations. The significance of the impact of these disruptions, including the extent of their adverse impact on the Organization's financial operational results, will be dictated by the length of time that such disruptions continue and, in turn, will depend on the currently unknowable duration of the COVID-19 pandemic and the impact of governmental regulations that might be imposed in response to the pandemic. The Organization's business could also be impacted should the disruptions from COVID-19 lead to changes in consumer behavior. COVID-19 also makes it more challenging for management to estimate future performance of the businesses, particularly over the near to medium term.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES
CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2020

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2020 Total
REVENUES									
Government contracts	\$ 4,518,118	\$ 3,020,857	\$ 1,759,258	\$ 21,581	\$ 797,710	\$ 33,809	\$ 10,151,333	\$ 468,388	\$ 10,619,721
Program service fees	832,454	-	66,804	985,951	3,496	707,147	2,595,852	9,964	2,605,816
Rental income	-	-	97,328	1,067,704	-	-	1,165,032	-	1,165,032
Developer fee income	-	-	-	1,508	-	-	1,508	-	1,508
Support	81,387	36,421	219,105	-	114,117	114,844	565,874	27,736	593,610
Sponsorship	-	6,809	-	-	-	19,737	26,546	-	26,546
Interest income	12	17	1,382	2,559	35	11	4,016	5,208	9,224
Forgiveness of debt	-	-	56,318	23,020	-	-	79,338	-	79,338
Miscellaneous	2,860	3,381	21,160	77,326	19,460	-	124,187	23,926	148,113
In-kind contributions	-	167,553	-	-	-	-	167,553	-	167,553
Total revenues and other support	\$ 5,434,831	\$ 3,235,038	\$ 2,221,355	\$ 2,179,649	\$ 934,818	\$ 875,548	\$ 14,881,239	\$ 535,222	\$ 15,416,461
EXPENSES									
Payroll	\$ 467,456	\$ 1,374,787	\$ 335,905	\$ 735,214	\$ 435,177	\$ 424,014	\$ 3,772,553	\$ 731,826	\$ 4,504,379
Payroll taxes	36,287	107,590	25,566	56,083	35,147	32,738	293,411	55,964	349,375
Employee benefits	135,770	412,407	121,495	271,770	85,902	193,929	1,221,273	45,011	1,266,284
Retirement	29,265	71,941	19,791	58,108	21,016	13,973	214,094	64,115	278,209
Advertising	728	3,084	83	2,632	3,999	2,100	12,626	591	13,217
Bank charges	4	-	17	4,117	-	54	4,192	7,456	11,648
Bad debt	-	45	195	-	-	240	-	4,000	4,240
Computer cost	-	28,124	5,538	8,120	15,541	-	57,323	166,243	223,566
Contractual	776,055	18,582	13,624	27,752	2,719	74,250	912,982	41,190	954,172
Depreciation	-	27,369	108,291	366,399	-	10,913	512,972	150,280	663,252
Dues/registration	-	977	-	495	468	-	1,940	9,720	11,660
Duplicating	-	7,480	-	-	-	-	7,480	5,684	13,164
Insurance	6,667	13,010	24,560	56,680	14,271	5,968	121,156	36,841	157,997
Interest	-	7,198	7,527	36,985	-	-	51,710	114,881	166,591
Meeting and conference	457	1,042	262	4,913	1,118	2,029	9,821	13,879	23,700
Miscellaneous expense	3,543	1,597	60	44,189	4,722	163	54,274	18,105	72,379
Miscellaneous taxes	-	-	-	61,942	-	-	61,942	200	62,142
Equipment purchases	24,948	1,646	-	6,426	-	-	33,020	30	33,050
Office expense	20,017	8,744	6,002	9,148	10,480	33	54,424	24,136	78,560
Postage	240	261	123	189	252	-	1,065	24,447	25,512
Professional fees	2,045	-	3,200	28,718	-	706	34,669	89,175	123,844
Staff development and training	-	2,135	648	1,208	415	3,088	7,494	2,787	10,281
Subscriptions	-	-	-	95	-	-	95	1,801	1,896
Telephone	2,283	1,968	17,624	17,959	3,179	1,166	44,179	41,601	85,780
Travel	6,792	16,310	12,602	7,545	30,585	15	73,849	3,031	76,880
Vehicle	3,902	5,121	5,574	30,678	36,849	9,696	91,820	8,202	100,022
Rent	-	25,570	-	-	-	-	25,570	-	25,570
Space costs	-	174,312	352,469	583,375	2,699	89	1,112,944	100,446	1,213,390
Direct client assistance	3,637,530	208,759	999,499	12,920	33,124	418	4,892,250	-	4,892,250
In-kind expenses	-	167,553	-	-	-	-	167,553	-	167,553
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,153,989	2,687,612	2,060,655	2,433,660	737,663	775,342	13,848,921	1,761,642	15,610,563
Allocation of management and general expenses	655,609	341,876	262,124	309,572	93,834	98,627	1,761,642	(1,761,642)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,809,598	\$ 3,029,488	\$ 2,322,779	\$ 2,743,232	\$ 831,497	\$ 873,969	\$ 15,610,563	\$ -	\$ 15,610,563

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2019**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2019 Total
REVENUES									
Government contracts	\$ 4,846,587	\$ 2,853,470	\$ 1,607,684	\$ 53,038	\$ 734,566	\$ 148,424	\$ 10,243,769	\$ 428,933	\$ 10,672,702
Program service fee	572,421	-	74,144	997,150	24,700	772,976	2,441,391	44,014	2,485,405
Rental income	-	-	84,704	909,276	-	1,400	995,380	-	995,380
Support	12,751	16,848	123,635	-	168,704	130,453	452,391	-	452,391
Sponsorship	-	2,713	1,104	-	-	66,814	70,631	262	70,893
Interest income	12	-	2,183	3,211	13	21	5,440	1,713	7,153
Forgiveness of debt	-	-	59,141	329,708	-	-	388,849	-	388,849
Miscellaneous	2,770	10,389	4,844	69,893	25,146	-	113,042	7,655	120,697
In-kind contributions	-	241,499	-	-	-	-	241,499	-	241,499
Total revenues	\$ 5,434,541	\$ 3,124,919	\$ 1,957,439	\$ 2,362,276	\$ 953,129	\$ 1,120,088	\$ 14,952,392	\$ 482,577	\$ 15,434,969
EXPENSES									
Payroll	\$ 432,968	\$ 1,224,986	\$ 377,595	\$ 775,425	\$ 414,730	\$ 432,826	\$ 3,658,530	\$ 753,068	\$ 4,411,598
Payroll taxes	33,521	97,919	29,527	59,738	33,519	34,195	288,419	58,304	346,723
Employee benefits	106,054	415,890	142,654	289,985	97,771	180,294	1,232,648	111,111	1,343,759
Retirement	29,200	70,406	18,908	61,936	27,831	16,181	224,462	71,547	296,009
Advertising	-	500	1,912	4,013	818	9,487	16,730	-	16,730
Bank Charges	-	-	-	4,444	-	1	4,445	7,329	11,774
Bad debt	-	10	-	90	-	-	100	-	100
Computer cost	-	24,540	4,759	3,027	14,926	750	48,002	116,846	164,848
Contractual	629,045	32,930	230,984	38,696	2,719	116,585	1,050,959	39,743	1,090,702
Depreciation	-	28,300	108,291	281,950	-	14,207	432,748	147,367	580,115
Dues/registration	-	5,277	-	488	868	1,312	7,945	11,879	19,824
Duplicating	-	8,852	-	-	-	-	8,852	4,155	13,007
Insurance	6,714	14,798	23,590	60,672	14,130	7,164	127,068	33,892	160,960
Interest	-	7,775	8,022	21,956	-	1,610	39,363	164,045	203,406
Meeting and conference	8,673	813	2,587	8,104	565	22,569	43,291	24,957	68,248
Miscellaneous expense	181	1,695	637	34,793	3,651	2,931	43,888	19,278	63,166
Miscellaneous taxes	-	-	-	34,900	-	-	34,900	389	35,289
Equipment purchases	1,292	15,274	-	7,287	-	-	23,853	1,180	25,033
Office expense	24,820	8,499	6,895	11,475	6,458	807	58,754	11,856	70,410
Postage	97	268	138	53	214	-	770	24,238	25,006
Professional	4,300	-	1,301	36,095	-	-	41,696	90,968	132,664
Staff development and training	2,128	1,580	1,678	72	1,904	21,877	29,239	10,590	39,829
Subscriptions	-	-	-	655	354	-	1,009	399	1,408
Telephone	2,087	2,356	18,479	17,817	2,336	1,589	44,664	52,308	96,972
Travel	7,951	16,256	15,412	5,183	29,531	608	74,941	4,855	79,796
Vehicle	2,300	5,225	1,088	37,795	44,426	8,568	99,402	13,438	112,838
Rent	-	24,800	-	150	-	-	24,950	-	24,950
Space costs	-	194,946	332,351	512,392	1,000	376	1,041,065	106,866	1,147,931
Direct client assistance	3,947,152	214,436	668,284	10,674	23,619	21,049	4,885,214	4,885,214	4,885,214
In-kind expenses	-	241,499	-	-	-	-	241,499	-	241,499
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	5,238,483	2,659,830	1,994,872	2,319,865	721,370	894,986	13,829,406	1,880,406	15,709,812
Allocation of management and general expenses	712,284	361,661	271,246	315,436	98,086	121,693	1,880,406	(1,880,408)	-
TOTAL FUNCTIONAL EXPENSES	\$ 5,950,767	\$ 3,021,491	\$ 2,266,118	\$ 2,635,301	\$ 819,456	\$ 1,016,679	\$ 15,709,812	\$ -	\$ 15,709,812

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2020**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
U.S. Department of Agriculture				
Rural Housing Preservation Grant	10.433	Direct Funding	3403-02801-808	\$ 10,835
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH, Department of Health & Human Services	010-090-5260000-102-500734	310,996
Child and Adult Care Food Program	10.558	State of NH, Department of Education	Unknown	102,321
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH, Department of Health & Human Services	010-090-5260000-102-500734	2,326
Emergency Food Assistance Program (Admin)	10.568	Community Action Program Belknap-Merrimack Counties	Unknown	218
Commodity Supplemental Food Program (Food Commodities)	10.565	Community Action Program Belknap-Merrimack Counties	Unknown	60,628
				<u>83,174</u>
Total U.S. Department of Agriculture				<u>\$ 507,326</u>
U.S. Department of Housing and Urban Development				
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-958310-717800000-102-50731	\$ 175,983
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7927-102-0731	126,201
				<u>302,184</u>
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-958310-717800000-102-50731	266,182
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-95-958310-717800000-102-50731	247,809
Continuum of Care Program	14.287	State of NH, DHHS, Bureau of Homeless & Housing	05-95-958310-717800000-102-50731	174,902
				<u>788,877</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 1,023,077</u>
U.S. Department of Labor				
WIOA Cluster				
WIOA Adult Program	17.258	Southern NH Services	Unknown	\$ 43,833
WIOA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	31,112
				<u>74,945</u>
Total U.S. Department of Labor/WIOA Cluster				<u>\$ 74,945</u>
U.S. Department of Transportation Federal Transit Administration (FTA)				
Formula Grants for Rural Areas	20.508	State of NH, Department of Transportation	04-96-96-964010-2916	\$ 282,680
Transit Services Programs Cluster				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-96-96-964010-2916	23,043
				<u>305,712</u>
Total U.S. Department of Transportation Federal Transit Administration (FTA)				<u>\$ 305,712</u>
U.S. Department of Energy				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 267,894
Total U.S. Department of Energy				<u>\$ 267,894</u>
U.S. Department of Health & Human Services				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,298
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-95-48-481010-7872	64,170
				<u>69,468</u>
Grants to States to Support Oral Health Workforce Activities	93.238	State of NH, DHHS, Division of Family Assistance	Unknown	6,929
Drug-Free Communities Support Program Grants	93.276	Direct Funding	5M79SP018677-08	31,000
TANF Cluster				
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown	297,962
Low Income Home Energy Assistance (Fuel Assistance)	93.588	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-500587	3,888,576
Low Income Home Energy Assistance (BWP)	93.588	State of NH, Office of Energy & Planning	01-02-02-024010-77050000-500587	256,351
				<u>4,244,927</u>
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	500731	342,401
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance		22,306
Head Start	93.600	Direct Funding	01CH9959	2,588,280
Medicaid Cluster				
Medical Assistance Program	93.778	State of NH, DHHS, Office of Human Services	05-95-47-470010-52010000	2,641
Total U.S. Department of Health & Human Services				<u>\$ 7,815,914</u>
U.S. Department of Homeland Security				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 8,670
Total U.S. Department of Homeland Security				<u>\$ 8,670</u>
TOTAL				<u>\$ 9,803,540</u>
NON-FEDERAL				
State of New Hampshire Public Utilities Company		Home Energy Assistance		\$ 523,181
State of New Hampshire Public Utilities Company		Electrical Assistance Program		240,427

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2020**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2020. 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 Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

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.

NOTE 3 INDIRECT COST RATE

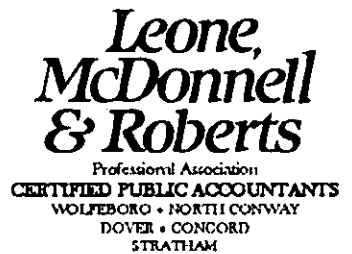
Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2020.



SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, 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 consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2020, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated October 5, 2020.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated 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 the 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

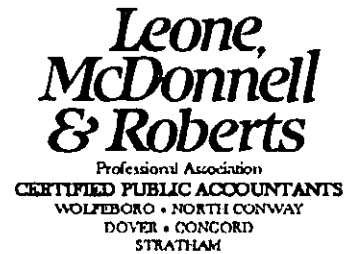
As part of obtaining reasonable assurance about whether Southwestern Community Services, Inc.'s consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated 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.

Leone McDonnell + Roberts Professional Association

October 5, 2020
Wolfeboro, New Hampshire



SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Southwestern Community Services, Inc.'s (a New Hampshire nonprofit corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2020. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Southwestern Community Services, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Southwestern Community Services, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2020.

Report on Internal Control Over Compliance

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

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

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

Leone McDonnell & Roberts Professional Association

October 5, 2020
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2020**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. and related companies were prepared in accordance with GAAP.
2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. and related companies, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568, and U.S. Department of Energy; Weatherization Assistance for Low Income Individuals, 81.042. **NON-FEDERAL:** New Hampshire Public Utilities Company, Home Energy Assistance and Electrical Assistance Program.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2020**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2019.

Southwestern Community Services, Inc. Board of Directors - Composition - 2020

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Anne Beattie
Newport Service Organization

Mary Lou Huffling
Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Brianna Trombi
Head Start Policy Council
Parent Representative

open

**PRIVATE
SECTOR**

open

David Edkins
Town of Walpole

Kevin Watterson, Chair
Clarke Companies (*retired*)

Kerry Belknap Morris, M.Ed.
Early Childhood Education
River Valley Community College

**PUBLIC
SECTOR**

Jay Kahn
State Senator, District 10

Derek Ferland
Sullivan County Manager

Beth Fox
Assistant City Manager/
Human Resources Director
City of Keene

open

CRAIG A. HENDERSON

SUMMARY OF QUALIFICATIONS

- Proficient in: Word, Excel, PowerPoint, Internet, Outlook, Photoshop,
- Ability to prioritize in a fast paced environment and to learn new tasks quickly and effectively
- Dedicated, reliable and responsible
- Extensive background in Social Services, Property Management, Finance, and Customer Service

EDUCATION

- B.A Psychology with a specialization in counseling May, 1999
B.S Business Management
Keene State College
Keene, NH 03435

EMPLOYMENT HISTORY

Henderson & Bosley Property Management 8/02-Present
President Keene, NH

- Adhering to NH State housing laws and government housing programs
- Advertising and marketing of vacant apartments, Creating leases, Performing credit checks
- Property inspections and maintenance- including basic carpentry, landscaping etc.
- Research and management of investment opportunities

Southwestern Community Services 10/07-Present
Director of Housing Stabilization Services

- Designs and implements systems to provide efficient operation of all Housing Stabilization programs.
- Manages and leads assigned staff to ensure SCS policies and procedures are followed in a manner consistent with the organization's mission, values, and culture.
- Participates in the hiring of new employees and oversees the orientation and training of all assigned staff.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 10/07-Present
Assistant Director of Housing Stabilization Services Keene, NH

- Monitor quality of services, operation of assigned programs, facilities, and staff.
- Process and certify tenant/client applications for all Supportive Housing Programs; facilitate move-in process; track and collect rents/subsidies utilizing Classic Real Estate Software; track and collect all match documentation; recertify tenants when necessary and in a timely manner.
- Maintain compliance with State/Government/Agency protocols, procedures, and reporting.

Southwestern Community Services 02/03-10/07
Long Term Transitional Housing Program Administrator Keene, NH

- Responsibilities include: Assisting the homeless of Cheshire County with budgeting and referrals to other needed services; Advocating on behalf of clients to create new networks and improve current relationships; providing counsel through tough transitions, as well as, creating and maintaining an environment of success through programs such as Mediation Training, Consumer Credit Counseling, Psychological Therapy, Parenting Classes, and First Time Homebuyers programs.
- Basic maintenance of shelter properties and inventory control
- Responsible to track data and create statistical reports based on information collected to assist in budget allocations for Southwestern Community Services

Coldwell Banker / Tattersall 1/02-3/04
Real Estate Sales Associate Keene, NH

- Assisting buyers and sellers of real estate through customer/client interaction
- Informing clients/customers of federal and state regulations, financing options, and negotiating
- Creating marketing plans and researching pricing through competitive market analysis

**VISION Appraisal Technology
Data Collector**

5/02-2/03
Keene, NH

- Assured accurate and consistent real-estate assessments with the emphasis in field work
- Position required strong attention to detail with the emphasis in property measurement and appraisal as well as requiring strong customer skill by acting as a liaison between town assessors office and the property owner

**Monadnet
Customer Service Supervisor**

8/99-8/01
Keene, NH

- Responsibilities include maintaining all major accounts and new account data; managing projects and delegating responsibilities, A/R and A/P reconciliation, Collections of delinquent accounts.
- Financial Analysis and Trend Monitoring, Billing Systems Analyst
- Direct mediation and resolution of customer service issues.

AWARDS RECEIVED

- Delta Mu Delta: National Business Honor Society
- Psi Chi: National Psychology Honor Society.

CONTINUING EDUCATION AND CERTIFICATIONS

- 04/18/2007 Certified Occupancy Specialist – National Center for Housing Management
- 09/23/2008 Successful completion of "Landlord and Tenant Law" seminar – Lorman Educational Services
- 02/23/2016 HUD Certified Housing Quality Standards Inspector
- 01/21/2016 Completed 8.5 hours of Nonviolent Crisis Intervention training
- 04/26/2013 Certification in Fair Housing Law – Granite State Managers Association
- 08/10/2016 Blood Borne Pathogen Training
- 08/24/2016 6 hours of comprehensive low income housing tax credit training – Johnson Consulting Services, Inc

Sharon LaCount McKane

QUALIFICATION HIGHLIGHTS

- 30+ years' experience in Social Services, Human Services, and Administration
 - 10+ years supervising staff, and volunteers
 - Skilled at customer relations and interactions with large staff in diverse programs
-

WORK HISTORY

Southwestern Community Services, Keene, NH 2016 - Present

Administrative and Housing Stabilization Manager

- Supervise HSS Program Staff and Facilities, including approving timecards and PTO
- Review, build and maintain budgets for specific funding sources
- Administer and report EHP for the State of NH
- Manage HSS-GAPS Program
- Responsible for the annual evaluations of HSS Staff
- Coding and approval of HSS Program bills
- Assistance with all hiring, HR and onboarding of new program staff

Southwestern Community Services, Keene, NH 2007 - 2015

Receptionist/Administrative Office Manager/Housing Stabilization Support

- Created Diversion Assessment Tool database and input of completed forms
- Responsible for CSFP distribution, inventory, reports, mailings, organization and communication with volunteers and sites
- Supervised volunteers and seasonal staff
- Assisted Program Directors with completion and mailing of grants
- Supported all HSS staff as requested by the Director

Southwestern Community Services, Keene, NH 1986 - 2006

Receptionist/MIS Support/Web Design

- Operated telephone switchboard to answer, screen, or forward calls, providing information, taking messages, or scheduling appointments
 - Greeted persons entering establishment, determined nature and purpose of visit, and directed or escorted them to specific destinations, resolving complaints as necessary
 - Handled agency postage and fax machines and billing to all programs
 - Responsible for maintaining and designing agency web site, and staff ID badges
 - Provided computer software and hardware support to all staff
-

EDUCATION

Keene High School, Keene, NH

Diploma

Lori A. Hathaway

Education

Keene State College BA in English May 2009 Keene, New Hampshire

Employment History

2011-Present SCS **Data Specialist/Admin Assistant** Keene, New Hampshire

- ❖ Maintenance of daily Data Entry for several sub-programs
- ❖ Compiling and analyzing Data Reports as requested
- ❖ Administration of Housing Security Guarantee Loan Program
- ❖ Co-facilitation of Educational Workshops
- ❖ Presentation of Train-the-Trainer Sessions at annual conference

2009-2011 SCS **Administrative Assistant** Keene, New Hampshire

- ❖ Research required to determine program eligibility
- ❖ Creation and maintenance of client files
- ❖ Scheduling of client audits
- ❖ Various administrative and support tasks

2000-2008 PEP-Direct **Donor Service Representative** Wilton, New Hampshire

- ❖ Fulfillment of special donor requests for non-profit organization
- ❖ Telephone interaction with donors
- ❖ Maintenance of donor records
- ❖ Generation of letters addressing donor issues and complaints

1996-1998 Claire's **Assistant Manager** Nashua, New Hampshire

- ❖ Supervised staff
- ❖ Responsible for opening and closing store
- ❖ Responsible for balancing registers and bank deposits
- ❖ Assisted customers with merchandise selection and purchases

Affiliation and Volunteer Experience

2019-Pres. Beaver Brook Lodge #36 **Member** I.O.O.F.

2009-Pres. MUW Pacesetter Committee **Member** SCS

Kappa Delta Phi NAS, Kappa Gamma **Member** Keene State College

Billy-Jo Kundel

QUALIFICATION HIGHLIGHTS

- **Human and Social Services**
 - Kept records, and prepared reports for agency concerning visits with clients
 - Provided information and referred individuals to public or private agencies or community services for assistance
 - Visited individuals in homes, and attended group meetings to provide information on agency services, requirements, or procedures
 - Interviewed individuals and family members to compile information on social, educational, criminal, institutional, or drug history
 - Submitted reports and reviewed problems with supervisor
 - Work with partner agencies within the community to seek services for clients and to help other agencies
- **Customer Service Experience**
 - Extensive experience working with customers in many different atmospheres
 - Conferred with customers via telephone or in person to provide information about products and services, take and enter orders, cancel accounts, or obtain details of complaints
 - Completed contract forms, prepared change of address records, and issued service discontinuance orders, using computers
 - Resolved customer service or billing complaints by performing activities such as exchanging merchandise, refunding money, or adjusting bills
- **Administrative Skills**
 - Data Entry, case notes, input of treatment plans, quarterly reviews,
 - Familiar with Microsoft Excel, Word, Power Point, Google Docs, Canva, Constant Contact, Planning Center, Electronic Medical Records, Lavender and Wyatt, SPSS, and internet and email systems. Familiar with Mac and PC systems.
 - Use of multi-line phone system, and office equipment such as photo copier, scanner, filing systems

WORK HISTORY

SCS	Keene, NH	Emergency Housing Coordinator	October 2020-present
Monadnock Covenant Church	Keene, NH	<i>Administrative Assistant</i>	2017-2020
C& S Wholesale	Brattleboro, VT.	<i>Account Specialist</i>	2016-2017
The Mountain Corp.	Keene, NH	Sales Rep.	2015-2016
MFS	Keene, NH	Case Manager	2011-2014

EDUCATION

Keene State College	Keene, NH	2003
Bachelor of Arts	Sociology	
Thayer High School	Winchester, NH	1999
Hs Diploma		

Sherry Hallock

Emergency Housing Coordinator – South Western Community Services

Work Experience

Emergency Housing Coordinator

Southwestern Community Services - Claremont, NH
August 2019 to Present.

I manage the Claremont homeless shelters, making sure that all supplies are ordered and stocked in all units, as well as working to keep shelter running safely and efficiently by following all health and safety codes. I work with all residents encouraging all rules and regulation to be followed as well as cleanliness.

Daily walk throughs in all shelters looking for health and safety risks., meeting with contractors as needed and following all bed bug protocols while using bed bug prevention & cleanings.

My other duties include, but not limited to case management with residents focused on meeting their goal plans by working toward securing housing, employment, filing for SSI & SSDI, doing follow ups and walking clients through the process while assessing individual barriers and focusing on independent living skills, Conflict resolution, building teamwork, while modeling anxiety and anger management to promote success.

I work with community partners doing referrals meetings while focusing on wrap around services with the emphasis on meeting our client's needs.

I continue to do training hours monthly and work closely within our team to bridge the gap with our outreach clients & calls as well as outreach referrals while completing all necessary paperwork for the shelter which include but not limited to, case management, intake/exit logs, bed logs, HMIS, files and Town applications for sponsorship.

Team meetings within the Housing stabilization program strengthen our teams' efforts to have continued communication while following our tree line of information that continues to change with state regulations and challenge our ability to be flexible while always relying on our team members, to meet mission for success.

Respite Care Provider/Therapeutic Goal work

Self Employed - Croydon, NH
August 2014 to Present.

Respite provider for client with Autism and behavior out bursts

Emphasis on building coping skills as well as conflict resolution. Working with client by using picture books that we made together on emotions and reactions. modeling appropriate behaviors and supporting client with anxiety management as well as mindful relaxation techniques. working with client on except-able social behaviors and eating healthy.

Skills used.

positive reinforcement techniques, CBT restructuring, Redirection techniques, role modeling, therapeutic relationship building

Residential Specialist/Case Manager - West Central Behavioral Health

West Central Behavioral Health - Newport, NH
August 2016 to September 2019

My duties include but not limited to writing daily Clinical notes, psychotherapy notes as well as substance abuse, phq9, and at-risk assessments

I assess and support clients with ADLS, Interpersonal functioning, social skill building, conflict resolution as well as medication management for symptom control.

My position requires Assessing and handling medical emergencies in a calm professional manner to support client's needs while also Co-ordinating medical supports by taking clients to doctor appointments while working with the medical team to provide my clients with personalized care.

My duties also include client case management, as a Day Program Specialist on the clinician team, I created and implemented activities with emphasis on teaching specialized skills to help client process repetitive

information as a way of CBT&DBT restructuring.

I attended team meetings, as well as working within a team to provide excellent individualized care. Familiar with Mind link and echo as well as Microsoft office/Word. Administrative Duties include Customer service, coordinating appointments, filling med orders while keeping records up to date. Experienced with all office equipment including fax, copier, computer and phone. My phone manner and customer service manner are strong and accommodating.

Accomplishments

Gained the trust and respect of management proving to be a reliable part of their team implementing ideas as well taking on more responsibilities.

I have received waivers from the state of New Hampshire for associates degree as well as Case Manager and Day Program Specialist working on our clinician's team specializing in therapeutic treatment.

I co-coordinate Day program services as well as teach groups of ten or more residents, emphasizing on life skills needed to assist in their goals as well as daily living. I specialize in coping skill, social skill and conflict resolution, building skills, teaching with games, handouts, discussions and activities as well as role play. My duties as case manager vary depending on house managers needs but I am familiar with assessments as well as client care coordination.

Direct Service Provider

Independent Service Network - Claremont, NH
May 2014 to November 2016

Responsibilities

I help create an activity schedule then implement it on daily basis. Work on individuals' goals, Assist and monitor clients at jobs or volunteer work as needed. Assist with positive behavior supports by role Modeling and redirection. I work one on one as well as with groups intergrading within the community. Teaching and modeling social skills as well as coping skills and conflict resolution.

Daily notes to track progress and areas of needed supports. ABC sheets and Incident reports tracking. I attend quarterly meetings.

Reviewing individualized goals and program planning while giving assessments and recommendations to the team.

Accomplishments

I have gained the trust of consumers' guardians, parents, and management with positive results. I have developed and taught a social skills class to a group of 12 clients working on basic Independent. Living skills including hygiene, personal safety, conflict resolution, problem solving, coping skills and More. Teachings with art, handouts puzzles and team games where clients have shown some success. I have also implemented a cooking class, sign language class and music/yoga with much success.

Skills Used

Positive behavior management techniques, positive reinforcement techniques, patience, awareness of Triggers, team building, role modeling, good organization and planning with a professional attitude at All times. Communication skills with case managers, team and providers. Certificates in training.

Respite Provider/ therapeutic goal work

Self Employed - Weathersfield Bow, VT
May 2014 to August 2016

Emphasis on teaching /developing social and coping skills as well as personal boundaries, supporting client with identifying symptoms and skills needed to become independent while practicing good safety boundaries.

supported client with ADLs, emphasizing on cooking, laundry, hygiene and community integration as well as interpersonal skill building.

Accomplishments

I have gained the trust of clients and provider, Making progress on safety plan as well as social boundaries and coping skills

Skills Used

Communication, patience, redirection, supervision, motivational goal work on ADLs and interpersonal, Functioning. Emphasis on safety skill building, personal boundaries and effective communication within the community

Respite Care Provider/ in home care coordinator

Self Employed - Weathersfield Bow, VT
March 2015 to January 2016

Responsibilities

In home respite care, supporting client with personal and medical needs for rehabilitation. Meal preparation, and daily medications. Keep all paperwork up to date communicate with her and Provider for her needs. Practice safety and supervision.

Accomplishments

I have gained the trust of client and provider all documentation up to date with all ADLs and medical. Needs are met.

Skills Used

Positive redirection and prompting as well as supervision, supports with All ADLs, Medications and Personal needs. I assisted with doctor appointments and rehabilitation goals emphasis on moving back into independent living.

Therapeutic Foster Parent

Caseys' Family Services

October 2011 to October 2014

Responsibilities

Teaching and modeling safe personal boundaries and personal space while in community and around people to help client prevent being victimized.

Strong supervision at all times. Work closely with school team, DCF and doctors to develop and implement all safety procedures and academic needs, needed to assist in everyday life. Receiving DBT and CBT training for myself as a way to better support client with therapeutic treatment, with exercises and activities to help with mindfulness, interpersonal effectiveness, emotional Regulation and distress tolerance.

Accomplishments

I was able to gain trust of my team while teaching effective safety skill building, Interpersonal Functioning, trust and social skills. My client went from 3rd grade level at school to 10th grade.

I helped Her find her voice and build confidence while learning safety and boundaries as well Independent living Skills

Skills Used

Strong supervision, constant consistency, patience, caring attitude, understanding, strong Boundaries, positive reinforcement and positive behavior management, advocating for needs, team Building, Family supports, training's around trauma and brain development, safety building, social skill Building as well as interpersonal effectiveness, organization and communication

SLP

HCRS - Springfield, VT

April 2013 to April 2014

Shared Living Provider in residential home for one to two clients 3 days weekly.

I supported clients with ADLs as well as interpersonal functioning. Emphasis on independent living skills, social boundaries, anxiety/anger management as well as coping skills. Modeling appropriate behavior for better results and as a way of helping clients process malformation to build on skills. consistency in skill building while holding client accountable for behaviors with natural consequences I was able to accomplish gaining the trust and respect of my client as well as help him build the skills needed to move into a more home providing situation.

Education

Bachelor's in human services

NH State waver - Concord, NH

August 2016 to April 2018

Skills

Case manager (5 years), Microsoft Excel (2 years), Mental Health (8 years), Documentation (8 years), Microsoft Office (2 years), Management (6 years), Organizational Skills (7 years), Receptionist (5 years), problem solving, Therapy, Case Management

Additional Information

I am familiar in many avenues of human services and mental health, working in this field for many years. My case management skills are excellent, always working with clients, families and agencies to provide the best individualized care. I am creative with strong interpersonal skills as well as excellent boundaries. I have received three New Hampshire State Wavers from the Division of Behavior /Mental health waiving my associates Degree, and bachelors degree in order to work as Case manager as well as a therapeutic clinician. because of my continued work and experience.

Contractor Name: Southwestern Community Services, Inc.

Key Personnel (SGIA)

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Craig Henderson	Director of Housing Stabilization Services	\$51,043	100%	\$51,043
Sharon LaCount McKane	HSS Administrative and Stabilization Manager	\$42,640	25%	\$10,660
Lori Hathaway	HSS Data Specialist & Administrative Assistant	\$31,720	98%	\$31,086
Billy-Jo Kundel	Emergency Housing Coordinator	\$31,200	100%	\$31,200
Sherry Hallock	Emergency Housing Coordinator	\$32,240	100%	\$32,240

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Front Door Agency, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$557,157
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

- 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
- 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.
- 2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities, including bathrooms.

2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

^{DS}
MW

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/21/2021

Date

DocuSigned by:
Christine Santaniello

Name: Christine Santaniello
Title: Director

3/19/2021

Date

The Front Door Agency, Inc.,
DocuSigned by:
Maryse Wirbal


Name: Maryse Wirbal
Title: CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

State of New Hampshire

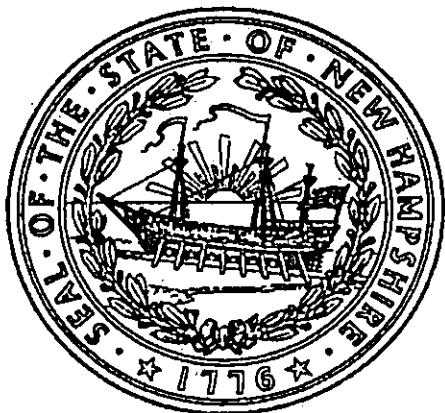
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE FRONT DOOR AGENCY, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on February 06, 1987. 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: 108359

Certificate Number: 0005051172



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 4th day of December A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name	Business ID
The Front Door Agency, Inc.	108359

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005051171	12/04/2020	12/04/2020	Nonprofit Report	2020
0004774239	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003227827	01/20/2016	01/20/2016	Nonprofit Report	2015
0003201583	01/01/2016	01/01/2016	Admin Dissolution/Suspension	N/A
0000670673	07/26/2011	07/26/2011	Amendment	N/A
0000670672	10/14/2010	10/14/2010	Annual Report	2010
0000670671	10/08/2010	10/08/2010	Reminder Letter	N/A
0000670669	04/10/2006	04/10/2006	Reinstatement	2005
0000670668	03/01/2006	03/01/2006	Admin Dissolution/Suspension	N/A
0000670667	02/02/2000	02/02/2000	Annual Report	2000
0000670666	01/12/1995	01/12/1995	Annual Report	1995
0000670665	12/28/1990	12/28/1990	Annual Report	1990
0000670664	04/22/1988	04/22/1988	Amendment	N/A
0000670663	02/06/1987	02/06/1987	Business Formation	N/A

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CERTIFICATE OF AUTHORITY

I, Erin Almeda, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of The Front Door Agency, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 10, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Maryse Wirbal, CEO(may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of The Front Door Agency, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: March 10, 2021



Signature of Elected Officer

Name: Erin Almeda

Title: Secretary, Board of Directors



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/14/2020

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 Eaton & Berube Insurance Agency, Inc. 11 Concord Street Nashua NH 03061	CONTACT NAME: Cathy Beaugard PHONE (A/C, No., Ext): 603-689-7229 FAX (A/C, No): 603-886-4230 E-MAIL ADDRESS: cbeaugard@eatonberube.com
INSURER(S) AFFORDING COVERAGE	
INSURED The Front Door Agency Inc 7 Concord Street Nashua NH 03064	INSURER A : The Hanover Insurance Companies NAIC # 22292 INSURER B : AmTrust North America, Inc. 42376 INSURER C : INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER: 2011624950** **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	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZBV9151600	5/5/2020	5/5/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/>			ZBV9151600	5/5/2020	5/5/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
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	TWC3871469	5/5/2020	5/5/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Management Liab Claims Made			LHV9132930	5/5/2020	5/5/2021	D&O \$1,000,000 EPL \$1,000,000 Fiduciary \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Workers Compensation Information: No excluded officers; Coverage for NH.
 Retentions on Management Liability: D&O \$2,500; EPL \$5,000; Fiduciary \$500.

CERTIFICATE HOLDER DHHS, State of NH 129 Pleasant Street Concord NH 03301	CANCELLATION 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
---	--



MISSION STATEMENT:

To offer support, foster education and provide services to assist individuals and families transition from crisis to self-sufficiency.

CORE VALUES:

- Belief in dignity, respect and compassion for all people
- Belief through education, every person can grow and succeed.

Dignity • Respect • Compassion • Education • Integrity

AUDACIOUS GOAL:

The Front Door Agency strives to achieve a fully-funded comprehensive program, assisting individuals and families in crisis to become stabilized, transformed and ultimately empowered to flourish and achieve self-sufficiency.



THE FRONT DOOR AGENCY, INC.

Financial Statements
For the Year Ended June 30, 2020

(With Independent Auditors' Report Thereon)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Front Door Agency, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The Front Door Agency, Inc., which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

Nashua, New Hampshire
Manchester, New Hampshire
Andover, Massachusetts
Greenfield, Massachusetts
Ellsworth, Maine

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evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Front Door Agency, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited The Front Door Agency, Inc.'s fiscal year 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 7, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

A handwritten signature in cursive script that reads "Melanson".

Manchester, New Hampshire
November 18, 2020

THE FRONT DOOR AGENCY, INC.

Statement of Financial Position
June 30, 2020
(with comparative totals as of June 30, 2019)

	2020			
	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 771,648	\$ 145,815	\$ 917,463	\$ 707,795
Accounts receivable, net	80,949	-	80,949	41,925
Contributions receivable, net	23,133	82,135	105,268	93,107
Other current assets	1,469	-	1,469	547
Total Current Assets	877,199	227,950	1,105,149	843,374
Noncurrent Assets:				
Investments	632,881	688,941	1,321,822	1,210,255
Revolving loan and security receivables, net	189,059	-	189,059	151,063
Noncurrent portion of contributions receivable	-	36,350	36,350	-
Property and equipment, net	1,288,891	-	1,288,891	1,290,744
Total Noncurrent Assets	2,110,831	725,291	2,836,122	2,652,062
TOTAL ASSETS	\$ 2,988,030	\$ 953,241	\$ 3,941,271	\$ 3,495,436
LIABILITIES AND NET ASSETS				
Current Liabilities:				
Current portion of long-term debt	\$ 8,923	\$ -	\$ 8,923	\$ 9,205
Accounts payable	27,230	-	27,230	22,453
Accrued payroll and related liabilities	6,388	-	6,388	4,016
Other liabilities	12,134	-	12,134	15,496
Total Current Liabilities	54,675	-	54,675	51,170
Noncurrent Liabilities:				
Long-term debt, net of current portion	736,495	-	736,495	798,128
Revolving loan and security payables	218,090	-	218,090	182,327
Security deposits	13,050	-	13,050	10,269
Total Noncurrent Liabilities	967,635	-	967,635	990,724
Total Liabilities	1,022,310	-	1,022,310	1,041,894
Net Assets:				
Without donor restrictions:				
Undesignated	1,549,602	-	1,549,602	992,478
Board designated	416,118	-	416,118	469,051
With donor restrictions:				
Purpose restrictions	-	135,057	135,057	141,974
Time restrictions	-	374,786	374,786	423,141
Perpetual endowment	-	443,398	443,398	426,898
Total Net Assets	1,965,720	953,241	2,918,961	2,453,542
TOTAL LIABILITIES AND NET ASSETS	\$ 2,988,030	\$ 953,241	\$ 3,941,271	\$ 3,495,436

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

THE FRONT DOOR AGENCY, INC.

Statement of Activities
For the Year Ended June 30, 2020
(with comparative totals for the year ended June 30, 2019)

	2020		2020 Total	2019 Total
	Without Donor Restrictions	With Donor Restrictions		
SUPPORT, REVENUE, AND OTHER				
Support:				
Contributions	\$ 170,065	\$ 103,598	\$ 273,663	\$ 448,387
Grants	749,644	-	749,644	369,610
Debt forgiveness	53,984	-	53,984	53,984
Special events:				
Gross special events revenue	455,712	-	455,712	400,247
Less cost of special events	<u>(23,867)</u>	<u>-</u>	<u>(23,867)</u>	<u>(29,268)</u>
Net special events revenue	431,845	-	431,845	370,979
Revenue:				
Rental income, net of write-offs	137,034	-	137,034	144,385
Other:				
Investment income	103,862	-	103,862	46,869
Other revenue	8,967	-	8,967	6,154
Net Assets Released From Restriction	<u>142,370</u>	<u>(142,370)</u>	<u>-</u>	<u>-</u>
Total Support, Revenues, and Other	1,797,771	(38,772)	1,758,999	1,440,368
EXPENSES				
Program Services:				
Transformational housing	587,909	-	587,909	555,260
Housing stability	337,831	-	337,831	251,914
Other programs	<u>42,480</u>	<u>-</u>	<u>42,480</u>	<u>47,988</u>
Total Program Services	968,220	-	968,220	855,162
Supporting Services:				
Management and general	120,370	-	120,370	111,791
Fundraising and development	<u>204,990</u>	<u>-</u>	<u>204,990</u>	<u>154,563</u>
Total Supporting Services	325,360	-	325,360	266,354
Total Expenses	1,293,580	-	1,293,580	1,121,516
CHANGE IN NET ASSETS	504,191	(38,772)	465,419	318,852
NET ASSETS, BEGINNING OF YEAR, AS RESTATED	1,461,529	992,013	2,453,542	2,134,690
NET ASSETS, END OF YEAR	\$ <u>1,965,720</u>	\$ <u>953,241</u>	\$ <u>2,918,961</u>	\$ <u>2,453,542</u>

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

THE FRONT DOOR AGENCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2020
(with comparative totals for the year ended June 30, 2019)

	2020							2019 Total
	Program Services				Supportive Services		2020 Total	
	Transformational Housing	Housing Stability	Other Programs	Total	Management and General	Fundraising and Development		
Personnel expense:								
Salaries and wages	\$ 260,749	\$ 112,598	\$ 19,576	\$ 392,923	\$ 59,205	\$ 141,300	\$ 593,428	\$ 507,969
Employee benefits	27,896	12,999	2,328	43,223	11,397	22,511	77,131	56,520
Payroll taxes	19,813	8,509	1,476	29,798	4,458	10,351	44,607	38,759
Direct assistance:								
Holiday/Santa Fund program	-	-	13,420	13,420	-	-	13,420	11,913
Rental assistance	11,200	109,102	-	120,302	-	-	120,302	91,069
Utility assistance	-	9,361	-	9,361	-	-	9,361	8,429
Security deposit assistance	2,966	2,595	-	5,561	-	-	5,561	8,096
Therapy - child contracted	39,681	-	-	39,681	-	-	39,681	30,011
Other	11,820	1,195	-	13,015	-	-	13,015	9,022
Fees for services:								
Accounting	-	-	-	-	8,075	-	8,075	9,125
Other	3,578	3,143	-	6,721	8,820	11,119	26,660	15,444
Advertising and promotion	374	306	21	701	778	6,177	7,656	5,578
Depreciation	62,897	15,865	-	78,762	1,010	-	79,772	75,874
Information technology	2,922	3,358	-	6,280	2,023	5,113	13,416	10,746
Insurance	12,606	3,106	-	15,712	3,104	-	18,816	18,188
Interest	33,308	12,118	-	45,426	-	-	45,426	48,676
Licenses and fees	-	-	-	-	-	10,189	10,189	13,128
Miscellaneous	234	116	-	350	581	5,384	6,315	6,968
Occupancy	84,132	38,497	974	123,603	13,784	8,779	146,166	144,592
Office expenses	3,815	2,667	552	7,034	5,450	5,418	17,902	20,439
Scholarships	-	-	3,500	3,500	-	-	3,500	-
Telephone and communication	9,918	2,296	633	12,847	1,685	2,516	17,048	16,738
Venues	-	-	-	-	-	-	-	3,500
Total expenses by function	<u>587,909</u>	<u>337,831</u>	<u>42,480</u>	<u>968,220</u>	<u>120,370</u>	<u>228,857</u>	<u>1,317,447</u>	<u>1,150,784</u>
Less expenses included on the Statement of Activities:								
Cost of special events	-	-	-	-	-	(23,867)	(23,867)	(29,268)
Total reported on the Statement of Activities	<u>\$ 587,909</u>	<u>\$ 337,831</u>	<u>\$ 42,480</u>	<u>\$ 968,220</u>	<u>\$ 120,370</u>	<u>\$ 204,990</u>	<u>\$ 1,293,580</u>	<u>\$ 1,121,516</u>

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

THE FRONT DOOR AGENCY, INC.

Statement of Cash Flows

For the Year Ended June 30, 2020
(with comparative totals for the year ended June 30, 2019)

	<u>2020</u>	<u>2019</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 465,419	\$ 318,852
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	79,772	75,874
Bad debt expense	5,428	13,625
Debt forgiveness	(53,984)	(53,984)
Unrealized loss (gain) on investments	(59,728)	63,123
Realized gain on investments	(1,121)	(65,097)
Changes in operating assets and liabilities:		
Accounts receivable	(44,452)	(32,369)
Contributions receivable	(48,511)	325,914
Other current assets	(922)	1,085
Accounts payable	4,777	608
Accrued payroll and related liabilities	2,372	(662)
Other liabilities	(581)	(8,068)
Net Cash Provided By Operating Activities	<u>348,469</u>	<u>638,901</u>
Cash Flows From Investing Activities:		
Proceeds from sale of investments	502,722	546,354
Purchase of investments	(553,440)	(1,048,754)
Purchase of fixed assets	(77,919)	(38,286)
Net Cash Used By Investing Activities	<u>(128,637)</u>	<u>(540,686)</u>
Cash Flows From Financing Activities:		
Principal payments of long-term debt	(7,931)	(7,520)
Change in revolving loan and security receivables	(37,996)	(3,600)
Change in revolving loan and security payables	35,763	9,019
Net Cash Used By Financing Activities	<u>(10,164)</u>	<u>(2,101)</u>
Net Change in Cash and Cash Equivalents	209,668	96,114
Cash and Cash Equivalents, Beginning of Year	<u>707,795</u>	<u>611,681</u>
Cash and Cash Equivalents, End of Year	<u>\$ 917,463</u>	<u>\$ 707,795</u>
Supplemental Disclosures:		
Interest paid	<u>\$ 11,596</u>	<u>\$ 12,022</u>

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

THE FRONT DOOR AGENCY, INC.

Notes to Financial Statements For the Year Ended June 30, 2020

1. Organization

The Front Door Agency, Inc. (the Agency) is a nonprofit public benefit organization which was incorporated on February 6, 1987. The Front Door is unequivocally committed to helping homeless and disadvantaged people in the Greater Nashua community achieve stability, have the opportunity to transform, and ultimately flourish. Since its inception, the Agency has been offering support, fostering education and providing services to assist individuals and families transition from crisis to self-sufficiency. It believes that dignity, respect and compassion is deserved for all people and that through education, every person can grow and succeed.

The Agency's core programs were collaboratively developed to provide a comprehensive approach that addresses the root causes of homelessness and poverty. These programs include:

Transformational Housing

Provides long term transitional housing to homeless single mothers and their children. With a program design of "self-help", mothers must be motivated to create change. The program is not an emergency shelter, but serves as a comprehensive long-term "next step" on the road to self-sufficiency as it is the program's primary goal to reduce barriers to higher education in order to increase every client's employability and income so mothers are empowered to regain their confidence and achieve independence.

The Transformational Housing Program enables clients to remove personal barriers so they can successfully access college degree, credentialing, apprenticeship, or job-skills training programs. The program has had a great success of women graduating with degrees in areas such as accounting, paralegal, marketing, nursing, and social work. Others have earned job skills in areas of LNA, welding, CDL driving, and culinary arts.

Housing Stability

Helps all individuals and families currently experiencing homelessness or on the verge of homelessness by providing prevention and intervention assistance with rent and utilities. Through its security deposit loan program, it helps families obtain housing with a no-interest or fee security deposit that is repaid over a 24-month period eliminating the barrier to entry. Others who may face a temporary crisis such as an illness or job reduction or loss of a spouse can receive short-term rental assistance to help them avoid homelessness as they regain self-sufficiency. The Agency also offers short-term rental subsidies that gradually reduce over a few months to help families become housing stable. All families receive extensive case management and budgeting assistance.

Financial Literacy

A series of workshops that is offered twice per year to the general public. Personal credit reports and budgets are examined and facilitators provide direction and education on basic banking opportunities, ways to save, and how to reduce costs.

Holiday Santa

Each year the Agency helps nearly 800 children during the holidays with gifts and clothing.

2. Summary of Significant Accounting Policies

Change in Accounting Principle

ASU 2014-09 and ASU 2018-08 Revenue Recognition

The Agency has adopted Accounting Standards Update (ASU) No. 2014-09 - *Revenue from Contracts with Customers (Topic 606)*, as amended, and ASU No. 2018-08 *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 605)*, as management believes these standards improve the usefulness and understandability of the Agency's financial reporting. ASU 2014-09 and 2018-08 have been implemented in fiscal year 2020, and the presentation in these financial statements has been adjusted accordingly. Analysis of various provisions of these standards resulted in no significant changes in the way the Agency recognizes revenue, and therefore no changes to the previously issued audited financial statements (presented in these financial statements as comparative financial information) were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the new standards.

ASU 2016-01 Equity Investments

In fiscal year 2020, the Agency adopted Financial Accounting Standards Board Accounting Standards Update (ASU) 2016-01, *Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*, which relates to the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments.

Comparative Financial Information

The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the audited financial statements for the year ended June 30, 2019, from which the summarized information was derived.

Cash and Cash Equivalent

All cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, are

considered to be cash and cash equivalents. Cash and highly liquid financial instruments invested for long-term purposes, are excluded from this definition.

Accounts Receivable

Accounts receivable consist primarily of amounts for services and programs. The adequacy of the allowance for doubtful accounts for receivables is reviewed on an ongoing basis by the Agency's management and adjusted as required through the provision for doubtful accounts (bad debt expense).

Contributions Receivable

Unconditional contributions that are expected to be collected within one year are recorded at net realizable value. Unconditional contributions that are expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the Statement of Activities. The allowance for uncollectable contributions is based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions are written off when deemed uncollectable.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the Statement of Financial Position. Net investment return/(loss) is reported in the Statement of Activities and consists of interest and dividend income, realized and unrealized gains and losses, less external investment expenses. Investments include equity securities of public companies which are carried at fair value based on quoted market prices.

Property and Equipment

Property and equipment additions over \$2,500 are recorded at cost, if purchased, and at fair value at the date of donation, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 27 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation is removed, and any resulting gain or loss is included in the Statement of Activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed.

The carrying values of property and equipment are reviewed for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment in fiscal years 2020 or 2019.

Net Assets

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

Net Assets Without Donor Restrictions

Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board has designated, from net assets without donor restrictions, net assets for a board-designated endowment, net assets for scholarships, and for new office property.

Net Assets with Donor Restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity while permitting the Agency to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Board approved spending policy. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition

A portion of the Agency's revenue is derived from cost-reimbursable federal and state contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Agency has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the Statement of Financial Position. Special events revenue is recognized equal to the fair value of direct benefits to donors when the special event takes place. The contribution element of special event revenue is recognized immediately, unless there is a right of return if the special event does not take place. All goods and services are transferred at a point in time.

Contributions are recognized when received. All contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as increases in net assets with donor restrictions. Unconditional promises with payment due in future years have an implied restriction to be used in the year of payment is due and, therefore, are reported as net assets with donor restrictions until the payment is due unless the contribution is clearly intended to support activities in the current year. Conditional promises, such as matching grants, are recognized when they become unconditional, that is, until all the conditions on which they depend are met.

Donated Services and In-Kind Donations

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by Generally Accepted Accounting Principles. Generally Accepted Accounting Principles allow recognition of contributed services only if (a) the services create or enhance nonfinancial assets and (b) the services would have been purchased if not provided by contribution, require specialized skills, and are provided by individuals possessing those skills. Donated professional services are recorded at the respective fair values of the services received. Contributed goods are recorded at fair value at the date of donation and as expenses when placed in service or distributed. Donated use of facilities is reported as a contribution and as an expense at the estimated fair value of similar space for rent under similar conditions. If the use of the space is promised unconditionally for a period greater than one year, the amount is reported as a contribution and an unconditional promise to give at the date of the gift, and the expense is reported over the term of use.

Advertising Costs

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

Functional Allocation of Expenses

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

Income Taxes

The Agency has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Internal Revenue Code (IRC) Section 501(a) as an organization described in IRC Section 501(c)(3), qualifies for charitable contribution deductions, and has been determined not to be a private foundation. The Agency is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Agency is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. In fiscal years 2020 and 2019, the Agency was not subject to unrelated business income tax and did not file an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

Estimates

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

Financial Instruments and Credit Risk

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

Fair Value Measurements and Disclosures

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.
- Level 3 – Unobservable inputs for the asset or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the

significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the assessment of the quality, risk, or liquidity profile of the asset or liability.

New Accounting Standards to be Adopted in the Future

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-02, *Leases*. The ASU requires all leases with lease terms more than 12 months to be capitalized as a right of use asset and lease liability on the balance sheet at the date of lease commencement. Leases will be classified as either finance leases or operating leases. This distinction will be relevant for the pattern of expense recognition in the income statement. This ASU will be effective for the Agency for the year ending June 30, 2023. The Agency is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

Credit Losses

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The ASU requires a financial asset (including trade receivables) measured at amortized cost basis to be presented at the net amount expected to be collected. Thus, the income statement will reflect the measurement of credit losses for newly recognized financial assets as well as the expected increases or decreases of expected credit losses that have taken place during the period. This ASU will be effective for the Agency for the fiscal year ending June 30, 2024. The Agency is currently in the process of evaluating the impact of adoption of this ASU on the financial statements.

Contributed Nonfinancial Assets

In September 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. Examples of contributed nonfinancial assets include fixed assets such as land, buildings, and equipment; the use of fixed assets or utilities; material and supplies, such as food, clothing, or pharmaceuticals; intangible assets; and recognized contributed services. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. It also requires certain disclosures for each category of contributed nonfinancial assets recognized. The amendments in this ASU should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. Early adoption is permitted. The Agency is currently in the process of evaluating the impact of adoption of this ASU on the financial statements

3. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the Statement of Financial Position, are comprised of the following at June 30, 2020 and 2019:

Financial assets at year end:	<u>2020</u>	<u>2019</u>
Cash and cash equivalents	\$ 917,463	\$ 707,795
Accounts receivable	80,949	41,925
Contributions receivable	141,618	93,107
Investments	<u>1,321,822</u>	<u>1,210,255</u>
Total financial assets	2,461,852	2,053,082
Less amounts not available to be used within one year:		
Net assets with purpose restrictions that will not be met in one year (building purchase)	(83,500)	(83,500)
Contributions receivable due in more than one year	(36,350)	-
Donor-restricted endowment	<u>(443,398)</u>	<u>(426,898)</u>
	<u>(563,248)</u>	<u>(510,398)</u>
Financial assets available to meet general expenditures over the next year	<u>\$ 1,898,604</u>	<u>\$ 1,542,684</u>

Endowment funds consist of donor-restricted endowments and a general endowment. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The Agency regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. In addition to financial assets available to meet general expenditures over the next year, the Agency operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As part of its liquidity management plan, the Agency also has \$75,000 line of credit available to meet cash flow needs.

4. Accounts Receivable

Accounts receivable at June 30, 2020 and 2019 are comprised of the following:

<u>Description</u>	<u>2020</u>			<u>2019</u>		
	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Programs	\$ 80,949	\$ -	\$ 80,949	\$ 41,925	\$ -	\$ 41,925
Total	\$ 80,949	\$ -	\$ 80,949	\$ 41,925	\$ -	\$ 41,925

5. Contributions Receivable

Unconditional contributions receivable are estimated to be collected as follows at June 30, 2020 and 2019:

	<u>2020</u>			<u>2019</u>		
	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Within one year	\$ 110,001	\$ (4,733)	\$ 105,268	\$ 98,940	\$ (5,833)	\$ 93,107
One to five years	36,350	-	36,350	-	-	-
More than five years	-	-	-	-	-	-
Total	\$ 146,351	\$ (4,733)	\$ 141,618	\$ 98,940	\$ (5,833)	\$ 93,107

6. Revolving Loan and Security Receivables and Payables

Homeless Housing and Access Revolving Loan Fund (HHARLF)

The Homeless Housing and Access Revolving Loan Fund provides guarantees of rental security deposits and/or first month rent to eligible persons. A voucher is issued to the landlord for the client's security deposit and cash is advanced for the first month's rent. The client is responsible for making monthly payments toward the security deposit and/or first month's rent to the Agency. When the security deposit is paid in full, the Agency pays the landlord for the security voucher. If the lease is terminated and the landlord redeems the voucher, the Agency absorbs any unpaid balance due from the client.

Housing Security Guarantee Program (HSGP)

The Agency and the State of New Hampshire are working together with the Housing Security Guarantee Program. Landlords are provided with vouchers instead of cash for security deposits. The client agrees to pay back the Agency for the security deposit. When the deposit is repaid in full, the Agency pays the landlord in exchange for the voucher. If the lease terminates and the landlord redeems the voucher, any unpaid balance remaining from the client is billed to the State. (1.)

Revolving Loan Fund

The Agency had obtained grants in prior years from private entities, to help pay mortgages for clients near foreclosure. The client agrees to pay back the Agency for

mortgage payments made on their behalf. Monies repaid are then available for assistance to other clients. The Agency absorbs any unpaid balance due from the client. (2.)

The receivables under these programs at June 30, 2020 and 2019 consisted of the following:

<u>Description</u>	<u>2020</u>			<u>2019</u>		
	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>	<u>Receivable</u>	<u>Allowance</u>	<u>Net</u>
Homeless housing and access - clients	\$ -	\$ -	\$ -	\$ 3,483	\$ -	\$ 3,483
Housing security guarantee - clients (1.)	125,717	-	125,717	107,627	-	107,627
Housing security guarantee - State	2,312	-	2,312	371	-	371
Revolving loan fund - clients (2.)	<u>64,079</u>	<u>(3,049)</u>	<u>61,030</u>	<u>42,098</u>	<u>(2,516)</u>	<u>39,582</u>
Total	<u>\$ 192,108</u>	<u>\$ (3,049)</u>	<u>\$ 189,059</u>	<u>\$ 153,579</u>	<u>\$ (2,516)</u>	<u>\$ 151,063</u>

7. Property and Equipment

Property and equipment consist of the following at June 30:

	<u>2020</u>	<u>2019</u>
Land, building, and improvements	\$ 2,251,630	\$ 2,187,853
Leasehold improvements	58,361	58,361
Equipment and furniture	<u>14,090</u>	<u>15,685</u>
Subtotal	2,324,081	2,261,899
Less accumulated depreciation	<u>(1,035,190)</u>	<u>(971,155)</u>
Total	<u>\$ 1,288,891</u>	<u>\$ 1,290,744</u>

8. Investments

Investments at fair value are comprised of the following at June 30, 2020:

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Level 1</u>
Money market funds	\$ 895	\$ 895	\$ 895
U.S. equity funds	337,311	396,104	396,104
International equity funds	440,023	456,312	456,312
Taxable fixed income funds	288,028	305,024	305,024
Certificates of deposit	<u>162,000</u>	<u>163,487</u>	<u>163,487</u>
Total	<u>\$ 1,228,257</u>	<u>\$ 1,321,822</u>	<u>\$ 1,321,822</u>

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

During fiscal year 2020, the Agency recognized \$59,728 of net gains and losses on investments. Of that amount, \$51,921 was recognized on investments in equity securities held at June 30, 2020.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Agency's investments to interest rate fluctuations as of June 30, 2020 is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>				<u>N/A</u>
		<u>Less Than 1</u>	<u>1-5</u>	<u>6-10</u>	<u>More Than 10</u>	
Money market funds	\$ 895	\$ -	\$ -	\$ -	\$ -	\$ 895
U.S. equity funds	396,104	-	-	-	-	396,104
International equity funds	456,312	-	-	-	-	456,312
Taxable fixed income funds	305,024	-	-	-	-	305,024
Certificates of deposit	<u>163,487</u>	<u>163,487</u>	-	-	-	-
Total	<u>\$ 1,321,822</u>	<u>\$ 163,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,158,335</u>

9. Endowment

The Agency's endowment policy is guided by the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and the applicable laws of the State of New Hampshire to which the Agency's invested funds are subject. The Agency's Finance Committee is responsible for the management of invested funds, for making investment allocations, and for adherence to its spending policy.

Types of Funds

Net assets associated with endowment funds are classified as without-donor-restriction or donor-restricted based on the existence of absence of donor-imposed restrictions, as required by accounting principles generally accepted in the United States of America. Endowments include donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. Endowments provide funding to

supplement essential program budgets, implement new programs, enhance existing programs, and to fund capital needs.

Endowment net asset composition consists of the following as of June 30, 2020 and 2019:

	<u>Without Donor Restriction</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>June 30, 2020</u>			
Donor-restricted	\$ -	\$ 725,484	\$ 725,484
Board-designated	391,118	-	391,118
Unrestricted	<u>241,763</u>	<u>-</u>	<u>241,763</u>
Total	<u><u>632,881</u></u>	<u><u>\$ 725,484</u></u>	<u><u>\$ 1,358,365</u></u>
<u>June 30, 2019</u>			
Donor-restricted (restated)	\$ -	\$ 790,039	\$ 790,039
Board-designated (restated)	444,051	-	444,051
Unrestricted (restated)	<u>7,413</u>	<u>-</u>	<u>7,413</u>
Total	<u><u>\$ 451,464</u></u>	<u><u>\$ 790,039</u></u>	<u><u>\$ 1,241,503</u></u>

Funds with Deficiencies

Due to market conditions, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Agency to retain as a fund of perpetual duration. There were no deficiencies at June 30, 2020 and 2019.

Return Objectives, Risk Parameters, Strategies, and Spending Policy

The Agency has adopted investment policies designed to provide a reasonable stream of income that will rise with inflation to fund activities. The primary total return objective is to exceed the long-term rate of inflation, as measured by the CPI, by 3%. Investment policies also provide for diversification, and stipulate asset mix between equities, fixed income securities, and cash.

The Agency's spending policy is to appropriate up to 7% of the average market value of the endowment fund based on the last three years average value of the endowment fund. The Agency's spending policy for the scholarship fund is to appropriate up to 5% of the average market value of the scholarship fund annually.

Changes in endowment net assets for the years ended June 30, 2020 and 2019 were as follows:

	<u>Without Donor Restriction</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>Year Ended June 30, 2020</u>			
Endowment net assets, beginning of year (restated)	\$ 451,464	\$ 790,039	\$ 1,241,503
Investment return, net	103,862	-	103,862
Contributions	77,555	16,500	94,055
Appropriation of endowment assets	-	(41,055)	(41,055)
Distribution pursuant to policy	-	(40,000)	(40,000)
Endowment net assets, end of year	<u>\$ 632,881</u>	<u>\$ 725,484</u>	<u>\$ 1,358,365</u>
<u>Year Ended June 30, 2019</u>			
Endowment net assets, beginning of year (restated)	\$ 404,595	\$ 813,457	\$ 1,218,052
Investment return, net	46,869	-	46,869
Contributions	-	18,582	18,582
Appropriation of endowment assets	-	(2,000)	(2,000)
Distribution pursuant to policy	-	(40,000)	(40,000)
Endowment net assets, end of year (restated)	<u>\$ 451,464</u>	<u>\$ 790,039</u>	<u>\$ 1,241,503</u>

10. Revolving Line of Credit

At June 30, 2020 and 2019 the Agency had a \$75,000 revolving line of credit available. Amounts borrowed on the credit line are payable on demand and carry an interest rate of Prime plus 0.5% (currently 4.45%). The credit line is secured by all assets, and expires on October 30, 2021. There were no borrowings on the line in fiscal years 2020 and 2019.

The line of credit is categorized in the fair value hierarchy as Level 2.

11. Long-Term Debt

Long-term debt consists of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Mortgage payable to New Hampshire Community Loan Fund, secured by land and building (C Street), due in monthly installments of \$218 including principal and interest at 4%, due August 2025.	\$ 8,536	\$ 10,385
Mortgage payable to Citizens Bank, secured by land and building (Vine Street), due in monthly installments of \$523 including principal and interest at 6.5%, due October	52,685	55,381
Mortgage payable to Community Housing Capital, secured by land and building (Shattuck Street), due in monthly installments of \$886 including principal and interest at 5%, due June 2027.	142,197	145,583
Mortgage payable to City of Nashua, secured by land and building (C Street). As long as the Agency owns the property and meets rental affordability criteria, interest is not due. In September 2011, the mortgage was amended to forgive debt equally over 20 years, retroactively to March 2007.	39,300	45,850
Mortgage payable to City of Nashua, secured by land and building (Amherst Street). As long as the Agency owns the property and meets rental affordability criteria, interest is not due. In September 2011, the mortgage was amended to forgive debt equally over 20 years beginning December 2012.	209,200	226,634
Mortgage payable to City of Nashua, secured by land and building (Shattuck Street). As long as the Agency owns the property and meets rental affordability criteria, interest is not due. In September 2011, the mortgage was amended to forgive debt equally over 11 years to January 2022.	90,000	120,000
Mortgage payable to City of Nashua, secured by land and building (Concord Street). Neither interest nor principal is due as long as the Agency owns the property and meets affordability criteria.	<u>203,500</u>	<u>203,500</u>
Total	745,418	807,333
Less amount due within one year	<u>(8,923)</u>	<u>(9,205)</u>
Long-term debt, net of current portion	<u>\$ 736,495</u>	<u>798,128</u>

Maturities of long-term debt are as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 8,923
2022	9,403
2023	52,893
2024	5,669
2025	4,430
Thereafter	<u>122,100</u>
	203,418
To be forgiven	338,500
No required repayment	<u>203,500</u>
Total	<u>\$ 745,418</u>

12. Paycheck Protection Program (PPP) Loans

On April 13, 2020, the Agency qualified for and received a loan pursuant to the Paycheck Protection Program, a program implemented by the U.S. Small Business Administration under the Coronavirus Aid, Relief, and Economic Security Act, from a qualified lender (the PPP Lender), for an aggregate principal amount of \$131,200 (the PPP Loan). The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of five years, and is unsecured and guaranteed by the U.S. Small Business Administration. The principal amount of the PPP Loan is subject to forgiveness under the Paycheck Protection Program upon the Agency's request to the extent that the PPP Loan proceeds are used to pay expenses permitted by the Paycheck Protection Program, including payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Agency. The Agency intends to apply for forgiveness of the PPP Loan with respect to these covered expenses. To the extent that all or part of the PPP Loan is not forgiven, the Agency will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, and commencing in October, 2020 principal and interest payments will be required through the maturity date in April, 2022. The terms of the PPP Loan provide for customary events of default including, among other things, payment defaults, breach of representations and warranties, and insolvency events. The PPP Loan may be accelerated upon the occurrence of an event of default.

As of June 30, 2020, \$131,200 of eligible costs had been incurred, and grant revenue in the same amount recognized.

13. Net Assets

Net assets without donor restrictions are comprised of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Board-designated endowment funds	\$ 371,565	\$ 429,126
Board-designated scholarship fund	19,553	14,925
Board-designated new office property	25,000	25,000
Unrestricted endowment funds	241,762	7,413
Unrestricted operating funds	<u>1,307,840</u>	<u>985,065</u>
Total	<u>\$ 1,965,720</u>	<u>\$ 1,461,529</u>

Net assets with donor restrictions are comprised of the following at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Subject to expenditure for specified purpose:		
Building purchase	\$ 83,500	\$ 83,500
TH staff training	670	-
Shoes for Kids	500	-
Renovations	-	6,000
HVAC	30,000	30,000
Literacy	2,000	2,000
Santa Fund	<u>18,387</u>	<u>20,474</u>
	135,057	141,974
Time restrictions		
United Way	72,700	20,000
Cox Foundation	20,000	40,000
Kiratsos	<u>282,086</u>	<u>363,141</u>
	374,786	423,141
Perpetual endowment	<u>443,398</u>	<u>426,898</u>
Total	<u>\$ 953,241</u>	<u>\$ 992,013</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Expiration of time restrictions	\$ 121,055	\$ 60,000
Satisfaction of purpose restrictions:		
Renovations	6,000	2,786
Transformational housing	4,000	-
Santa Fund	11,315	14,149
Scholarships	-	2,000
Total	<u>\$ 142,370</u>	<u>\$ 78,935</u>

14. Operating Leases

The Agency leases office space located at 7 Concord Street, Nashua, New Hampshire, at a rate of \$1,600 per month, under an agreement that expired in June 2020. The Agency also rents an apartment for \$650 per month under a lease agreement that expired on January 31, 2020. The Agency is currently a tenant at will.

15. Retirement Plan

In March 2018, the Agency adopted a Simple Retirement Plan. All employees meeting age and wage requirements qualify for the plan. The Agency matches employee contribution up to 3% of compensation. The Agency contributed \$10,313 and \$6,741 respectively, to the plan for the years ended June 30, 2020 and 2019.

16. Contingencies

The Agency receives funding from various state and federal programs. Under the terms of these programs, the Agency is required to use the funding within the period and for purposes specified in the proposal. If expenditures of the program are found not to have been made in compliance with the proposal, the Agency might be required to repay the funds.

The COVID-19 outbreak in the United States (and across the globe) has resulted in economic uncertainties. The disruption is expected to be temporary, but there is considerable uncertainty around the duration and scope. The extent of the impact of COVID-19 on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on those we

service, our funders, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact our financial condition or results of operations is uncertain.

17. Functionalized Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy and interest, office expenses, which are allocated on a direct expense allocation and by percentage of use. Salaries and wages, benefits, and payroll taxes, are allocated by direct time and on the basis of estimates of time and effort.

18. Prior Period Restatement

Certain reclassifications of donor-restricted net assets were made following review of donor intention documentation. As a result, the beginning net assets with donor restrictions were increased by \$356,679 to reflect this change.

19. Subsequent Events

Subsequent events have been evaluated through November 18, 2020, the date the financial statements were available to be issued.

Subsequent to year end, the Agency was awarded a New Hampshire Governor's Office for Emergence Relief and Recovery (GOFERR) grant for up to \$600,000. The grant will be used for essential COVID renovations to the Transformational Housing shelter to include a second separate kitchen, additional shower stalls and an isolation room with private bathroom should a quarantine be required.



BOARD OF DIRECTORS 2020-2021

MEMBERS	OCCUPATION	RESIDENCY
Janet Ackerman	Eastern Bank	Bedford
Jessica Ackerman*	Deloitte & Touche	Nashua
Erin Almeda, Secretary	Formally, Concord Hospital	Nashua
Jed Anderson*	Weisman, Tessier, Lambert and Halloran	Nashua
Suzanne Beaubien, President	Bellwether Community Credit Union	Nashua
Maria Botcheva	Citizens Bank	Nashua
Nancy Cappiello	Latitude 44, Ltd.	Londonderry
Karen Carlisle	The Event Center-Courtyard by Marriott	Merrimack
John Chase, Treasurer	Retired, BAE Systems	Amherst
Carol Connor	Retired, The Front Door Agency	Amherst
Kevin Flynn	St. Joseph Hospital	Nashua
Nick Frasca	Frasca & Frasca, P.A.	Nashua
Joyce Hillis	Devine, Millimet and Branch	Nashua
Cory Hussey	Stanley Elevator	Hollis
Robert Kennedy*	BAE Systems	Amherst
Linda LaFleur, Immediate Past President	SquareTail Advisors	Londonderry
Tina-Marie Liles	PMIS	Londonderry
David S. McGinley	Retired	Bedford
Jeff Monahan	The Monahan Companies	Nashua
Meagan Pollack, President-Elect	Curriculum Associates	Hudson
John Porter	Keller Williams Realty	Hollis
Walter Razzaboni, Jr.	UBS Financial Services	Nashua
Robert Shaw*	Texas Instruments	Nashua
Melissa Swidler	SWI Designs	Nashua
Alyssa Turcotte	Eaton & Berube Insurance	Manchester
Chris Wilcox, Vice President	Lowell Five Bank	Nashua
John Ziemba*	Triangle Credit Union	Bedford

*Denotes Past Presidents

Coraima Kulak

Education

Saint Anselm College

Bachelor of Arts, Psychology

May 2015

Employment Experience

Transformation Phase II Case Manager

Front Door Agency

10/2020- Present

- Provide case management services to single mothers and their children who are experiencing crisis. Provide directions, guidance, establishment of goals and creating accountability while furthering their education or job training.

Child Protection Service Worker

Division for Children, Youth, and Families

4/2017- 10/2020

- Investigate reports for concern of abuse or neglect. Work with families and creating safety plans to ensure that their children are safe in their home. Refer families to community resources. Work with community resources to ensure families receive the support and services that are needed.

Intake Specialist

Southern New Hampshire Services

8/2015- 4/2017

- Review applications and determine individuals' eligibility for fuel and electric assistance. Input data into the FAP/ EAP database. Meet and contact individuals for appointments and needed information to process applications.

Animal Caregiver

Charles River Laboratories

6/2014-1/2015

- Assist Technicians in providing a stable living environment for animal subjects. Ensuring animals have a clean living area and that they are fed and watered daily. Filling out of proper paperwork to provided proper communication between myself and the Technicians.

Sale Associate

Charlotte Russe

5/2013-6/2014

- Assist Customers with any questions or concerns they may have regarding the products that are being sold and on sale. Provide a cleaning shopping area for customers to ensure a pleasant shopping experience. Assist in the process of check out and the handling of currency.

Repair Technician

Cellairis

5/2012-12/2012

- Assist Customers with questions regarding iPhone repairs and cell phone accessories. Repair broken screens in a timely manner while customers shop. Conduct inventory on a daily basis and ensure that the store has met its daily target goal. Open and close register. Deposit money at the end of closing shifts.

Saint Anselm College

8/2011-4/2015

- Assist visitors into living area and oversee the proper filling out of paperwork provided by the college.

Service Experience

Activity Assistant

Arbors of Bedford

2/2015-4/2015

- Assist activity coordinator in encouraging residents with dementia to participate in activities that will enhance their everyday life. Assist LNAs in providing residents with meals during their lunch time.

Intern

Division for Children, Youth, and Families- Manchester

9/2014-12/14

- Assisted CPSW IV with tasks such as putting together adoption packets, entering visits in to the department database, and making calls to several professionals in regards to cases. I also worked with a teenager in regards to independent living and assisting with graduation requirements.

Tutor

Sununu Youth Services Center

2/2014-

4/2014

- Assist young men with homework assignments and other task requested from them. As well with assisting them with personal situations in which they may need advising. Assist in creating a better relationship between the individuals and other staff.

Teacher Assistant

Bishop O'Neal Center

9/2013-12/2013

- Assisted the teacher with classroom tasks and other tasks that were required. Participated in classroom activities to enhance the learning of the children.

Mentor (Pre-Orientation Program)

Saint Anselm College

8/2013-8/2014

- Assisted incoming freshmen with their transition into a new environment. Developed programs in which these individuals where to take part as a way of becoming aware of their surroundings. Took part in activities that created assisted in the development of new relationships.

Skills

Computer: Microsoft Office

Language: Spanish: Fluency- Advance, Reading- Intermediate, Writing- Intermediate.

English: Fluency, Reading, and Writing –Advance.

REBECCA GAGNE

SUMMARY

A Human Services Professional with over fifteen years experience working in a residential program for women and children. Experience includes: team leadership, substance abuse; mental health; domestic violence, property management, community outreach, and empowering families to transition from crisis to self-sufficiency.

PROFESSIONAL EXPERIENCE

Director of Transformational Housing

April 2012-Present

THE FRONT DOOR AGENCY, INC., Nashua, New Hampshire

A not-for-profit, 501(c) tax-exempt organization assisting individuals and families in crisis transition to self-sufficiency formally known as the Nashua Pastoral Care Center, Inc.

Providing oversight for a residential Transformational Housing Program for women and children. Duties include:

- Assessing and monitoring young families headed by single mothers with independent life skills.
- Ensuring all residents maintain compliance with the educational and residential components of the program.
- Assessing and interviewing potential candidates.
- Creating and reviewing each program participant's contracts.
- Establishing outcome measurements and ensuring program objectives are met.
- Supervision of all direct service staff, residential aides, program administrative staff and maintenance personnel.
- Overseeing maintenance issues at all three owned properties.
- Providing oversight on all program policies and procedures.
- Participating in community activities.
- Representing the agency in the community.

Case Manager

December 2001-April 2012

THE NASHUA PASTORAL CARE CENTER, Nashua, New Hampshire

Providing extensive case management for a residential Transitional Housing Program for women and children. Duties include:

- Assessing and monitoring young families headed by single mothers with independent life skills.
- Ensuring all residents maintain compliance with the educational and residential components of the program.
- Assessing and interviewing potential candidates.
- Creating and reviewing each program participant's contracts.
- Providing support, advocating and assisting in eliminating barriers to enhance resident's ability to succeed.
- Coordinating all services necessary for the resident to become a self-sufficient member of the community.
- Participating in community activities.

Case Manager

May 2001-December 2001

GIRLS INC., Nashua, New Hampshire

Duties included assisting ten young women ages 14-21 with daily living in a nonprofit residential living facility. Job required effective coordination and linkage of all academic and career related components, time management, positive role modeling, empathetic listening, developing and following individual treatment plans, connecting with people and resources, and follow up. Other duties involved organizing the volunteer program, coordinating educational sessions and activities.

Pre-School Teacher

July 2000-May 2001

GIRLS INC., Nashua, New Hampshire

Duties included: planning and implementing a monthly curriculum aiding children physically, socially, emotionally, and intellectually; providing age appropriate activities to encourage creative expression and appreciation of the arts; and creating a monthly parent newsletter.

EDUCATION

Leadership Greater Nashua

Sept 2016-June 2017

Comprehensive overview of the various elements of the Greater Nashua Community
Velocity Performance's Leadership Academy

Certified CPR AED

August 2014

Certified Non-violent Crisis Intervention

Since 2008

Graduate

NEW ENGLAND SCHOOL ON ADDICTION STUDIES

June 2008 & 2006

New Hampshire Training Institute on Addictive Disorders

BA in Psychology

December 1999

KEENE STATE COLLEGE, Keene, New Hampshire

Member, Delta Phi Epsilon (1997-1999)

AS in Chemical Dependency

May 1999

KEENE STATE COLLEGE, Keene, New Hampshire

VOLUNTEER EXPERIENCE

Board of Directors	SKIP (School Kids in Peterborough)	2014-2017
Day of Caring Committee Member:	United Way of Greater Nashua	2011- 2015
Big Sister:	Big Brothers and Big Sisters Organization of Nashua	2004-2012
Internship:	Alvirne High School, Hudson, NH Guidance Department	1999-

REFERENCES FURNISHED UPON REQUEST

Sheri Gonzales sgonzales@frontdooragency.org

Objective

Re-entry into the full-time workforce, with a focus on a securing a position where my education and prior work experience in social work can be effectively utilized to help clients achieve self-sustainability.

Qualifications

Practical experience in counseling, tutoring and general interaction with both children and adults in both individual and group settings.

Formal training and practical one-to-one counseling with substance abuse clientele.

A sample of my expertise encompasses:

Individual Counseling	Multitasking	Substance Abuse Counseling
Appointment Scheduling	Inter-Agency Communication	Client Assessments
Crisis Management	Strong Interpersonal Skills	Organizational Skills

HIGHLIGHTS.....

- Previously licensed by the Massachusetts Board of Registration of Social Workers for several years.
- Ten plus years of social work experience in multiple settings including individual and group counseling and assessments.

CAREER TRACK.....

The Front Door Agency, Case Worker 2021- present
 Responsible for screening potential candidates to the program and ensuring all policies and procedures are followed. Schedule and perform initial intake assessments to ensure program compatibility. Work with clients throughout the intake process to ensure follow through. Develop in conjunction with the resident a mutually agreed upon plan for meeting program goals and objectives. Recommend transition protocol for clients from the stabilization phase in the transformation phase.

St. Joseph's Community Services, Administrative Assistant 2017 - 2021
 Duties include client management, welfare checks, scheduling, and point of contact management. Other key responsibilities include:

- Coordination of meal preparation and delivery for over 300+ clients on a daily basis.
- Assist in the intake process for new and existing clients.
- Crisis intervention to prevent client safety issues.
- Respond to client inquiries and manage changes in scheduling.
- Volunteered at agency for two years prior to employment opportunity.

Nashua Athletic Club, Receptionist 2008-2009
 Duties included opening of facility and preparing facility for the day. Answered phones and assisted owners and co-workers with basic questions regarding rules and regulations of facility.

Babies R Us, Customer Service Associate

2004-2008

Interacted with customers and provided customer support in a sales position. Responsible for handling currency and assisting managers in supervision of co-workers.

Lowell Community Health Center Substance Abuse Counselor

1999-2004

Responsible for direct care of clients with mental and dependence disorders. Completed intake and assessment histories. Facilitated groups regarding substance use and relapse prevention. Continued contact with legal system and was court liaison for clients.

Middlesex DUI Program Counselor

1997-1999

Responsible for the direct care of approximately 10-12 second offense drunk drivers within a two-week inpatient program. Duties include preparing clinical assessments and discharge summaries. Other responsibilities include individual counseling sessions, group counseling sessions and informational classes including substance abuse topics. Also, continued communication with probation officers and aftercare agencies are required.

Wayside Youth and Family Support Network, Residential Counselor

1996-1997

Responsible for the direct care of adolescents in a residential setting. Duties include; behavior management; maintaining communication with family members, DSS workers, therapists and lawyers of on-going progress of clients; attend court hearings; work with clients individually using the PAYA curriculum, attended treatment team meetings and prepare milieu reports; maintain confidential client records; present client's progress at Foster Care Reviews.

EDUCATION.....

Bachelor in Social Work Salem State College

Associate in Science: Mental Health Technology Northern Essex Community College

Program Certificate: Alcohol and Drug Abuse Counseling Northern Essex Community College

The Front Door Agency, Inc.

Key Personnel – FY22

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Rebecca Gagne	Director, Transformational Housing	\$ 72,842	50%	\$36,421
Sheri Gonzales	Case Manager	\$ 39,520	50%	\$ 19,760
Coraima Kulak	Bi-lingual Case Manager	\$ 45,760	40%	\$ 18,304
Kevin Gagnon	Maintenance Supervisor	\$ 40,300	20%	\$ 8,400
				\$ 82,885

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and The Way Home Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #40), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:
June 30, 2023
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$256,886
3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

^{DS}
BB

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/22/2021
Date

DocuSigned by:
Christine Santaniello
Name: Christine Santaniello
Title: Director

The Way Home Inc.

3/22/2021
Date

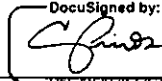
DocuSigned by:
Bianka Beaudoin
Name: Bianka Beaudoin
Title: Chief Executive Officer

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/1/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

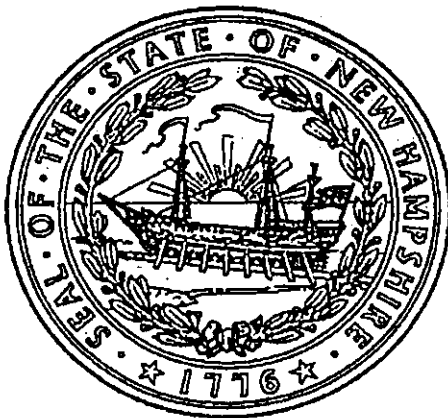
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE WAY HOME, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on August 25, 1989. 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: 145298

Certificate Number: 0005024971



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of October A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)
Business Name

The Way Home, Inc.

Business ID

145298

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005024970	10/07/2020	10/07/2020	Nonprofit Report	2020
0004774892	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003021599	01/05/2015	01/05/2015	Annual Report	2015
0000692282	05/03/2010	05/03/2010	Annual Report	2010
0000692281	02/10/2006	02/10/2006	Annual Report	2005
0000692279	06/03/2002	06/03/2002	Change of Business Address	N/A
0000692278	11/02/2000	11/02/2000	Annual Report	2000
0000692277	07/30/1997	07/30/1997	Amendment	N/A
0000692276	04/09/1996	04/09/1996	Reinstatement	N/A
0000692275	02/01/1996	02/01/1996	Withdraw/Dissolve/Cancel	N/A
0000692274	10/23/1995	10/23/1995	Amendment	N/A
0000692273	01/14/1991	01/14/1991	Annual Report	1990
0000692272	01/23/1990	01/23/1990	Amendment	N/A
0000692271	10/09/1989	10/09/1989	Amendment	N/A
0000692270	08/25/1989	08/25/1989	Business Formation	N/A

Page 1 of 1, records 1 to 15 of 15

[Back](#)NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Rick Blais, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of The Way Home
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on March 23, 2021, at which a quorum of the Directors/shareholders were present and voting.
(Date)

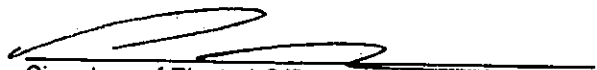
VOTED: That Bianka Beaudoin – CEO & Mary Silney- COO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of The Way Home to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/23/2021



Signature of Elected Officer

Name: Rick Blais

Title: Board President



THEWAYH-01

NMAGNARELLI

DATE (MM/DD/YYYY)

3/18/2021

CERTIFICATE OF LIABILITY INSURANCE

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 # AGR8150 Clark Insurance One Sundial Ave Suite 302N Manchester, NH 03103	CONTACT NAME: Nancy Magnarelli, ACSR PHONE (A/C, No, Ext): (603) 716-2368 FAX (A/C, No): (603) 622-2854 E-MAIL ADDRESS: nmagnarelli@clarkinsurance.com <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">INSURER(S) AFFORDING COVERAGE</td> <td style="text-align: center;">NAIC #</td> </tr> <tr> <td>INSURER A : ARCH Insurance Group</td> <td></td> </tr> <tr> <td>INSURER B :</td> <td></td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : ARCH Insurance Group		INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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INSURED The Way Home Inc 214 Spruce St Manchester, NH 03103															

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <table style="width: 100%;"> <tr> <td><input type="checkbox"/> CLAIMS-MADE</td> <td><input checked="" type="checkbox"/> OCCUR</td> </tr> </table> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	<input type="checkbox"/> CLAIMS-MADE	<input checked="" type="checkbox"/> OCCUR			AAPKG01371-00	7/15/2020	7/15/2021	<table style="width: 100%;"> <tr> <td>EACH OCCURRENCE</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td> <td style="text-align: right;">\$ 100,000</td> </tr> <tr> <td>MED EXP (Any one person)</td> <td style="text-align: right;">\$ 5,000</td> </tr> <tr> <td>PERSONAL & ADV INJURY</td> <td style="text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>GENERAL AGGREGATE</td> <td style="text-align: right;">\$ 2,000,000</td> </tr> <tr> <td>PRODUCTS - COMP/OP AGG</td> <td style="text-align: right;">\$ 2,000,000</td> </tr> <tr> <td></td> <td style="text-align: right;">\$</td> </tr> </table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	MED EXP (Any one person)	\$ 5,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 2,000,000	PRODUCTS - COMP/OP AGG	\$ 2,000,000		\$
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	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N N/A If yes, describe under DESCRIPTION OF OPERATIONS below																						

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER State of NH Department of Health and Human Services 129 Pleasant St Concord, NH 03301-3857	CANCELLATION 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 <i>Morgan Ruth</i>
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WAYHOME-01

DBEAUDOIN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/24/2021

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.

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PRODUCER Davis & Towle Morrill & Everett, Inc. 115 Airport Road Concord, NH 03301	CONTACT NAME: PHONE (A/C, No, Ext): (603) 225-6611 FAX (A/C, No): (603) 225-7935 E-MAIL ADDRESS: _____ _____														
INSURED The Way Home, Inc. 214 Spruce Street Manchester, NH 03103	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A : Eastern Alliance Insurance Group</td> <td></td> </tr> <tr> <td>INSURER B :</td> <td></td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Eastern Alliance Insurance Group		INSURER B :		INSURER C :		INSURER D :		INSURER E :		INSURER F :	
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DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Workers Compensation Information
 3A State: NH
 Rick Blais is excluded from coverage.

CERTIFICATE HOLDER State of NH - DHHS 129 Pleasant Street Concord, NH 03301	CANCELLATION 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
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The Way Home

Vision:

Our vision is to be the innovative, responsive grassroots organization committed to creatively helping those with the least resources increase access, raise hope, and build self-esteem

Mission:

Our mission is to assist lower income families and individuals obtain and keep safe affordable housing, offer supportive services to nurture their independence, and advocate for greater opportunity

THE WAY HOME, INC.

***Audited Financial Statements and
Supplementary Information***

***For The Fiscal Years Ended
June 30, 2019 and 2018***

THE WAY HOME, INC.

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1.	Independent Auditor's Report.....	1-2
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4.	Statements of Functional Expenses.....	6
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6.	Notes to the Financial Statements.....	9-19
7.	Supplementary Information.....	20-35

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Way Home, Inc.
Manchester, New Hampshire

We have audited the accompanying financial statements of The Way Home, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Way Home, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The financial statements for The Way Home, Inc. as of June 30, 2018 were audited by other auditors whose report dated October 23, 2018, expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 20 thru 35 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Penchansky & Co., PLLC
Certified Public Accountants
Manchester, New Hampshire
December 10, 2019

THE WAY HOME, INC.
Statements of Financial Position
As of June 30,

	<u>Net Assets Without</u> <u>Donor Restrictions</u>	<u>Net Assets With</u> <u>Donor Restrictions</u>	<u>2019</u> <u>Totals</u>	<u>2018</u> <u>Totals</u>
<u>ASSETS</u>				
<u>Current Assets:</u>				
Cash and Cash Equivalents	\$ 36,423	\$ 150,675	\$ 187,098	\$ 165,381
Grants Receivable	106,396	0	106,396	92,766
Pledges Receivable	342	0	342	658
Accounts Receivable	83,911	0	83,911	70,466
Staff Loans	3,645	0	3,645	2,325
Prepaid Expenses	23,619	0	23,619	17,410
	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Assets	254,336	150,675	405,011	349,006
<u>Fixed Assets:</u>				
Land, Buildings and Improvements	2,715,146	0	2,715,146	2,644,816
Furniture and Equipment	194,819	0	194,819	194,819
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fixed Assets	2,909,965	0	2,909,965	2,839,635
Less: Accumulated Depreciation	(854,913)	0	(854,913)	(783,787)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Fixed Assets	2,055,052	0	2,055,052	2,055,848
<u>Other Assets:</u>				
Loan Receivable	230,314	0	230,314	230,078
LSRLF Receivable	29,153	0	29,153	29,153
Pin and Book Inventory	1,830	0	1,830	1,830
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Assets	261,297	0	261,297	261,061
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	\$ 2,570,685	\$ 150,675	\$ 2,721,360	\$ 2,665,915

- Continued on Next Page -

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Statements of Financial Position
As of June 30,

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>2019 Totals</u>	<u>2018 Totals</u>
<u>LIABILITIES AND NET ASSETS</u>				
<u>Current Liabilities:</u>				
Accounts Payable	\$ 39,856	\$ 0	\$ 39,856	\$ 32,470
Accrued Liabilities	37,951	0	37,951	21,033
Funds Held in Trust	11,537	0	11,537	18,736
Current Maturities on Long-Term Debt	14,692	0	14,692	24,005
Line of Credit	45,000	0	45,000	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Current Liabilities	149,036	0	149,036	96,244
<u>Non-Current Liabilities:</u>				
Long-Term Debt, Net of Current Maturities	1,936,935	0	1,936,935	1,876,123
Guaranteed Security Deposits	438,364	0	438,364	413,661
	<hr/>	<hr/>	<hr/>	<hr/>
Total Non-Current Liabilities	2,375,299	0	2,375,299	2,289,784
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	2,524,335	0	2,524,335	2,386,028
<u>Net Assets:</u>				
Without Donor Restrictions	46,350	0	46,350	125,237
With Donor Restrictions	0	150,675	150,675	154,650
	<hr/>	<hr/>	<hr/>	<hr/>
Total Net Assets	46,350	150,675	197,025	279,887
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities and Net Assets	<u>\$ 2,570,685</u>	<u>\$ 150,675</u>	<u>\$ 2,721,360</u>	<u>\$ 2,665,915</u>

THE WAY HOME, INC.
Statements of Activities and Changes in Net Assets
For The Years Ended June 30,

	<u>Net Assets Without</u> <u>Donor Restrictions</u>	<u>Net Assets With</u> <u>Donor Restrictions</u>	<u>2019</u> <u>Totals</u>	<u>2018</u> <u>Totals</u>
<u>Support and Revenue:</u>				
Donations	\$ 100,318	\$ 0	\$ 100,318	\$ 98,145
Government Grants	0	887,854	887,854	937,769
Foundations and Other Grants	0	158,703	158,703	36,697
Fundraising Events	43,964	0	43,964	7,562
Rental income	329,565	0	329,565	213,523
Miscellaneous Revenue	4,831	0	4,831	13,966
Insurance Proceeds	902	0	902	0
In-Kind Contributions	42,008	0	42,008	64,539
Interest	2,812	0	2,812	1,569
Forgiveness of Debt	6,670	0	6,670	8,977
Net Assets Released from Restrictions	1,050,532	(1,050,532)	0	0
	<u>1,581,602</u>	<u>(3,975)</u>	<u>1,577,627</u>	<u>1,382,747</u>
Total Support and Revenue				
<u>Operating Expenses:</u>				
<u>Programs:</u>				
Client Services	958,591	0	958,591	437,670
Property Management and Supportive Housing	448,719	0	448,719	731,917
	<u>1,407,310</u>	<u>0</u>	<u>1,407,310</u>	<u>1,169,587</u>
Total Program Expenses				
<u>Supporting:</u>				
Fundraising & Special Events	67,711	0	67,711	38,481
Management & General	185,468	0	185,468	245,267
	<u>1,660,489</u>	<u>0</u>	<u>1,660,489</u>	<u>1,453,335</u>
Total Operating Expenses				
Net Increase (Decrease) in Net Assets	(78,887)	(3,975)	(82,862)	(70,588)
Net Assets, Beginning of Year	<u>125,237</u>	<u>154,650</u>	<u>279,887</u>	<u>350,475</u>
Net Assets, End of Year	<u>\$ 46,350</u>	<u>\$ 150,675</u>	<u>\$ 197,025</u>	<u>\$ 279,887</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Statements of Functional Expenses
For The Years Ended June 30,

	Programs		Supporting Service		2019 Totals	2018 Totals
	Client Services	Property Management & Supportive Housing	Management & General	Fundraising & Special Events		
<u>Expenses:</u>						
Salaries and Wages	\$ 283,031	\$ 84,524	\$ 118,646	\$ 28,814	\$ 515,015	\$ 464,577
Benefits & Payroll Taxes	89,309	29,007	17,365	9,391	145,072	154,239
Professional Services	5,947	31,282	61,857	0	99,086	55,179
Supplies	5,792	22	5,937	83	11,834	8,909
Telephone and Internet	5,337	926	9,547	0	15,810	16,387
Postage	917	0	2,190	417	3,524	4,674
Occupancy	246	62,621	11,225	0	74,092	70,175
Insurance	0	14,768	9,534	0	24,302	35,395
Building Maintenance and Supplies	1,748	100,312	14,547	33	116,640	49,206
Vehicle Expenses	0	1,580	0	0	1,580	1,830
Apartment Furnishings	1,804	4,352	0	0	6,156	3,094
Depreciation	2,242	46,614	22,271	0	71,127	63,821
Printing	1,375	273	292	2,547	4,487	2,381
Travel, Mileage and Conference	2,223	817	922	386	4,348	11,043
Memberships, Fees and Subscriptions	0	75	1,102	0	1,177	1,069
Meetings Expense	1,341	0	1,643	160	3,144	179
Miscellaneous Expenses	2,267	539	5,062	45	7,913	8,694
Interest Expense	1,659	3,366	1,751	0	6,776	2,267
In-Kind Goods and Services	42,008	0	0	0	42,008	64,539
Payroll Service	0	0	2,169	0	2,169	2,106
Fundraising Expense	0	0	0	17,833	17,833	9,533
Equipment Rental and Maintenance	1,501	0	16,115	0	17,616	15,559
Specific Assistance to Individuals	415,635	12,396	0	4,720	432,751	368,857
General Program Expense	61,212	42,856	(82,554)	3,282	24,796	25,533
Real Estate Taxes	0	11,233	0	0	11,233	14,089
Facility Allocation	18,219	15,934	(34,153)	0	0	0
Housing Resource Center Allocations	14,778	(14,778)	0	0	0	0
	<u>\$ 958,591</u>	<u>\$ 448,719</u>	<u>\$ 185,468</u>	<u>\$ 67,711</u>	<u>\$ 1,660,489</u>	<u>\$ 1,453,335</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Statements of Cash Flows
For The Years Ended June 30,

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>2019 Totals</u>	<u>2018 Totals</u>
<u>Cash Flows from Operating Activities:</u>				
Net Increase (Decrease) in Net Assets	\$ (78,887)	\$ (3,975)	\$ (82,862)	\$ (70,588)
<u>Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:</u>				
Depreciation	71,127	0	71,127	63,821
(Increase) Decrease in Grants Receivable	(13,630)	0	(13,630)	(15,900)
(Increase) Decrease in Pledges Receivable	316	0	316	10,499
(Increase) Decrease in Accounts Receivable	(13,445)	0	(13,445)	(4,235)
(Increase) Decrease in Staff Loans	(1,320)	0	(1,320)	0
(Increase) Decrease in Prepaid Expenses	(6,209)	0	(6,209)	9,299
(Increase) Decrease in Loans Receivable	(236)	0	(236)	17,005
(Increase) Decrease in LSRLF Receivable	0	0	0	2,985
Increase (Decrease) in Accounts Payable	7,386	0	7,386	(2,000)
Increase (Decrease) in Accrued Liabilities	16,918	0	16,918	0
Increase (Decrease) in Funds Held in Trust	(7,199)	0	(7,199)	(13,003)
Increase (Decrease) in Security Deposits Payable	24,703	0	24,703	(2,699)
Total Adjustments	<u>78,411</u>	<u>0</u>	<u>78,411</u>	<u>65,772</u>
Net Cash Flows Provided by (Used in) Operating Activities	<u>(476)</u>	<u>(3,975)</u>	<u>(4,451)</u>	<u>(4,816)</u>
<u>Cash Flows from Investing Activities:</u>				
Payments for the Purchase of Fixed Assets	<u>(70,330)</u>	<u>0</u>	<u>(70,330)</u>	<u>(81,240)</u>
Net Cash Flows Provided by (Used in) Investing Activities	<u>\$ (70,330)</u>	<u>\$ 0</u>	<u>\$ (70,330)</u>	<u>\$ (81,240)</u>

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The Way Home, Inc.
Statements of Cash Flows
For The Years Ended June 30,

	<u>Net Assets Without Donor Restrictions</u>	<u>Net Assets With Donor Restrictions</u>	<u>2019 Totals</u>	<u>2018 Totals</u>
<u>Cash Flows from Financing Activities:</u>				
Principal Payments on Notes Payable and Line of Credit	\$ (96,300)	\$ 0	\$ (96,300)	\$ 0
Proceeds from Notes Payable and Line of Credit	<u>192,798</u>	<u>0</u>	<u>192,798</u>	<u>4,713</u>
Net Cash Flows Provided by (Used in) Financing Activities	<u>96,498</u>	<u>0</u>	<u>96,498</u>	<u>4,713</u>
Net Increase (Decrease) in Cash and Cash Equivalents	25,692	(3,975)	21,717	(81,343)
Cash and Cash Equivalents - Beginning of Year	<u>10,731</u>	<u>154,650</u>	<u>165,381</u>	<u>246,724</u>
Cash and Cash Equivalents - End of Year	<u>\$ 36,423</u>	<u>\$ 150,675</u>	<u>\$ 187,098</u>	<u>\$ 165,381</u>
<u>Supplemental Cash Flow Disclosures:</u>				
Interest (net of amount capitalized)	<u>6,776</u>	<u>0</u>	<u>6,776</u>	<u>2,267</u>
Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Supplemental Disclosure of Non-Cash Activities:</u>				
In-Kind contributions	<u>\$ 42,008</u>	<u>\$ 0</u>	<u>\$ 42,008</u>	<u>\$ 64,539</u>

See Notes and Independent Auditors Report

THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Nature of Organization

The Way Home, Inc. (the "Organization") is a non-profit organization, founded in 1988 and located in Manchester, New Hampshire, and is dedicated to helping low-income households obtain and sustain safe, affordable housing throughout the state of New Hampshire, as well as:

- Providing assistance for homelessness prevention
- Outreach and intervention services, including homelessness prevention grants
- Rental housing counseling which teach tenants self-help skills, housing advocacy, and assists with landlord negotiations
- Financial management education for homeless persons, low income renters and at-risk homeowners
- Transitional housing apartments for homeless families and their children

The Organization was originally known as The Security Deposit Loan Fund of Greater Manchester, whose primary purpose was to make loans that will be utilized for the security deposits, targeting low-income households, which, without the security deposit loan and housing counseling services would otherwise remain or become homeless.

Note 1 - Summary of Significant Accounting Principles:

Method of Accounting

The Organization maintains its accounting records on the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when the obligation is incurred.

Basis of Presentation

The Organization adopted Statement of Financial Accounting Standards (SFAS) No. 116, Accounting for Contributions Received and Made, which requires that certain unconditional promises to give and contributions be recorded as support in the period received.

The Organization presents information regarding its financial position and activities according to Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The amendments in this ASU make improvements to the information provided in the financial statements and notes for not-for-profit entities. In accordance with the update, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 1 - Summary of Significant Accounting Principles - continued:

Basis of Presentation - continued

Net Assets without Donor Restrictions – These net assets generally result from revenues generated by receiving contributions that have no donor restrictions, providing services, and receiving interest from operating investments, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions – These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished, the net assets are restricted.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid deposits with maturity of three months or less to be cash and/or cash equivalents.

Use of Estimates in the Preparation of Financial Statements

Management used estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results could differ from those estimates.

Income Taxes

The Organization is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. There are no state income taxes due to the fact that the State of New Hampshire recognizes Section 501(c)(3) for exemption of organizations that are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes.

The Organization's evaluation on June 30, 2019 revealed no uncertain tax positions that would have a material impact of the financial statements. The Organization's information returns are subject to possible examination by the taxing authorities. For federal purposes, the returns essentially remain open for possible examination for a period of three years after the respective filing deadlines of those returns.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 1 - Summary of Significant Accounting Principles - continued:

Fixed Assets

Fixed assets are recorded at historical cost at the time of acquisition. Depreciation is calculated by the straight-line method over their estimated useful lives ranging from five to fifteen years. The Organization capitalizes property and equipment in excess of \$5,000 while repairs and maintenance and other minor purchases are charged to operations as incurred. The estimated useful lives of the assets are as follows:

<u>Description</u>	<u>Method</u>	<u>Life</u>
Furniture and Fixtures	Straight-Line	5 years
Equipment	Straight-Line	5 years
Buildings	Straight-Line	40-50 years
Leasehold Improvements	Straight-Line	20 years

Grants, Pledges and Accounts Receivable

Grants, pledges and accounts receivable are reported at net realizable value. Net realizable value is equal to the gross amount of receivables less an estimated allowance for uncollectible accounts. Historically, the Organization has not experienced material write-offs and, therefore, has not established an allowance account.

Funds Held in Trust

The Organization reports funds held for particular operating purposes are deemed to be held in trust as these funds are for the use by the clients of the housing programs for utilities and various support. At June 30, 2019 and 2018, there was funds held in trust of \$11,537 and \$18,736, respectively.

Contributed Materials, Equipment and Services

The Organization receives contributed goods and professional services recognized at fair market value as the services received require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Functional Allocation of Expenses

The costs of providing the various program services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation of expenses, such as office and occupancy as well as salaries and benefits are done so by an allocation of participation in program or estimated of time and effort.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 2 – Line of Credit:

As of June 30, 2019, there was a \$75,000, unsecured line of credit available through St. Mary's Bank. Interest is currently charged at Prime Rate (5.5% as of June 30, 2019) plus 1%. At June 30, 2019, there was \$45,000 outstanding on this credit line.

Note 3 – Long-Term Debt:

At June 30, 2019 and 2018, notes payable were as follows:

Description	June 30, <u>2019</u>	June 30, <u>2018</u>
A) Note Payable to the NH Housing Finance Authority dated October 11, 2001, 0% interest, secured by real estate located at 214 Spruce Street, Manchester, NH with conditional repayment terms, based off surplus cash availability, which expire after 30 years.	\$ 530,630	\$ 532,533
B) Note Payable to the city of Manchester, NH dated June 12, 2001, 0% interest, secured by real estate located at 214 Spruce Street, Manchester, NH with conditional repayment terms which expire after 20 years	6,620	13,290
C) Note Payable to the NH Housing Finance Authority dated December 3, 2008, 1.75% interest, with monthly payments of principle and interest of \$604.17, beginning February 1, 2009, and matures January 1, 2039 secured by real estate located at 14-16 and 24-26 Ferry Street, Allentown, NH	120,554	125,646
D) Note Payable to the NH Housing Finance Authority dated December 3, 2008, 0% interest, maturing June 24, 2028, secured by real estate, located at 14-16 and 24-26 Ferry Street, Allentown, NH, with conditional repayment terms based off cash availability	\$ 356,128	\$ 356,128

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 3 – Long-Term Debt - continued:

E) Note Payable to the City of Manchester, NH dated October 31, 2012, 0% interest, secured by real estate located at 502 Spruce Street, Manchester, NH with conditional repayment terms expiring after 5 years.	\$ 44,999	\$ 44,999
F) Note Payable with no recourse to the NH Housing Finance Authority, dated March 17, 2010, 0% interest, 30 year term for the purpose of acquisition, construction and permanent financing of property at 224 Spruce Street, Manchester, NH	492,448	492,448
G) Note Payable and Tax Credit Loan, City of Manchester, NH, dated August 7, 2012, 0% interest, principle payable on October 1 st each year for 25 years beginning in 2013, secured by real estate located at 85-87 Laurel Street, Manchester, NH	291,237	291,237
H) Note Payable to the City of Manchester, NH, dated July 1, 2016, 0% interest, principle payable on October 1 st each year for 10 years beginning in 2017, secured by real estate located at 214 Spruce Street, Manchester, NH	52,956	43,847
I) Note Payable to the NH Community Loan Fund, dated July 9, 2018, 5% interest, payments of \$320.27 per month for 15 year term for the purpose of repairs at 502 Spruce Street, Manchester, NH, with payments	38,956	0
J) Note Payable to the City of Manchester, NH, dated July 1, 2018, 0% interest, payable monthly on October 1 st each year for 10 years beginning in 2019, secured by real estate located at 502 Spruce Street, Manchester, NH	17,100	0
Total Notes Payable	1,951,628	1,900,128
Less: Current Portion of Long Term debt	(14,691)	(24,005)
Total Notes Payable, Net of Current Portion	\$ 1,936,937	\$ 1,876,123

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 3 – Long-Term Debt - continued:

Future minimum principal payments are as follows:

For The Fiscal Years Ended June 30,	Notes Payable
2020	\$ 14,691
2021	7,350
2022	7,534
2023	7,725
2024	7,923
Thereafter	1,906,405
Total	\$ 1,951,628

Both of the \$530,630 and the \$6,620 loans are financed with federal funding through the HOME Investment Partnership Program. So long as the Organization continues to comply with the terms of these loans, that is, to provide housing and related services to low income, nearly homeless families, the Organization will not be required to repay these loans or any imputed interest on these obligations.

Under the terms of the City of Manchester, \$6,620 loan, upon receipt and approval of annual compliance reports, the Organization can decrease the outstanding principal of the mortgage by 6.67% (\$6,670) per year, commencing June 12, 2007. As of June 30, 2019, pursuant to these terms, the Organization has reduced its liability by a total of \$93,380.

Under the terms of the \$356,128 New Hampshire Housing Finance Authority loan, the Organization is required to segregate reserves to meet future insurance, real estate taxes, and maintenance and replacement obligations. The Organization maintains separate restricted accounts to meet these requirements. The note is financed with federal funding the HOME Investment Partnership Rental Housing Production Program and is subordinate to the NH Housing Finance Authority 1.75% interest bearing note

The \$52,956 note financed through the City of Manchester Community Improvement Program for the 214 Spruce Street Essential Facility Upgrade project was entered into on July 1, 2017 and will not exceed a total loan balance of \$90,350. The loan is payable over 10 years at 0% interest, with \$4,518 to be forgiven annually so long as the Organization can demonstrate the agreed-upon objectives have been achieved.

The \$17,100 note financed through the City of Manchester Community Improvement Program for the 502 Spruce Street Renovations project was entered into on July 1, 2018 and will not exceed a total loan balance of \$18,000. The loan is payable over 10 years at 0% interest, with \$900 to be forgiven annually, for 10 years, so long as the Organization can demonstrate the agreed-upon objectives have been achieved.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 4 – In-Kind Contributions:

A number of volunteers have donated significant amounts of their time to the Organization's administrative and program services, and as such, are valued in a manner consistent with federal guidelines and volunteer services organization rates.

Contributed professional services are recognized at fair market value if the services received require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

The amounts reflected in the accompanying financial statements as contributions in-kind are offset by like amounts included in expenses. The Organization received \$42,008 and \$64,539 of goods and donated professional services for the years ending June 30, 2019 and 2018, respectively.

	<u>June 30,</u> <u>2019</u>	<u>June 30,</u> <u>2018</u>
Revenues		
In-Kind Contributions	\$ <u>42,008</u>	\$ <u>64,539</u>
Expenses		
In-Kind Services:		
Client Services	4,220	0
Management & General	37,788	64,539
Fundraising	<u>0</u>	<u>0</u>
Total	\$ <u>42,008</u>	\$ <u>64,539</u>

Note 5 – Accrued Vacation:

The Organization's policy for paid time off is to accrue vacation benefits as of the first day of employment and can be used after a 90 day probationary period. The cap on available benefits is based on the length of time in employment with the Organization and is payable to employee on termination. The liability for accrued vacation was \$16,664 and \$19,849 as of June 30, 2019 and 2018, respectively.

The Organization provides paid leave time for illness and other personal reasons, however, is not able to be bought back and therefore, is not required to accrue any liability.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 6 – Loan Receivable and Allowance for Uncollectible Receivables:

The Organization utilizes the NH HSGP (Note 8), which provides guarantees for rental security deposits, therefore, the only amounts that are reflected as uncollectible would be customers whose guarantees are not underwritten by the program. As of June 30, 2019, all security deposit loan receivables were underwritten by a funder in a manner that allowed for closing of the remaining uncollectible receivables.

Note 7 – Restricted and Board Designated Net Assets:

Effective September 30, 1992, the Board of Directors of the Organization voted to segregate funds restricted by grantors for security deposit loans from the loan fund balance, with the excess designated by the board as restricted loan funds. See notes 3 and 8 regarding loans and funds restricted for guaranteed security deposits and other board restricted funds.

Note 8 – Programs:

A) Guaranteed Security Deposits

A Letter of Guarantee Program has been developed and implemented by the Organization. Pursuant to this program, the Fund guarantees that a landlord will receive the appropriate percentage of security deposit when the Program's client vacated an apartment or the full security deposit when the client has completed their loan repayment. The program requires the landlord to communicate and become more active in the deposit process. The New Hampshire Housing Security Guarantee Program (HSGP) underwrote more than 80% of the Letters of Guarantee issue by The Way Home for its Housing Assistance program. The NH HSGP provides guarantees for rental security deposits to eligible persons in accordance with New Hampshire RSA 126: A, 50.

Funds related to the State guarantee program may be drawn only upon determination of uncollectibility of a security deposit loan.

B) Specific Assistance to Individuals

Pursuant to the requirements of grantors, during 2019 and 2018, the Organization distributed \$432,751 and \$368,857, respectively, on behalf of individuals for such items as security deposits, rents, utilities, to end or prevent homelessness. Much of this assistance was in the form of grants for qualified individuals, underwritten by several different program funds, including HUD HOME Tenant Based Rental Assistance, HUD Emergency Solutions Grant, HUD Continuum of Care Permanent Supportive Housing, and NH State Grant in Aid. The remaining assistance for homeless and at-risk renters was in the form of default reimbursement for the rental assistance loans, underwritten by NH HSGP and NH HHARLF programs.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 8 – Programs - continued:

C) Healthy Home Services Program

The Healthy Home Services Program is a peer educator empowerment process that guides emerging leaders from the low income community to protect children from environmental hazards in the home. Through their work, the City of Manchester was named as an EPA Child Health Champion Community and also secured HUD grants to remediate lead paint hazards. The Way Home's Healthy Home Services Program includes healthy home apartment inspections, in-home peer support with education and resources, education on lead poisoning prevention and safe pest management, education on reporting substandard housing conditions.

D) Steps to Success Supportive Services Linked to Housing Counseling & Supportive Housing Programs

Steps to Success Supportive Services is available to clients in the Organizations transitional housing, permanent housing, and general housing counseling programs and builds skills for homelessness and at-risk clients to gain access to and remain in permanent housing. The program is provided by housing counselors and advocates who help individuals to set appropriate goals and coach them on action steps to meet these goals. The program services are also used as part of the HUD Continuum of Care (CoC) funded permanent supportive housing programs; its HUD ESG & HUD CoC funded rapid re-housing programs; and for special needs clients in its general housing counseling programs.

E) Under the Bridge Program

Under the Bridge is a self-advocacy and fundraising program based on a book of stories and poems written by Manchester, New Hampshire homeless individuals and is used as a tool for training staff who work with the homeless and at-risk population and for general public information. Proceeds from the sale of the book are used for special needs of The Organization's homeless clients and the very poor clients at risk of homelessness.

F) Michaela Fund

Donations received provide assistance to the Organization's clients with basic necessities, and are managed by a staff member affiliated with the Sisters of Mercy and are committed to servicing the poor.

G) Homeless Housing and Access Revolving Loan Fund (HHARLF) Program

The HHARLF Program provides guarantees of rental security deposits and/or first month's rent to eligible persons. This is a loan program with a guarantee to the landlord that, in the event of a default, they will be reimbursed the amount of the security deposit. The client will be responsible to make monthly payments towards the security deposit and/or first month's rent to the HHARLF provider and, when the deposit is paid in full, the security deposit will be transferred to the landlord.

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 8 – Programs - continued:

H) HUD Certified Housing Counseling Agency Program

Applicants of the Organization's housing services meet with housing counselors approved by the U.S. Department of Housing and Urban Development (HUD) Housing Counseling Agency for education classes for homeless persons, low income renters and homeowners at-risk of foreclosure, as well as those seeking rental assistance are scheduled for a financial literacy class.

I) Permanent Supportive Housing – Your Way Program

The Permanent Supportive Housing - Your Way Program is an intensive model of housing and services designed to serve individuals with a disabling condition that contributed to long term homelessness.

Note 9 – Related Party Transactions

Currently, two Board of Director members are also clients of the Organization who receive services from the Organization. The Board of Directors is aware of the relationship and the individuals' services are monitored by an employee of the Organization.

Note 10 – Concentration of Credit Risk – Cash in Bank:

The Organization maintains a cash balance with a bank, which at times exceeds federally insured limits. Management considers this risk minimal.

Note 11 – Liquidity and Availability of Financial Assets:

The Organization's primary source of revenue is from government grants, required to be used in accordance with the purpose restrictions imposed by the grantor. Below is a summary of financial assets available within one year and free of donor restrictions.

Financial assets available within one year and free of donor restrictions:

Cash & Cash Equivalents	\$ 36,423
Grants Receivable	106,396
Pledges Receivable	342
Accounts Receivable	83,911
Total	\$ 227,072

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THE WAY HOME, INC.
Notes to the Financial Statements
June 30, 2019 and 2018

Note 12 – Subsequent Events:

Subsequent events have been evaluated thru December 10, 2019, which is the date the financial statements were available to be issued. Management has marketed the residential properties used for client services of 224 Spruce St., 14 & 26 Ferry St., 85 Laurel St., and 502 Spruce St. for sale. No purchase and sale has been received as of the date of subsequent events.

SUPPLEMENTARY INFORMATION

THE WAY HOME, INC.
Supplementary Information - Schedule of Rental Operating Expenses - Project #90275 - 214 Spruce Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Expenses:		
Administrative:		
Management Fee	\$ 12,956	\$ 13,072
Marketing	0	0
Audit Expense	1,000	1,000
Legal	0	0
Other Admin	82,372	57,585
Total Admin Expense:	<u>96,328</u>	<u>71,657</u>
Utilities:		
Electricity	7,753	6,845
Fuel	3,495	2,608
Water - Sewer	2,619	2,380
Other Utility Expense	1,896	1,906
Total Utility Expense:	<u>15,763</u>	<u>13,739</u>
Maintenance Expense:		
Custodial Payroll	0	0
Custodial Supplies	461	493
Maintenance Support	0	19,179
Exterminating	0	0
Trash Removal	203	92
Snow Removal	2,547	3,018
Painting & Decorating	2,641	1,382
Grounds & Landscaping	0	0
HVAC Repairs and Maintenance	0	0
Elevator Repairs & Contract	2,370	1,018
Repairs (Materials)	12,210	0
Repairs (Contract)	0	0
Other Maintenance	939	1,161
Total Maintenance Expenses:	<u>21,371</u>	<u>26,343</u>
General Expenses:		
Insurance	11,307	7,466
Uncollectible Accounts	0	0
Total General Expenses:	<u>11,307</u>	<u>7,466</u>
Total Rental Operating Expense:	<u>\$ 144,769</u>	<u>\$ 119,205</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Receipts & Disbursements -
Project #90275 - 214 Spruce Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Source of Funds:		
Rental Operations:		
Tenant Paid Rent	\$ 26,247	\$ 24,707
HAP Rent Subsidy	23,201	25,374
HOME Rental Assistance	24,542	30,841
Total Rental Operations:	<u>73,990</u>	<u>80,922</u>
Other Income:		
Service Income	1,003	1,069
Interest Income	1,653	897
Insurance - Loss of Business Income	0	0
Other Income - SGIA Shelter Funds	51,856	45,374
Other Income - Program Grants/Fundraising	1,000	200
Other Income - Apartment Damages & Fees	60	25
Total Other Income:	<u>55,572</u>	<u>47,565</u>
Total Rental Operations Receipts:	<u>129,562</u>	<u>128,487</u>
Disbursements:		
Administrative	96,328	71,657
Utilities	15,763	13,739
Maintenance	21,371	26,343
General	11,307	7,466
Other	0	0
Total Rental Operations Disbursements:	<u>144,769</u>	<u>119,205</u>
Cash Provided by Rental Operations before Debt Service:	(15,207)	9,282
Amortization of Mortgages	<u>0</u>	<u>0</u>
Cash Provided by Rental Operations after Debt Service:	<u>(15,207)</u>	<u>9,282</u>
Other Receipts:		
Transfer from Tenant Security Deposit Account	0	0
Ownership Advances	0	0
Transfers from Restricted Cash Reserves & Escrows	0	0
Other Disbursements or Transfers:		
Transfers to Restricted Cash Reserves & Escrows	(5,801)	(4,200)
Transfer to Tenant Security Deposit Account	0	0
Payment of Partner's Distributions	0	0
Other - Return on Equity/Owner's Fee	<u>0</u>	<u>0</u>
Net Increase or (Decrease) in Project Account Cash:	(21,008)	5,082
Project Account Cash Balance at Beginning of Year	0	0
Project Account Cash Balance at End of Year	0	0
Composition of Project Account Cash Balance at End of Year		
Petty Cash	0	0
Unrestricted Reserve (if applicable)	0	0
Total Project Account Cash at End of Year	<u>\$ (21,008)</u>	<u>\$ 5,082</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Restricted Cash Reserves and Escrows - Project #90275 - 214 Spruce Street
For The Years Ended June 30, 2019

Description of Fund:	Balance at Beginning of Year	Deposits Transfers From Operating Account	Net Interest Earned	Withdrawals Transfers To Operating Account	Balance at End of Year
<u>Restricted Accounts:</u>					
Tax Reserve	\$ 4,960	\$ 0	\$ 58	\$ 0	\$ 5,018
Insurance Reserve	2,794	5,895	67	(5,913)	2,843
Replacement Reserve	47,860	5,801	843	(12,446)	42,058
Operating Reserve	37,099	0	684	0	37,783
Other Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Restricted Cash Reserves & Escrows	\$ <u>92,713</u>	\$ <u>11,696</u>	\$ <u>1,652</u>	\$ <u>(18,359)</u>	\$ <u>87,702</u>

THE WAY HOME, INC.
Supplementary Information - Schedule of Surplus Cash Calculation -
Project #90275 - 214 Spruce Street
For The Years Ended June 30, 2019

Net Income/(Loss)	\$ (15,207)
Add Depreciation & amortization	17,498
Deduct Required Principal Payments	0
Deduct Required Payments to Replacement Reserve	(5,801)
Deduct Interest Income on Restricted Cash Reserves & Escrows	(1,653)
Add/Deduct any NHHFA Approved Items (Detailed list required)	0
Add Distribution from Reserves	<u>0</u>
Surplus Cash	\$ <u><u>(5,163)</u></u>
Distribution of surplus cash:	
Owner's Distribution	<u><u>\$ 0</u></u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Year to Date Compilation of Owner's Fee/Distributions -
Project #90275 - 214 Spruce Street
For The Years Ended June 30, 2019

Fiscal Year Ending	Maximum Allowable Distribution 4% of Gross Receipts	Distribution Received	Balance
6/30/2002	504	0	504
6/30/2003	4,187	0	4,691
6/30/2004	4,838	0	9,529
6/30/2005	4,910	0	14,439
6/30/2006	4,983	0	19,422
6/30/2007	5,147	0	24,569
6/30/2008	4,743	0	29,313
6/30/2009	3,840	0	33,152
6/30/2010	3,428	0	36,580
6/30/2011	4,852	0	41,432
6/30/2012	4,209	0	45,641
6/30/2013	3,858	0	49,499
6/30/2014	3,393	0	52,892
6/30/2015	2,967	0	55,858
6/30/2016	4,145	0	60,003
6/30/2017	5,106	0	65,109
6/30/2018	5,139	0	70,248
6/30/2019	5,182	0	75,430

THE WAY HOME, INC.
Supplementary Information - Schedule of Rental Operating Expenses - Project #90472 - Ferry Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Expenses:		
Administrative:		
Management Fee	\$ 10,587	\$ 9,856
Marketing	0	0
Audit Expense	1,000	500
Legal	0	0
Other Admin	5,117	11,937
Total Admin Expense:	<u>16,704</u>	<u>22,293</u>
Utilities:		
Electricity	3,220	3,841
Fuel	6,523	5,266
Water - Sewer	4,705	4,530
Other Utility Expense	5,294	0
Total Utility Expense:	<u>19,742</u>	<u>13,637</u>
Maintenance Expense:		
Custodial Payroll	15,196	0
Custodial Supplies	0	8
Maintenance Support	17,640	30,761
Exterminating	0	0
Trash Removal	1,672	1,854
Snow Removal	5,645	7,275
Painting & Decorating	13	1,199
Grounds & Landscaping	66	400
HVAC Repairs and Maintenance	0	0
Elevator Repairs & Contract	0	0
Repairs (Materials)	6,959	0
Repairs (Contract)	0	0
Other Maintenance	3,066	1,415
Total Maintenance Expenses:	<u>50,257</u>	<u>42,912</u>
General Expenses:		
Insurance	4,005	6,097
Real Estate Taxes	2,300	5,300
Uncollectible Account	1,550	2,350
Mortgage Interest Payments	2,762	2,267
Total General Expenses:	<u>10,617</u>	<u>16,014</u>
Total Rental Operating Expense:	<u>\$ 97,320</u>	<u>\$ 94,856</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Receipts & Disbursements -
Project #90472 - Ferry Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Source of Funds:		
Rental Operations:		
Tenant Paid Rent	40,546	62,325
HAP Rent Subsidy	63,336	36,382
HOME Rental Assistance	0	0
Total Rental Operations:	<u>103,882</u>	<u>98,707</u>
Other Income:		
Service Income	1,014	1,275
Interest Income	982	494
Insurance - Loss of Business Income	0	0
Other Income - SGIA Shelter Funds	0	0
Other Income - Program Grants/Fundraising	0	0
Other Income - Apartment Damages & Fees	0	639
Total Other Income:	<u>1,996</u>	<u>2,408</u>
Total Rental Operations Receipts:	<u>105,878</u>	<u>101,115</u>
Disbursements:		
Administrative	16,704	22,293
Utilities	19,742	13,637
Maintenance	50,257	42,912
General	10,617	16,014
Other	0	0
Total Rental Operations Disbursements:	<u>97,320</u>	<u>94,856</u>
Cash Provided by Rental Operations before Debt Service:	8,558	6,259
Amortization of Mortgages	0	0
Cash Provided by Rental Operations after Debt Service:	8,558	6,259
Other Receipts:		
Transfer from Tenant Security Deposit Account	0	0
Ownership Advances	0	0
Transfers from Restricted Cash Reserves & Escrows	0	0
Other Disbursements or Transfers:		
Transfers to Restricted Cash Reserves & Escrows	(8,400)	(7,200)
Transfer to Tenant Security Deposit Account	0	0
Payment of Partner's Distributions	0	0
Other - Mortgage Principal Payments	<u>(5,092)</u>	<u>(4,983)</u>
Net Increase or (Decrease) in Project Account Cash:	(4,934)	(5,924)
Project Account Cash Balance at Beginning of Year	(94,654)	(88,730)
Project Account Cash Balance at End of Year	<u>\$ (99,588)</u>	<u>\$ (94,654)</u>
Composition of Project Account Cash Balance at End of Year		
Petty Cash	0	0
Unrestricted Reserve (if applicable)	0	0
Total Project Account Cash at End of Year	0	0

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Restricted Cash Reserves and Escrows - Project #90472 - Ferry Street
For The Years Ended June 30, 2019

Description of Fund:	Balance at Beginning of Year	Deposits: Transfers From Operating Account	Net Interest Earned	Withdrawals Transfers To Operating Account	Balance at End of Year
<u>Restricted Accounts:</u>					
Tax Reserve	\$ 5,307	\$ 5,558	\$ 118	\$ (5,300)	\$ 5,683
Insurance Reserve	2,239	9,296	97	(3,051)	8,581
Replacement Reserve	43,519	8,400	760	(19,860)	32,819
Operating Reserve	289	0	7	0	296
Other Reserve	<u>17</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>17</u>
Total Restricted Cash Reserves & Escrows	\$ <u>51,371</u>	\$ <u>23,254</u>	\$ <u>982</u>	\$ <u>(28,211)</u>	\$ <u>47,396</u>

THE WAY HOME, INC.
Supplementary Information - Schedule of Surplus Cash Calculation -
Project #90472 - Ferry Street
For The Years Ended June 30, 2019

Net Income/(Loss)	\$	8,558
Add Depreciation & Amortization		10,111
Deduct Required Principal Payments		(5,092)
Deduct Required Payments to Replacement Reserve		(8,400)
Deduct Interest Income on Restricted Cash Reserves & Escrows		(982)
Add/Deduct any NHHFA Approved Items (Detailed list required)		0
Add Distribution from Reserves		<u>0</u>
Surplus Cash	\$	<u><u>4,195</u></u>
Distribution of surplus cash:		
Owner's Distribution	\$	<u><u>0</u></u>

THE WAY HOME, INC.
Supplementary Information - Year to Date Compilation of Owner's Fee/Distributions -
Project #90472 - Ferry Street
For The Years Ended June 30, 2019

Fiscal Year Ending	Maximum Allowable Distribution 4% of Gross Receipts	Distribution Received	Balance
6/30/2009	2,205	0	2,205
6/30/2010	2,844	0	5,049
6/30/2011	3,513	0	8,561
6/30/2012	3,436	0	11,998
6/30/2013	3,471	0	15,468
6/30/2014	3,560	0	19,028
6/30/2015	3,401	0	22,430
6/30/2016	4,022	(3,172)	23,279
6/30/2017	3,974	0	27,253
6/30/2018	4,045	0	31,298
6/30/2019	4,235	0	35,533

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Rental Operating Expenses - Project #90538 - 224 Spruce Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Expenses:		
Administrative:		
Management Fee	\$ 2,100	\$ 4,112
Marketing	0	0
Audit Expense	500	500
Legal	0	0
Other Admin	<u>5,117</u>	<u>6,018</u>
Total Admin Expense:	<u>7,717</u>	<u>10,630</u>
Utilities:		
Electricity	2,596	2,974
Fuel	2,488	3,071
Water - Sewer	2,343	3,865
Other Utility Expense	<u>25</u>	<u>0</u>
Total Utility Expense:	<u>7,452</u>	<u>9,910</u>
Maintenance Expense:		
Custodial Payroll	0	0
Custodial Supplies	0	0
Maintenance Support	8,962	12,618
Exterminating	0	0
Trash Removal	0	0
Snow Removal	1,775	2,670
Painting & Decorating	0	31
Grounds & Landscaping	0	0
HVAC Repairs and Maintenance	0	0
Elevator Repairs & Contract	0	0
Repairs (Materials)	0	0
Repairs (Contract)	16,011	1052
Other Maintenance	<u>1,518</u>	<u>1,089</u>
Total Maintenance Expenses:	<u>28,266</u>	<u>17,460</u>
General Expenses:		
Insurance	3,958	4,666
Real Estate Taxes	4,018	3,966
Uncollectible Accounts	0	0
Mortgage Interest Payments	<u>0</u>	<u>0</u>
Total General Expenses:	<u>7,976</u>	<u>8,632</u>
Total Rental Operating Expense:	<u>\$ 51,411</u>	<u>\$ 46,632</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Receipts & Disbursements -
Project #90538 - 224 Spruce Street
For The Years Ended June 30,

	<u>2019</u>	<u>2018</u>
Source of Funds:		
Rental Operations:		
Tenant Paid Rent	\$ 27,100	\$ 22,650
HAP Rent Subsidy	18,959	10,678
HOME Rental Assistance	0	8,681
Total Rental Operations:	<u>46,059</u>	<u>42,009</u>
Other Income:		
Service Income	0	0
Interest Income	172	164
Commercial Income	0	0
Other Income - SGIA Shelter Funds	0	6,482
Other Income - Program Grants/Fundraising	0	0
Other Income - Apartment Damages & Fees	0	0
Total Other Income:	<u>172</u>	<u>6,646</u>
Total Rental Operations Receipts:	<u>46,231</u>	<u>48,655</u>
Disbursements:		
Administrative	7,717	10,630
Utilities	7,452	9,910
Maintenance	28,266	17,460
General	7,976	8,632
Other	0	0
Total Rental Operations Disbursements:	<u>51,411</u>	<u>46,632</u>
Cash Provided by Rental Operations before Debt Service:	(5,180)	2,023
Amortization of Mortgages	<u>0</u>	<u>0</u>
Cash Provided by Rental Operations after Debt Service:	(5,180)	2,023
Other Receipts:		
Transfer from Tenant Security Deposit Account	0	0
Ownership Advances	0	0
Transfers from Restricted Cash Reserves & Escrows	0	0
Other Disbursements or Transfers:		
Transfers to Restricted Cash Reserves & Escrows	(1,750)	(1,008)
Transfer to Tenant Security Deposit Account	0	0
Payment of Partner's Distributions	0	0
Other - Return on Equity/Owner's Fcc	<u>0</u>	<u>0</u>
Net Increase or (Decrease) in Project Account Cash:	(6,930)	1,015
Project Account Cash Balance at Beginning of Year	<u>(1,732)</u>	<u>(2,747)</u>
Project Account Cash Balance at End of Year	<u>\$ (8,662)</u>	<u>\$ (1,732)</u>
Composition of Project Account Cash Balance at End of Year		
Petty Cash	0	0
Unrestricted Reserve (if applicable)	<u>0</u>	<u>0</u>
Total Project Account Cash at End of Year	<u>\$ 0</u>	<u>\$ 0</u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Schedule of Restricted Cash Reserves and Escrows - Project #90538 - 224 Spruce Street
For The Years Ended June 30, 2019

Description of Fund:	Balance at Beginning of Year	Deposits: Transfers From Operating Account	Net Interest Earned	Withdrawals Transfers To Operating Account	Balance at End of Year
<u>Restricted Accounts:</u>					
Tax Reserve	\$ 1,767	\$ 4,597	\$ 46	\$ (4,232)	\$ 2,178
Insurance Reserve	1,667	5,810	45	(4,229)	3,293
Replacement Reserve	4,212	1,750	78	(125)	5,915
Operating Reserve	135	0	3	0	138
Other Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Restricted Cash Reserves & Escrows	\$ 7,781	\$ 12,157	\$ 172	\$ (8,586)	\$ 11,524

THE WAY HOME, INC.
Supplementary Information - Schedule of Surplus Cash Calculation -
Project #90538 - 224 Spruce Street
For The Years Ended June 30, 2019

Net Income/(Loss)	\$ (5,180)
Add Depreciation & amortization	12,296
Deduct Required Principal Payments	0
Deduct Required Payments to Replacement Reserve	(1,750)
Deduct Interest Income on Restricted Cash Reserves & Escrows	(172)
Add/Deduct any NHHFA Approved Items (Detailed list required)	0
Add Distribution from Reserves	<u>0</u>
Surplus Cash	\$ <u><u>5,194</u></u>
Distribution of surplus cash:	
Owner's Distribution	<u><u>\$ 0</u></u>

See Notes and Independent Auditor's Report

THE WAY HOME, INC.
Supplementary Information - Year to Date Compilation of Owner's Fee/Distributions -
Project #90538 - 224 Spruce Street
For The Years Ended June 30, 2019

Fiscal Year Ending	Maximum Allowable Distribution 4% of Gross Receipts	Distribution Received	Balance
6/30/2011	1,019	0	1,019
6/30/2012	1,576	0	2,595
6/30/2013	1,681	0	4,275
6/30/2014	1,565	0	5,841
6/30/2015	1,606	0	7,447
6/30/2016	1,577	0	9,024
6/30/2017	1,518	0	10,542
6/30/2018	1,946	0	12,488
6/30/2019	1,849	0	14,337

The Way Home Board of Trustees – as of August 5, 2020

Rick Blais – Board President

Primerica Advisors – Senior Vice President

Sara Beaudry – Board Vice President

Intown Manchester – Executive Director

Melissa Magoon– Board Treasurer

BerryDunn – Tax Manager:

Anne Ketterer– Board Secretary

Lavallee Brensinger Architects – Project Manager

Ron Sayres – Board Member At-Large

Mid-State Healthy Center – Program Director

Jim Foster – Board Member

Bank of America – Senior Vice President New Hampshire, Market Manager:

Kari-Lynn Knight – Board Member

Bianka Beaudoin

Education

MBA | OCTOBER 2017 | NEW ENGLAND COLLEGE
Non-Profit Leadership & Digital & Social Media
BS | 2008 | SPRINGFIELD COLLEGE
Major: Human Services
BS candidate | 1995 | Lesley University
Major: Human Services

Skills & Abilities

LEADERSHIP & MANAGEMENT

- Successfully worked with Board of Trustees to update strategic/sustainably plan and execute action items to increase revenue, over previous year, coach staff, update programs and policies to improve delivery of services
- Successful experience in recruiting, training, and coaching board of trustee's members and key volunteers.
- Effective and successful implementation and execution of special events, grants, sponsorship requests all while adhering to project timelines.
- Supervision of the day-to-day operations including agency staff, budget, program, services.

DEVELOPMENT

- Worked with senior leadership team, board of trustees, and fundraising committee to forecast fundraising plans.
- Proven ability to build relationships in the business community to recruit donations of time, talent, and treasure.
- Successful experience in fundraising throughout New Hampshire with the American Cancer Society and The Way Home.
- Results driven development of new fundraising plans, refreshing ongoing events, and managing campaigns to move the organization's fundraising goals forward and remain relevant to the donors in the community.
- Developed, coordinated, and executed annual campaigns increasing revenue year over year.
- Developed and executed a grant calendar sustaining current funds, researching new opportunities, re-engaging lapsed partners, and writing new grant requests.

COMMUNICATION, MARKETING & ADVOCACY

- Excellent communication, public speaking, and people skills - sharing the story, mission, and action items through television, radio, print, and social media.
- Advocate on the local, state, and federal level collaborating with leaders to meeting mission related policies and changes.
- Executed the strategy to upgrade and internally manage a new website that offers mobile friendly abilities; manage content to keep it updated and relevant.
- Skilled in building a brand and sharing the mission in the community.
- Ability to influence key stakeholders, community leaders, and a wide range of individuals to build stewardships and brand messaging.

Experience

CHIEF EXECUTIVE OFFICER | THE WAY HOME | JUNE 2019 – PRESENT

DEVELOPMENT/OPERATIONS DIRECTOR | SEPTEMBER 2017 – JUNE 2019

KEY ACTIVITIES INCLUDE:

- Worked with leadership team, board of trustees to set organization vision, restructured programs and increased operating reserves while reducing operating expenses.
- Led, developed, and executed annual strategic fundraising plan, securing financial support from individuals, foundations, and corporation.

- Successfully Board Governance – Recruiting, training, and supporting Board to increase agency engagement, outreach visits, and fundraising goals.
- Cultivated and maintained relationships with donors (both new and long-term).
- Created, managed, and executed an efficient way to acknowledge supporters.
- Streamlined multiple data areas to improve donor relations, tracking, development, and CRM.
- Trained and mentored staff and volunteers to help them achieve their goals surrounding their involvement at TWH.
- Lead board and volunteers to develop and effectively execute new special event that exceeded fundraising goal.
- Rebranded an event to increase participation and revenue.
- Coordinate with external and internal supports to maintain safe and affordable housing.

COMMUNITY DEVELOPMENT MANAGER | AMERICAN CANCER SOCIETY | MAY 2013 – SEPTEMBER 2017

KEY ACTIVITIES INCLUDE:

- Executed a highly successful portfolio of Relay For Life events, with accountability for significant income targets, as well as promoting event-related mission and advocacy activities.
- Trained and mentored volunteers in all aspects of volunteer management, strategic development, and financial planning to assist volunteers with their goals well aligning with the mission of ACS.
- Manage various technologies and tracking tools to ensure quality event data.
- Engage the community in Relay For Life events using marketing techniques to drive increased participation – event committee, team members, sponsors, and survivor/caregiver – including youth, college level, and dogs events through Relay Recess, Relay Field Day, Colleges Vs Cancer, Bark For Life, and Coaches vs. Cancer.
- Created and implemented strategic Marketing materials creation and management for event website, social media, etc.
- Represented the American Cancer Society's mission through acting as spokesperson at various chamber events, TV, and radio sharing with diverse groups the mission and vision of the American Cancer Society.

DEVELOPMENT ASSOCIATE | AMERICAN CANCER SOCIETY | AUGUST 2011 -MAY 2013

KEY ACTIVITIES INCLUDE:

- Surpassed assigned fiscal goals creating relationships with inbound calls and new relationships in the community.
- Provided professional and courteous customer service to internal and external constituents.
- Assisted with event websites and social media management.
- Coordinated with staff to secure office volunteer project management.
- Processed data from event staff and volunteers and entered it into internal tracking systems.
- Worked as part of a team and independently.

HOUSING SPECIALIST | WAYPONT | FEBRUARY 2008 – SEPTEMBER 2011

KEY ACTIVITIES INCLUDE:

- Efficient data entry into various internet and in-office databases
- Resourceful in program development under the Homeless Prevention and Rapid Re-Housing grant to implement program policy and procedure in accordance with HUD and agency guidelines
- Provided support, guidance, and mentoring to homeless and at-risk young adults to reach housing goals

Volunteer Leadership Experience includes:

- Kiwanis Club of Manchester – September 2017 – present
- Manchester Continuum of Care (MCoC) – Board Member – March 2020 – present
- Holy Cross Family Learning Center – Board of Directors June 2016 – August 2019
- Greater Manchester Chamber of Commerce – Chamber Ambassador June 2014 – September 2017
- Graduate - Greater Manchester Chamber of Commerce Leadership class of 2015
- Intown Manchester – Episodic Volunteer

Cindy M. Bringhurst

COMPETENCIES:

- 10 years experience as a Manager: providing oversight and responsible for programs that include staff, volunteers and clients/consumers.
- 20+ years experience of advocacy and community networking support.
- Solid computer skills: Microsoft Office, Access/database management, Publisher, PowerPoint
- Bachelors of Science in Business Information Systems and Master in Business Administration.

EMPLOYMENT:

***The Way Home
Manchester, NH***

7/16-Present

The Way Home is and agency that has various programs available to assist individuals and families that are either "at risk" of homelessness, or who are homeless.

Supportive Services Manager/ Housing Counselor

Responsible for the oversight, program planning and case management component of The Way Home's Transitional and Supportive Housing Programs. Additionally, provide Housing Counseling through The Way Home's Housing Resource Center, which evaluates the supports needed for the individuals and families that we serve to reach housing stability. Once this assessment is completed, recommendations for programs that we offer and referrals are made to assist those seeking out our services. Housing search is facilitated by actions to build positive landlord relationships.

***Gateways Community Services
Nashua, NH***

5/14-6/16

Gateways Community Services provides support for individuals with disabilities and their families who reside in region VI, the Nashua area.

Independent Contractor

Provide a home to a young woman with Autism. I am responsible for the advocacy for her day and residential programming, budgetary aspects and timely paperwork relative to goals and progress. In addition, I serve as her guardian and am responsible for the recruitment and oversight of Family Support Staff, day and residential programs.

***Independent Services Network
Manchester, NH***

Independent Services Network is a statewide organization that offers a variety of programs that focus on the integration of individuals with disabilities within the community. They have various programs that aid in the implementation of this

philosophy: Residential, Day and an Art Program.

Independent Contractor

1993-2014

Earned "Excellence in Service" award from Area Agency Region VI in 1999.
Earned "Award of Excellence" from Independent Services Network in 1996.
Provide a home for an individual with Autism for 20 years; served as an advocate, and am responsible for the successful implementation of residential goals.

Residential Manager

6/06-2010

My responsibilities were inclusive of the oversight of programs for individuals that reside in regions IV and VI. For every one of these programs, it was important to monitor the goals/objectives, needs, and it was also the expectation that this be done with strict adherence to state regulations. Furthermore, I fully participated in the RFP process, which encompasses the review of confidential information, consultation with interested parties, writing/submission of the proposal and the timely creation of a budget based on the needs of the program to the respective agency. Additionally, I maintained a database, which I created to track valuable information and contacts with all of the interested parties.

EDUCATION:

Rivier University

Nashua, New Hampshire

B.S. Business Information Systems

5/05 Graduate

M.A. of Business Administration

1/09 Graduate

- Undergrad and Graduate degrees integrated Spanish language and literature classes.

OTHER:

- Semi-fluent in Spanish, able to speak, read and write in this language.

Christina Sleeper
(603) 218-1462
csleeper@thewayhomenh.org

EXPERIENCE:

The Way Home: Manchester, New Hampshire 2014 – Current

Housing Advocate – Housing Relocation & Stabilization

- Assist with Housing Info & Referral with homeless and at-risk clients
- Assist with housing search & navigation of housing stabilization resources
- Apartment Inspections for health & safety and for security deposit programs
- Peer education for families with asthma, lead paint, lice, and other household pests
- Case Management (Step to Success Coaching) toward Housing Stabilization
- Filing, Input Data, Some Project Reports

The Way Home: Manchester, New Hampshire 1998 - Current

Peer Educator

- Public advocate for the Healthy Homes program at The Way Home
- Outreach & education on in-home hazards, focus on asthma-triggers, childhood lead poisoning prevention, reduce costs & hazards in head lice management
- Liaison with multiple housing counselors, CAP programs, social services, child advocate, for various school nurses, teachers, and parents, for environmental health issues
- Supervised peer educators and volunteers

The Way Home: Manchester, New Hampshire

Healthy Home and Housing Services Program Support - as needed 1998- Current

- Prioritize and schedule maintenance needs for all residential units and staff offices
- Coordinate maintenance staff, volunteers, and outside vendor needs
- Cleaning of office and common areas within buildings
- Oversee family donation center and deliveries
- Coordinated Toys for Tots program for clients of The Way Home

TRAINING & CERTIFICATIONS:

Notary Public for The State Of New Hampshire	2018 - ongoing
Mis-Lead Americas' Secret Epidemic	2018
Green Clean and Healthy Effective Cleaning Webinar Training	2018
Visual Lead Hazard Assesment	2018
Healthy Homes Conference	2018
NH Pediatric Medical Education	2017
Data to Drive by in funding to reduce Asthma Triggers Webinar Training	2017
New Hampshire Healthy Home Conference	2017
EPA Environments Guidance for Clinicals and Public Health Professionals	2017
New Hampshire Conference on Homelessness	2016 -2017
Healthy Home Specialist Training	2015
EPA/HUD RRP Certified Renovator	2015
Mental Health First Aid Training	2015
HORDING AND Cluttering Prevention Intervention Training	2015
Crisis Interviewing Training	2015
Motivational Interviewing Training	2015
American Lung Association / Breathe NH Workshops	1998 - ongoing
Manchester Health Department Lead Poisoning Prevention Training	1998 - ongoing
Manchester Health Department Family Support for Head Lice Intervention	1998 - ongoing
NH State Lead Dust Wipe Sampling Technicians License & Lead Renovator Course	1998

Lea J. Key

Employment History

The Way Home 2000 - Present

- > **Housing Counselor** - with special attention to homeless prevention practical and effective combination of advocacy; self-empowerment and understanding of reasonable modifications to create avenues of success
- < **Assistant Security Deposit Project Manager** Assists record keeping for the Housing Security Guarantee (HSGP) Program and the NH Homeless and Housing Assistance Revolving Loan Fund (HHARLF) Program
- < **Special Needs Advocate** - working with the disabled , resources

Salvation Army	1998 - 2000
Cook for Kid's Café Program	
Veteran's Administration, Manchester	1986 - 1996
Certified Nurses Assistant,	
Kokua Nurses, Honolulu, Hawaii	1980 - 1982
Certified Nurses Assistant ,	

Training 1998-2018

PIC- Parent advocate training
Peer Educator, Minority Health Coalition, Manchester N.H.
The Way Home AmeriCorps* Housing Advocacy Project
Practical experience with court advocacy regarding evictions
Home visits for special needs clients
Steps to Success Coach for 20 families with diverse needs
Nat'l Summit on Homelessness training in Wash, DC - 2002 and 2006
NH Homeless Providers Conference (3 years)
N.H. Homeless Providers Conference , North Conway , NH (3 years)
N.H. Legal Assistance - Housing and Court Advocacy (eviction process)
HUD Grant Writing-February 2004
HUD McKinney Technical Assistance Workshop-2003 Evaluation Training - 2005
Member-Manchester Continuum of Care- 2003-Present
Member of Advisory Board for Re-Entry Program - New Hampshire State Prison 2005 - 2009

Education:

Bachelor of Science - Springfield College of Human Service
CNA License

References on Request

Updated 3/2019

Lindsey Lussier

(603) 767-1211 / lindsey.lussier@ignia.com

EDUCATION

University of New Hampshire, Durham, NH

May 2019

Master of Social Work

- NASW Master of Social Work 2019 Student of the Year
- Summa cum laude
- Master student representative on the Social Work Diversity Committee

University of New Hampshire, Durham, NH

May 2017

*Dual major Bachelor of Science, Social Work; Bachelor of Arts, Women's Studies
Minor in Social Justice Leadership*

PROJECTS

Development of an Undergraduate Course, Durham, NH

March 2019

Graduate Assistant

- Researched Critical Race Theory and gathered articles and videos related to the topic
- Developed coursework, assignments, and a syllabus

RELATED EXPERIENCE

Bernie 2020, Manchester, NH

November 2019 - February 2020

New Hampshire Regional Field Director

- Managed a team of eight (8) field organizers and fifteen (15) student volunteers
- Trained and ensured that organizers perform their essential job duties
- Gathered report findings on organizers, numbers, and the Greater Manchester region as a whole for strategic planning as a team and with upper management
- Won the most important region that led Sanders to win the New Hampshire primary

Bernie 2020, South West, NH

July - November 2019

New Hampshire Field Organizer

- Identified, recruited, and trained volunteers who signed up for events a total of 161 times
- Organized and participated in canvassing for a total of 3,787 doors attempted and 542 door IDs
- Developed teams of volunteers and supported volunteer leaders
- Utilized VoteBuilder and Mobilize and create documents and spreadsheets

Manchester Family Justice Center, Manchester, NH

June 2018- May 2019

MSW Intern

- Completed intakes, assessments, case management, and confidential documentation with survivors of violence
- Collaborated and networked with other agencies and organizations to improve service delivery for clients
- Performed agency evaluations to increase social effectiveness
- Submitted grant proposals

University of New Hampshire, Durham, NH

June 2018- May 2019

Graduate Assistant

- Assisted a faculty member with research tasks
- Found relative research articles, information, and best practices
- Managed quantitative and qualitative data entry and analysis
- Created PowerPoints, Word Documents, and Excel spreadsheets

Families in Transition (FIT)- Family Willows & Family Shelter, Manchester, NH
May 2018

June 2017-

Program Aide

- Completed intakes, assessments, and documentation with families
- Provided crisis interventions for families
- Conducted activities with participants
- Conducted program interviews for prospective clients
- Managed electronic health record project

Families in Transition- Family Place, Homeless Shelter, Manchester, NH
May 2017

September 2016-

Family Place BSSW Intern

- Completed intakes, assessments, and documentation with families
- Provided case management services for three families at a time
- Recorded shelter inquiries and conducted program interviews for prospective clients
- Facilitated bi-weekly building meetings

ADDITIONAL EXPERIENCE

J&F Farms Inc., Derry, NH
Farm Stand Attendant & Cashier

May 2012- September 2018

Mark Sheehan

EXPERIENCE

APRIL 2017 – PRESENT

MAINTENANCE TECHNICIAN, THE WAY HOME

Maintain upkeep of properties (cleaning inside and outside property landscaping), complete work orders for general maintenance request, complete apartment turnovers, act as a liaison with vendors, with internal and external partners to meet City and State guidelines.

AUGUST 2015 – APRIL 2017

PROPERTY MANAGEMENT, MANPOWER

Maintained multiple properties for The Way Home, painting, clean outs, landscaping, and repairs.

JANUARY 2013 - AUGUST 2015

LANDSCAPER, TIM'S LANSCAPING

Painting, demolition, concrete drywall, property maintenance, clean outs, waste disposal.

MARCH 2013 - DECEMBER 2013

LANDSCAPER, BIG AL'S PROPERTY CARE

Lawn work, construction of fences and stonewalls, demolition, clean outs, waste disposal and snow removal.

FEBURARY 2012 – AUGUST 2012

MAINTENANCE, HANNAFORDS

Responsible for cleaning in store, stocking inventory, and providing customer services.

EDUCATION

2005

GENERAL STUDIES, MANCHESTER HIGH SCHOOL WEST

SKILLS

- General Maintenance upkeep
- Apartment Inspections
- Client/Team Focused
- Multi-Tasking

Mary Sliney

RESUME

The Way Home, Inc, Manchester, NH

- 7/2019-Present Chief Operating Officer - Programs
1989 - 2019 Executive Director / Special Project Manager
1995 - 2002 Housing Services and Healthy Home Services Project Manager
1988 - 1996 Security Deposit Loan Fund Manager
- SKILLS:** Organizational Management & Accounting
budget & financial reports preparation
program development & grant writing, public relations
business procedures development
Staffing Team Development
supervising staff & volunteers
training staff & volunteers
Community Advocacy
identifying and convening stakeholders
facilitating group process and problem-solving forums
issue oriented strategic planning, empowerment training
- 1987 - 1990 Leadership Development - Women in Search of Hope, (WISH) Manchester, NH
SKILLS: program planning
group process facilitation
communication and negotiation
conflict resolution
designing & implementing empowerment programs
- 1977 - 1987 Community Organizer - WISH and Public Housing Project, Manchester, NH
SKILLS: listening to needs and issues, identifying potential leaders
building participation, designing strategies, action plans
educating, problem solving
- Other Experience:** Manchester Homeless CoC Leadership – 2001-Present
Developed 4 properties for Family Special Needs Housing, 2002 - 2013
Member, Manch. 10 Yr Plan to End Homelessness Steering Com 2008-2015
Member, NH Healthy Home Steering Committee 2009-present
Member, Manchester Healthy Housing committees; 1998-present
Childhood Lead Poisoning Stakeholder's Group, 2014-present
Member, NH Lead Collaborative, 2007- 2016
Member, Gov's Inter-Agency Council Ending Homelessness, 2003-2012
Member, NH Asthma Project Steering Committee, 2003-2012
Graduate of Leadership NH; 2002 Class
Executive Committee, NH Coalition to End Homelessness, 2000-2006
Graduate, Manchester Chamber of Commerce 1998 Leadership Class
Chair, Manchester Area Homeless Continuum of Care; 1995-2000
Chairperson, Low Income Housing Network of Gtr Manch.; 1988-1998
Internship - Regional Self-reliance; 1981-83
Social Justice Educator - NH Sisters of Mercy; 1977-81
- Education:** MST, Environmental Education, Antioch New England, Keene, NH, 1983
BA, Mt. St. Mary College, Hooksett, NH, 1971

Juamelis Cabrera

Objective

To utilize my abilities and skills in a work environment.

Education

GREATER LAWRENCE TECHNICAL SCHOOL - NORTH ANDOVER, MA 2016-2020

Major: Business Technology

- 10-Hour OSHA Certification
- Microsoft Office Specialist Certifications: M.S Word 2013, M.S PowerPoint 2013 & M.S Excel 2013
- Experience with M.S Access 2013, Publisher, Dreamweaver CS6 & QuickBooks
- Developing communication skills
- Developing financial management skills
- Experience with Google Apps and social media such as: Facebook, Instagram, and Snapchat
- GPA of 3.3

Work Experience

The Way Home November 2020 – Present

Housing Advocate I/ Intake Specialist

- Complete intake for new clients
- Data Entry of client information into Counselor Max
- Assist with tracking client information using Excel
- Provide referrals to other available resource.
- Answering phone, keeping appointment calendar, other receptionist duties
- Assist with Bi-weekly budget class
- Spanish language interpretation and coordinating translation services.
- Assists special needs clients with applications and forms.

Masis Staffing Solutions- Lawrence, MA August 2020- Present

Administrative Coordinator

- Temporarily contracted by Masis Staffing Solutions as an Administrative Coordinator for Cedars Mediterranean Foods in Haverhill, MA.
- Greet and direct employees and visitors
- Manage daily calls
- Assist with daily clerical duties.
- Render accounts and weekly invoices
- Maintain a neat and organized work area

Masis Staffing Solutions- Lawrence, MA March 2020- August 2020

COVID-19 HEALTH SCREENER

- Temporarily contracted by Masis Staffing Solutions as a Covid-19 Screener for Multigrain Breads in Lawrence, MA.
- Perform daily health assessment questions on each employee
- Assure employees' temperature is normal by using a computerized temperature gauge. Document employee temperatures and assist with other in-house clerical duties.

Juamelis Cabrera

Family Health of Salem- Salem, NH September 2018- March 2020

RECEPTIONIST/NURSE ASSISTANT

- Scheduling appointments and maintaining appointment calendar
- Preparing letters and documents
- Documenting and communicating various actions
- Managing digital and hard copy filing systems
- Data Entry
- Answering the telephone; taking and relaying messages; providing information to callers
- Record Vitals, Triaging, and rooming patients

Expert Staffing- Lawrence, MA July 2016- January 2018

RECEPTIONIST

- Greeted and welcomed guests, provided them with a positive first impression of the organization
- Assisted recruiters
- Data entry
- Managed digital and hard copy filing systems
- Documented and communicated various actions

Skills & Abilities

Bilingual (English/Spanish)

Microsoft Office Software

Adobe Dreamweaver

Intuit QuickBooks

Community Service

Lawrence Exchange Club (Emily G. Wetherbee Middle School): 2013-2016

Spicket River Clean-Up: 2014-2016

Mary Immaculate Nursing Home: 2018-2020

Extra-Curricular Activities

Softball (South Lawrence West): 2017-2019

Student Council: 2017-2020

The Way Home

Key Personnel – SGIA 166673-B001

NAME	JOB TITLE	SALARY	PERCENT PAID FROM THIS CONTRACT	AMOUNT PAID FROM THIS CONTRACT
Bianka Beaudoin	CEO	\$60,000	7.00%	\$4,200.00
Mary Sliney	COO-Programs	\$50,000	20.00%	\$10,000.00
Lea Key	Housing Counselor	\$35,800	15.00%	\$5,370.00
Mari DeBlois	Housing Counselor	\$58,000	15.00%	\$8,700.00
Cindy Bringham	Director of Housing Supports	\$45,581	40.00%	\$17,364.40
Christina Sleeper	Healthy Home Housing Advocate IV	\$35,360	15.00%	\$5,304.00
Lindsey Lussier	Housing Counselor	\$35,569	15.00%	\$5,190.00
Mark Sheehan	Maintenance Tech	\$32,240	25.00%	\$8,060.00
Juamelis Cabrera	Housing Advocate I	\$33,280	25.00%	\$7,800.00

**State of New Hampshire
Department of Health and Human Services
Amendment #2**

This Amendment to the State Grant in Aid Homeless Assistance Program contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Tri-County CAP, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on July 10, 2019, (Item #16), as amended on July 15, 2020, (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Form P-37, General Provisions, Section 2. Renewal, the Contract may be amended and extended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement and increase the price limitation to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

June 30, 2023

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

\$205,825

3. Modify Exhibit A, Scope of Services, Section 2, Scope of Services, to read:

2. Scope of Services

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide that include but are not limited to:

2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.

2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment on a short-term emergency or transitional basis, as described in RSA 126-A:26.

2.1.3. Operating a facility in accordance with Exhibit C, Section 15, Operation of Facilities: Compliance with Laws and Regulations that includes, but is not limited to:

2.1.3.1. Building maintenance and repair.

2.1.3.2. Security systems.

2.1.3.3. Heating and possible cooling equipment.

2.1.3.4. Property and business insurance.

2.1.3.5. Utilities and furnishings.

2.1.3.6. Amenities, including bathrooms.

- 2.2. The Contractor shall assist individuals and families who are homeless with accessing and applying for services that lead to permanent housing by providing Case

Management Services that include, but are not limited to:

- 2.2.1. Assessing individual and family needs for well-being and obtaining housing.
 - 2.2.2. Developing individualized plans with the types of services and assistance programs to meet individual and family and needs.
 - 2.2.3. Assisting individuals and families with accessing emergency shelter.
 - 2.2.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.2.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.2.6. Assisting individuals and families with accessing community providers and supports, that may include, but are not limited to, mental health services, substance use treatment, medical care, employment services, veterans benefits, financial and food assistance, and education supports.
- 2.3. The Contractor shall comply with program requirements that include, but are not limited to:
- 2.3.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include:
 - 2.3.1.1. Housing First Approach;
 - 2.3.1.2. Safe and appropriate diversion;
 - 2.3.1.3. Immediate and low-barrier access;
 - 2.3.1.4. Housing-focused, rapid exit services; and
 - 2.3.1.5. Data to measure performance.
 - 2.3.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.3.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions, which may include but are not limited to mental health services; medication stability; sexual orientation; vulnerability to illness; vulnerability to victimization; vulnerability to physical assault; racial equality; marital status; or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.
 - 2.3.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restricted by law. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
 - 2.3.5. Agreeing to on-site monitoring, on an annual basis, to review compliance,

progress, and performance, which includes, but is not limited to:

- 2.3.5.1. Reviewing policies and procedures for services provided.
- 2.3.5.2. Reviewing financial analyses.
- 2.3.5.3. Reviewing for compliance with safety and hazard requirements.
- 2.3.5.4. Reviewing Data and HMIS entry standards.
- 2.3.6. Complying with New Hampshire Administrative Rules He-M 314, Rights of Persons Using Emergency Shelters and ensuring individuals understand their rights. http://www.gencourt.state.nh.us/rules/state_agencies.he-m300.html
- 2.4. The Contractor shall complete a SGIA Program Project Program Monitoring Workbook per Department request.
- 2.5. The Contractor shall participate in training on contractual compliance and technical assistance, as required by the Department.
- 4. Modify Exhibit B, Method and Conditions Precedent to Payment Section 3 by adding Subsection 3.6 to read:
 - 3.6. The Contractor shall provide backup documentation for all reimbursement requests.

DS
JR

All terms and conditions of the Contract and prior amendments not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

3/21/2021
Date

DocuSigned by:
Christine Santaniello
Name: CHRISTINE santaniello
Title: Director

3/19/2021
Date

Tri-County CAP, Inc.
DocuSigned by:
Jeanne Robillard
Name: Jeanne Robillard
Title: CEO

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

3/31/2021

Date

DocuSigned by:


Name: Catherine Pinos

Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:

Title:

State of New Hampshire

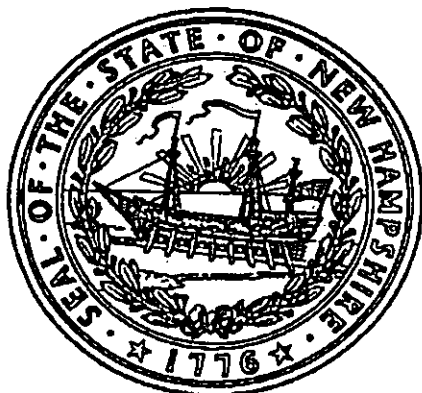
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY CAP) is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 18, 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: 63020

Certificate Number: 0004969574



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 31st day of July A.D. 2020.

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

William M. Gardner
Secretary of State

Filing History

 [Back to Home \(/online\)](#)

Business Name
 TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. (TRI-COUNTY
 CAP)

Business ID
 63020

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0004969573	07/31/2020	07/31/2020	Nonprofit Report	2020
0004777575	01/16/2020	01/16/2020	Annual Report Reminder	N/A
0003201788	12/29/2015	12/29/2015	Nonprofit Report	2015
0000816445	03/05/2010	03/05/2010	Annual Report	2010
0000816444	02/01/2006	02/01/2006	Annual Report	2005
0000816443	01/31/2001	01/31/2001	Annual Report	2000
0000816442	03/02/1995	03/02/1995	Annual Report	1995
0000816441	03/20/1990	03/20/1990	Annual Report	1990
0000816440	10/03/1984	10/03/1984	Amendment	N/A
0000816439	03/03/1976	03/03/1976	Annual Fee	N/A
0000816438	06/07/1966	06/07/1966	Amendment	N/A
0000816437	05/18/1965	05/18/1965	Business Formation	N/A

Page 1 of 1, records 1 to 12 of 12

[Back](#)

NH Department of State, 107 North Main St. Room 204, Concord, NH 03301 -- [Contact Us \(/online/Home/ContactUS\)](#)

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CERTIFICATE OF AUTHORITY

I, Sandy Alonzo, hereby certify that:
(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Tri-County Community Action Program, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on September 29th, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

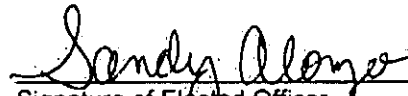
VOTED: That Jeanne Robillard CEO, and or Randall Pilotte (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Tri-County Community Action Program, Inc. to enter into contracts or agreements with the State
(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: 3/10/2021



Signature of Elected Officer
Name: Sandy Alonzo
Title: Board Chair



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/28/2021

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 FIA/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Andrea Nicklin PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: anicklin@crossagency.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Philadelphia Indemnity Ins Co INSURER B: Granite State Health Care and Human Services Self- INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 18058

COVERAGES CERTIFICATE NUMBER: 20-21 AIV/21-22 WVC 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	ADOL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2150055	07/01/2020	07/01/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPROP AGG \$ 3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2150050	07/01/2020	07/01/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Underinsured motorist \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB728176	07/01/2020	07/01/2021	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
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	HCHS20210000428 (3a.) NH	02/01/2021	02/01/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2150055	07/01/2020	07/01/2021	Each Occurrence 1,000,000 Aggregate 3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER Contracts & Procurement DHHS - State of NH 129 Pleasant Street Concord NH 03301	CANCELLATION 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
---	--

MISSION STATEMENT

Tri-County Community Action Program provides opportunities to strengthen communities by improving the lives of low to moderate income families and individuals.

VISION STATEMENT

Individuals and families are empowered to create vibrant communities and foster self-sufficiency.

VALUES STATEMENT

Tri-County Community Action Program, values a culture of integrity.

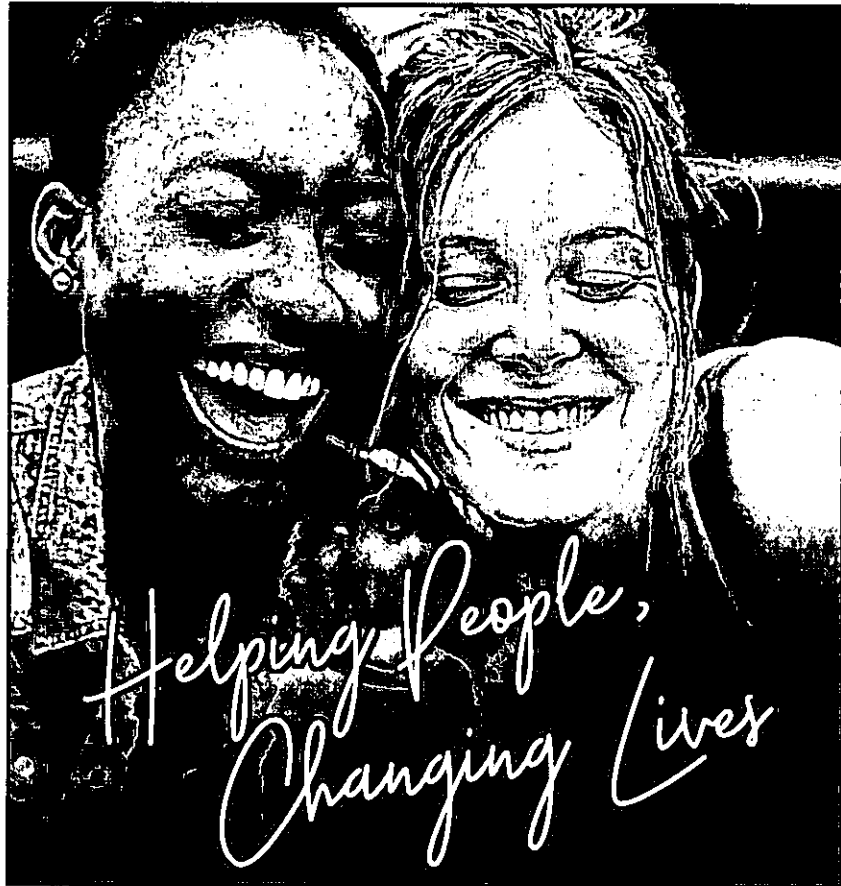
This Includes:

1. Transparency in all our interactions and communications, stressing accountability to ourselves as an organization and to those we serve.
2. Connection to community. We value our community partners and work to build strong partnerships that unite us all in the common goal of improving the lives of others.
3. Recognition of our mutual humanity. We treat customers, co-workers and colleagues with compassion, fairness, dignity and respect.
4. We value the empowerment of those who seek our services, believing that empowerment leads to improved self-worth and enables those we serve to fully participate in their communities and share their success with others.



TRI-COUNTY COMMUNITY ACTION

Serving Coös, Carroll & Grafton Counties since 1965



30 Exchange St. Berlin, NH 03570
Phone: (603) 752-7001
Fax: (603) 752-7607
www.tccap.org

Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
AND AFFILIATE

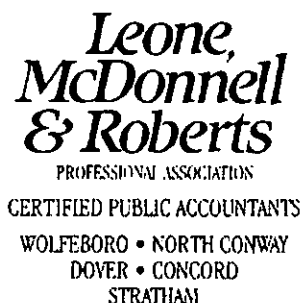
**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019
AND
INDEPENDENT AUDITORS' REPORTS**

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

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To the Board of Directors of
Tri-County Community Action Program, Inc. and Affiliate
Berlin, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Tri-County Community Action Program, Inc. and Affiliate (New Hampshire nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2020 and 2019, the related consolidated statements of cash flows and functional expenses for the years then ended, the related consolidated statement of activities for the year ended June 30, 2020 and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Tri-County Community Action Program, Inc. and Affiliate as of June 30, 2020 and 2019, and its consolidated cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2020, in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Tri-County Community Action Program, Inc. and Affiliate's 2019 consolidated financial statements, and we expressed an unmodified audit opinion on those consolidated financial statements in our report dated October 21, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2020, on our consideration of Tri-County Community Action Program, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Tri-County Community Action Program, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tri-County Community Action Program, Inc.'s internal control over financial reporting and compliance.

Leone McDonnell & Roberts
Professional Association

October 28, 2020
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019**

	<u>ASSETS</u>	
	<u>2020</u>	<u>2019</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,257,081	\$ 1,400,750
Restricted cash, Guardianship Services Program	796,937	583,963
Accounts receivable	1,322,852	1,274,083
Property held for sale	47,000	47,000
Pledges receivable	307,017	231,161
Inventories	102,430	85,886
Prepaid expenses	<u>77,882</u>	<u>34,037</u>
Total current assets	<u>4,911,199</u>	<u>3,656,880</u>
PROPERTY		
Property and equipment	12,344,805	12,086,152
Less accumulated depreciation	<u>(5,601,944)</u>	<u>(5,178,535)</u>
Property, net	<u>6,742,861</u>	<u>6,907,617</u>
OTHER ASSETS		
Restricted cash	<u>384,711</u>	<u>418,936</u>
TOTAL ASSETS	<u>\$ 12,038,771</u>	<u>\$ 10,983,433</u>
	<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES		
Current portion of long term debt	\$ 437,843	\$ 148,449
Current portion of capital lease obligations	3,554	4,870
Accounts payable	180,427	221,571
Accrued compensated absences	243,779	204,079
Accrued salaries	49,059	210,952
Accrued expenses	137,304	89,524
Refundable advances	181,463	197,157
Other liabilities	<u>850,982</u>	<u>598,195</u>
Total current liabilities	<u>2,084,411</u>	<u>1,674,797</u>
LONG TERM DEBT		
Long term debt, net of current portion	4,792,557	5,227,835
Capital lease obligations, net of current portion	<u>-</u>	<u>3,355</u>
Total liabilities	<u>6,876,968</u>	<u>6,905,987</u>
NET ASSETS		
Without donor restrictions	4,565,253	3,399,192
With donor restrictions	<u>596,550</u>	<u>678,254</u>
Total net assets	<u>5,161,803</u>	<u>4,077,446</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,038,771</u>	<u>\$ 10,983,433</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Without Donor Restrictions	With Donor Restrictions	2020 Total	2019 Total
REVENUES AND OTHER SUPPORT				
Grants and contracts	\$ 14,425,841	\$ 483,472	\$ 14,909,313	\$ 14,475,114
Program funding	1,084,133	-	1,084,133	1,167,509
Utility programs	1,923,653	-	1,923,653	1,287,103
In-kind contributions	455,826	-	455,826	477,167
Contributions	326,215	-	326,215	230,986
Fundraising	32,544	-	32,544	39,303
Rental income	635,559	-	635,559	625,046
Interest income	923	-	923	643
Gain (loss) on disposal of property	2,225	-	2,225	(32,892)
Loss on write down of property held for sale	-	-	-	(255,492)
Other revenue	4,379	-	4,379	196,364
	<u>18,891,298</u>	<u>483,472</u>	<u>19,374,770</u>	<u>18,210,851</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>565,176</u>	<u>(565,176)</u>	<u>-</u>	<u>-</u>
	<u>19,456,474</u>	<u>(81,704)</u>	<u>19,374,770</u>	<u>18,210,851</u>
FUNCTIONAL EXPENSES				
Program Services:				
Agency Fund	1,047,356	-	1,047,356	950,639
Head Start	2,769,065	-	2,769,065	2,758,782
Guardianship	769,597	-	769,597	767,241
Transportation	991,504	-	991,504	918,089
Volunteer	94,845	-	94,845	118,408
Workforce Development	346,114	-	346,114	354,263
Carroll County Dental	653,810	-	653,810	747,474
Support Center	558,244	-	558,244	355,206
Homeless	800,148	-	800,148	714,066
Energy and Community Development	7,824,201	-	7,824,201	7,788,560
Elder	1,149,136	-	1,149,136	1,191,571
Housing Services	220,900	-	220,900	172,852
	<u>17,224,920</u>	<u>-</u>	<u>17,224,920</u>	<u>16,835,151</u>
Supporting Activities:				
General and administrative	1,062,613	-	1,062,613	1,032,207
Fundraising	2,880	-	2,880	9,895
	<u>1,065,493</u>	<u>-</u>	<u>1,065,493</u>	<u>1,042,102</u>
Total functional expenses	<u>18,290,413</u>	<u>-</u>	<u>18,290,413</u>	<u>17,877,253</u>
CHANGE IN NET ASSETS	1,166,061	(81,704)	1,084,357	333,598
NET ASSETS, BEGINNING OF YEAR	<u>3,399,192</u>	<u>678,254</u>	<u>4,077,446</u>	<u>3,743,848</u>
NET ASSETS, END OF YEAR	<u>\$ 4,565,253</u>	<u>\$ 596,550</u>	<u>\$ 5,161,803</u>	<u>\$ 4,077,446</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE**CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,084,357	\$ 333,598
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	436,197	448,556
(Gain) loss on disposal of property	(2,225)	32,892
Loss on write down of property held for sale	-	255,492
(Increase) decrease in assets:		
Accounts receivable	(48,769)	(117,426)
Pledges receivable	(75,856)	(18,954)
Inventories	(16,544)	1,683
Prepaid expenses	(43,845)	(8,397)
Increase (decrease) in liabilities:		
Accounts payable	(41,144)	(15,705)
Accrued compensated absences	39,700	958
Accrued salaries	(161,893)	23,444
Accrued expenses	47,780	(42,364)
Refundable advances	(15,694)	6,088
Other liabilities	252,787	211,027
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,454,851</u>	<u>1,110,892</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property	4,495	14,283
Purchases of property and equipment	<u>(273,711)</u>	<u>(95,588)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(269,216)</u>	<u>(81,305)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment on demand note payable	-	(516,022)
Repayment on long-term debt	(145,884)	(141,273)
Repayment on capital lease obligations	<u>(4,671)</u>	<u>(4,446)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(150,555)</u>	<u>(661,741)</u>
NET INCREASE IN CASH AND RESTRICTED CASH	1,035,080	367,846
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	<u>2,403,649</u>	<u>2,035,803</u>
CASH AND RESTRICTED CASH, END OF YEAR	<u>\$ 3,438,729</u>	<u>\$ 2,403,649</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	<u>\$ 131,879</u>	<u>\$ 152,078</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Property donated	<u>\$ -</u>	<u>\$ 18,830</u>

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023

	Agency Funds	Head Start	Aggravable	Transportation	Volunteer	Workforce Development	Carroll County Dental	Support Center	Homeless	Energy and Community Development	Elder	Housing Services	Total	General & Administrative	Fundraising	Total
Direct Expenses																
Payroll	\$ 236,843	\$ 1,437,343	\$ 505,953	\$ 465,819	\$ 57,338	\$ 189,867	\$ 253,488	\$ 287,574	\$ 374,238	\$ 1,141,718	\$ 498,173	\$ 17,920	\$ 5,432,474	\$ 648,437	\$ -	\$ 6,130,911
Payroll taxes and benefits	71,944	393,287	136,956	96,565	16,861	59,056	64,865	73,617	87,268	320,970	116,173	-	1,451,804	198,632	-	1,621,258
Assistance to clients	68,833	73	-	90,787	-	8,841	-	85,595	182,974	3,694,176	-	-	6,131,279	-	-	6,131,279
Consumable supplies	23,124	181,459	9,949	8,858	2,382	2,113	34,993	4,798	5,541	268,088	333,333	845	873,501	10,768	-	884,267
Space costs and rentals	7,487	180,093	40,811	15,258	4,151	62,790	-	8,578	25,016	128,812	52,347	-	823,175	70,855	-	636,030
Depreciation expense	159,309	61,571	-	50,182	-	-	43,680	12,070	1,433	36,263	3,453	67,388	455,310	3,157	-	436,487
In-kind expended	-	273,892	-	69,017	6,729	-	-	37,759	57,179	-	11,250	-	455,876	-	-	455,876
Consultants and contractors	2,288	9,412	3,848	-	-	-	198,772	-	-	325	19,448	-	234,009	13,749	-	247,756
Utilities	151,799	24,799	19,037	18,499	1,335	6,969	16,474	25,964	23,368	42,516	25,050	25,305	373,161	8,903	-	380,064
Travel and meetings	547	86,874	20,036	64,002	284	5,938	1,878	8,423	14,740	22,171	20,927	825	214,348	16,804	-	231,152
Other direct program costs	45,842	52,207	1,745	17,586	2,992	200	1,749	678	5,825	30,981	44,543	58,950	281,110	4,581	2,880	283,551
Fiscal and administrative	18,635	2,841	24,599	900	1,045	220	6,930	2,499	2,550	29,497	4,823	9,013	102,732	76,036	-	178,788
Building and grounds maintenance	91,663	27,273	110	5,103	-	-	6,924	8,557	4,657	731	2,355	18,843	108,216	-	-	168,216
Interest expense	107,855	780	525	71	8	-	21,942	102	-	1,863	-	-	132,766	531	-	133,297
Vehicle expense	5,445	-	-	95,866	-	-	-	-	-	70,863	-	-	181,178	-	-	181,178
Insurance	47,078	7,358	484	2,112	1,153	-	1,209	2,708	3,224	8,840	-	3,820	77,784	31,974	-	109,758
Maintenance of equipment and rental	5,737	51,006	5,772	1,649	557	-	5,541	1,922	115	15,770	12,856	20,150	120,473	9,161	-	129,636
Rented fees	1,310	-	-	-	-	-	1,585	-	1,883	1,506	1,805	-	7,874	7	-	7,891
Total Direct Expenses	1,047,336	2,768,065	789,587	991,504	84,845	348,114	653,610	558,244	800,148	7,824,201	1,149,138	220,800	17,224,920	1,062,613	2,880	18,290,413
Indirect Expenses																
Indirect costs	99,090	251,005	80,338	88,181	9,234	31,975	86,562	46,881	59,389	212,905	118,049	-	1,062,613	(1,062,613)	-	-
Total Direct & Indirect expenses	\$ 1,146,426	\$ 3,020,070	\$ 869,925	\$ 1,080,685	\$ 104,079	\$ 378,089	\$ 720,372	\$ 605,125	\$ 859,537	\$ 8,037,106	\$ 1,267,187	\$ 220,800	\$ 18,287,533	\$ -	\$ 2,880	\$ 18,290,413

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	Agency Fund	Head Start	Guardianship	Transportation	Volunteer	Workforce Development	Carroll County Dental	Support Center	Homeless	Energy and Community Development	Elder	Housing Services	Total	General & Administrative	Fundraising	Total	
Direct Expenses																	
Payroll	\$ 199,241	\$ 1,386,722	\$ 503,554	\$ 450,227	\$ 57,928	\$ 208,958	\$ 377,823	\$ 205,185	\$ 368,232	\$ 1,107,800	\$ 403,573	\$ 13,808	\$ 5,482,305	\$ 586,457	\$ -	\$ 6,058,762	
Payroll taxes and benefits	49,259	395,213	132,952	92,256	18,428	57,969	88,778	39,904	81,040	339,187	120,238	-	1,413,250	163,274	-	1,576,524	
Assistance to clients	22,359	-	-	-	-	710	-	13,831	154,600	5,984,754	-	-	5,788,314	-	-	5,788,314	
Consumable supplies	3,403	163,083	8,922	4,547	1,630	1,870	44,374	4,855	9,576	289,487	310,785	2,875	848,305	11,436	-	857,741	
Space costs and rentals	7,828	174,501	35,959	14,558	4,556	62,634	1,433	2,538	26,717	134,282	53,715	-	523,719	66,588	-	590,287	
Depreciation expense	169,653	59,684	-	67,574	-	-	42,753	10,827	2,113	24,977	2,899	67,309	447,689	3,157	-	450,826	
In-kind expended	-	321,063	-	53,625	27,450	-	-	13,030	16,435	-	45,081	-	477,167	-	-	477,167	
Consultants and contractors	20,400	32,828	2,312	524	-	-	129,464	-	-	1,112	35,678	-	222,318	16,029	-	238,347	
Utilities	168,297	25,312	17,501	18,843	1,287	8,252	10,138	25,905	21,891	32,877	24,372	26,181	378,636	5,708	-	384,344	
Travel and meetings	11,024	83,708	32,385	84,821	1,146	15,024	1,927	11,188	16,214	10,356	29,492	642	297,807	20,789	-	318,396	
Other direct program costs	2,535	24,813	500	18,084	4,792	25	1,584	2,557	2,103	22,928	55,591	24,224	157,896	9,225	9,895	176,816	
Fiscal and administrative	16,817	3,031	24,828	1,757	1,217	210	8,459	2,167	2,119	27,972	5,839	6,731	103,147	94,740	-	197,887	
Building and grounds maintenance	83,908	37,801	151	2,688	-	100	2,837	12,636	6,508	410	2,853	19,594	179,346	30	-	179,376	
Interest expense	117,585	345	1,358	175	-	-	29,821	-	22	3,607	52	-	152,965	853	-	153,818	
Vehicle expense	2,747	-	-	105,360	-	-	-	10	40	81,806	-	-	189,965	-	-	189,965	
Insurance	56,671	8,807	573	2,804	934	-	2,428	3,340	3,977	5,788	-	3,916	89,018	30,772	-	119,789	
Maintenance of equipment and rental	962	39,691	3,286	783	1,064	493	5,524	7,623	551	11,385	7,454	5,331	83,909	12,647	-	96,556	
Flood fees	6,223	-	-	-	-	-	1,153	-	2,088	800	1,421	-	13,817	422	-	14,239	
Total Direct Expenses	950,639	2,758,782	767,241	918,089	118,408	354,263	747,474	355,208	714,068	7,788,560	1,161,571	172,852	16,835,151	1,032,207	9,895	17,877,253	
Indirect Expenses																	
Indirect costs	96,345	241,157	77,672	83,262	8,286	32,348	73,753	33,961	53,864	214,251	114,307	-	1,032,207	(1,032,207)	-	-	
Total Direct & Indirect expenses	\$ 1,046,987	\$ 2,999,939	\$ 844,913	\$ 999,351	\$ 127,694	\$ 386,608	\$ 821,227	\$ 389,167	\$ 767,930	\$ 8,002,811	\$ 1,305,878	\$ 172,852	\$ 17,867,358	\$ -	\$ 9,895	\$ 17,877,253	

See Notes to Consolidated Financial Statements

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC. AND AFFILIATE

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Principles of Consolidation

The consolidated financial statements include the accounts of Tri-County Community Action Program, Inc. and its affiliate, Cornerstone Housing North, Inc. The two organizations are consolidated because Tri-County Community Action Program, Inc. controls 100% of the voting power of Cornerstone Housing North, Inc. All significant intercompany items and transactions have been eliminated from the basic financial statements. Tri-County Community Action Program, Inc. (the Organization) is a New Hampshire non-profit corporation that operates a wide variety of community service programs which are funded primarily through grants or contracts from various federal, state, and local agencies. Cornerstone Housing North, Inc. (Cornerstone) is a New Hampshire nonprofit corporation that was incorporated under the laws of the State of New Hampshire for the acquisition, construction and operation of community-based housing for the elderly.

Nature of activities

The Organization's programs consist of the following:

Agency

Tri-County CAP Administration provides central program management support and oversight to the Organization's many individual programs. This includes planning and budget development, bookkeeping and accounting, payroll and HR services, legal and audit services, IT support, management support, financial support and central policy development.

Tri-County CAP Administration is the liaison between Tri-County Community Action Program, Inc.'s, Board of Directors and its programs, ensuring that programs comply with agreements made by the Board to funding sources and vendors.

Other responsibilities include the management and allocation of funding received through a Community Services Block Grant, as well as management of the Organization's real estate property.

Head Start

Head Start provides comprehensive services to low-income children and their families. Head Start supports children's growth and development in a positive learning environment through a variety of activities as well as providing services, which include in addition to early learning, health and family well-being. All children receive health and development screenings, nutritious meals, oral health and mental health support. Parents and families are supported in achieving their own goals, such as housing stability, continued education, and financial stability.

Programs support and strengthen parent-child relationships as their child's primary educator. Head Start staff work as partners with parents to identify and provide individualized activities that support their child's growth and development.

Tri County Community Action Head Start serves approximately 250 children in Carroll, Coos & Grafton counties in 9 locations with 13 center-based classrooms and 1 home-based option.

Guardianship

The Organization's Guardianship program provides advocacy and guardian services for the vulnerable population of New Hampshire residents (developmentally disabled, chronically mentally ill, traumatic brain injury, and the elderly suffering from Alzheimer's, dementia, and multiple medical issues) who need a guardian and who have no family member or friend willing, able, or suitable to serve in that capacity. This program serves 413 individuals. Additional services include, conservatorship, representative payee-ship, federal fiduciary services, benefit management services and private probate accounting services.

Transportation

The Organization's transit program provides various transportation services: public bus routes, door-to-door service by request, long distance medical travel to medical facilities outside our regular service area, and special trips for the elderly to go shopping and enjoy other activities that are located outside the regular service area. The Organization's fleet of 17 wheelchair accessible vehicles offers transportation options to the elderly and disabled, as well as to the general public.

Volunteer

The Coos County Retired & Senior Volunteers Program (RSVP) maintains a minimum group of 393 volunteers, ages 55 and older, of which 225 actively served during the last reporting period. These volunteers share their skills, life experiences, and time with over 60 local non-profit and public agencies throughout Coos County that depend on volunteer assistance to meet the needs of their constituents. Our volunteers donate over 27,955 hours yearly.

Workforce Development

The Organization is assisting transitional and displaced workers as they prepare for new jobs, and also assisting currently-employed workers to gain the skills required for better jobs.

The Organization is helping to implement New Hampshire's Unified State Plan for Workforce Development, in line with the federal Workforce Investment Act. Workforce training programs, with training facilities in three towns, provide temporary assistance for needy families (TANF) recipients with 20-30 hours per week of training in the areas of employment skills, computer skills, and business experience, and also place participating TANF recipients in community-based work experience sites.

Carroll County Dental

Tamworth Dental Center (the Center) offers state of the art quality oral healthcare to uninsured families and individuals. The Center offers a full array of services including preventative, restorative, and oral surgery. The Center accepts most dental insurances, state insurances, and offers a sliding fee scale based on income ratio to federal poverty guidelines. The school-based project of the Center has undergone modifications necessary due to the pandemic. 9 outreach schools within the vicinity of the Center will be made. Education, treatments, and referrals will be made available.

Support Center

The Organization's Support Center at Burch House provides direct service and shelter to victims and survivors of domestic and sexual violence and stalking in Northern Grafton County. Support Center services are accessible 24 hours a day, 365 days a year. They include: crisis intervention; supportive counseling; court, hospital and policy advocacy and accompaniment; emergency shelter; support groups; community education and outreach; violence prevention programs for students; information, referrals and assistance accessing other community resources.

Homeless

Homeless services include an outreach intervention and prevention project that strives to prevent individuals and families from becoming homeless, and assists the already homeless in securing safe, affordable housing. The Organization provides temporary shelter space for homeless clients.

The Organization also provides some housing rehabilitation services to help preserve older housing stock.

Energy Assistance and Outreach

Energy Assistance Services provide fuel and electric assistance through direct pay to vendors or a discount on the client's bill. Community Contact sites allow local participants access to energy assistance programs and other emergency services. The offices provide information to the Organization's clients about other programs offered, as well as other programs available through other organizations in the community.

Low-Income Weatherization

The NH weatherization program helps low-income families, elderly, disabled, small children and individuals lower their home energy costs; increase their health, safety, and comfort; and improve the quality of living while improving housing stock in communities around the state utilizing energy cost saving, health and safety and carbon lowering measures. The NH Weatherization Assistance Program also creates local NH jobs.

Elder

The Organization's elder program provides senior meals in 14 community dining sites, home delivered meals (Meals on Wheels) to the frail and homebound elderly, and senior nutrition education and related programming. The Coos County ServiceLink Aging & Disability Resource Center assists with person-centered counseling, Medicare counseling, Medicaid assistance, long-term care counseling services, and caregiver supports.

Housing Services

Cornerstone Housing North, Inc. (Cornerstone) is subject to a Project Rental Assistance Contract (PRAC) with the United States Department of Housing and Urban Development (HUD), and a significant portion of their rental income is received from HUD.

Cornerstone includes a 12-unit apartment complex in Berlin, New Hampshire for the elderly. This operates under Section 202 of the National Housing Act and is regulated by HUD with respect to the rental charges and operating methods.

Cornerstone has a Section 202 Capital Advance. Under guidelines established by the U.S. Office of Management and Budget *Uniform Guidance, Title 2 U.S. Code of Federal Regulations (CFR) part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, the Section 202 Capital Advance is considered to be a major program. A separate audit of Cornerstone's compliance with its major federal program 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 of U.S. Code of Federal Regulations part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements of Federal Awards (Uniform Guidance)*. An unmodified opinion was issued.

Method of accounting

The consolidated financial statements of Tri-County Community Action Program, Inc. have been prepared utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this basis, revenue, other than contributions, and expenses are reported when incurred without regard to the date of receipt or payment of cash.

Basis of presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions include net assets that are not subject to any 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 board of directors.

Net assets with donor restrictions include net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

The Organization has net assets with donor restrictions of \$596,550 and \$678,254 at June 30, 2020 and 2019, respectively. See **Note 13**.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Support that is restricted is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as 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 statement of activities as net assets released from restrictions.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Most of the receivables are amounts due from federal and state awarding agencies and are based on reimbursement for expenditures made under specific grants or contracts. A portion of the accounts receivable balance represents amounts due from patients at Carroll County Dental program. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United State because the effects of the direct write off method approximate those of the allowance method. Management selects accounts to be written off after analyzing past payment history, the age of the accounts receivable, and collection rates for receivables with similar characteristics, such as length of time outstanding. The Organization does not charge interest on outstanding accounts receivable.

Property and Depreciation

Acquisitions of buildings, equipment, and improvements in excess of \$5,000 and all expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Buildings, equipment, and improvements are stated at cost less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets.

Depreciation expense related to assets used solely by an individual program is charged directly to the related program. Depreciation expense for assets used by more than one program is charged to the program based upon a square footage or other similar allocation.

Depreciation expense related to administrative assets is included in the indirect cost pool and charged to the programs in accordance with the indirect cost plan. Maintenance and repairs that do not materially prolong the useful lives of assets are charged to expense as incurred.

Estimated useful lives are as follows:

Buildings and improvements	20 to 40 years
Vehicles	5 to 8.5 years
Furniture and equipment	5 to 15 years

Client Rents and HUD Rent Subsidy

Cornerstone Housing North, Inc.'s rents are approved on an annual basis by the Department of Housing and Urban Development. Rental increases are prohibited without such approval. The clients are charged rent equal to 30% of their income less adjustments allowed by the Department of Housing and Urban Development. Rent subsidies are received from the Department of Housing and Urban Development for the difference between the allowed rents and the amounts received from the clients.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services or expenditures are performed or incurred. Funds received in advance of grantor conditions being met aggregated \$181,463 and \$197,157 as of June 30, 2020 and 2019, respectively.

Nonprofit tax status

The Organization is a *not-for-profit* Section 501(c)(3) organization in accordance with the Internal Revenue Code. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and qualifies for a charitable contribution deduction for individual donors. The Organization files information returns in the United States. The Organization's Federal Form 990 (Return of Organization Exempt from Income Tax), is subject to examination by the IRS, generally for three years after it is filed. The Organization is no longer subject to examinations by tax authorities for years prior to 2016.

The Organization follows FASB ASC, *Accounting for Uncertainty in Income Taxes*, which clarifies the accounting for uncertainty in income taxes and prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Organization does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized.

Cornerstone Housing North, Inc. is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Organization to be other than a private foundation within the meaning of Section 509(a).

Retirement plan

The Organization maintains a tax-sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees are eligible to contribute to the plan beginning on the date they are employed. Each employee may elect salary reduction agreement contributions in accordance with limits allowed in the Internal Revenue Code. Employer contributions are at the Organization's annual discretion. In January 2013, employer contribution payments ceased, therefore as of June 30, 2020 and 2019, there were no discretionary contributions recorded. Further information can be obtained from the Organization's 403(b) audited financial statements.

Donated services and goods

Contributions of donated services that create or enhance non-financial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Contributed noncash assets are recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as net assets with donor restrictions. In the absence of such stipulations, contributions of noncash assets are recorded as net assets without donor restrictions.

Donated property and equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at the net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. There were no unconditional promises to give that are expected to be collected in more than one year at June 30, 2020 and 2019.

As of June 30, 2020 and 2019, there were promises to give that were absent of donor stipulations, but restricted in regards to timing, and therefore classified as net assets with donor restrictions in the amount of \$307,017 and \$231,161, respectively. This amount is included in grants and contracts on the Consolidated Statement of Activities.

Use of estimates

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

Accounting Standards Codification No. 825 (ASC 825), *Disclosures of Fair Value of Financial Instruments*, requires the Organization to disclose fair values of its financial instruments. The carrying amount of the Organization's financial instruments which consists of cash, accounts receivable, deposits and accounts payable, approximate fair value because of the short-term maturity of those instruments.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

Program salaries and related expenses are allocated to the various programs and supporting services based on actual or estimated time employees spend on each function as reported on a timesheet.

Workers Compensation expenses are charged to each program based upon the classification of each employee and allocated to the various program based upon the time employees spend on each function as noted above.

Paid Leave is charged to a leave pool and is allocated to each program as a percentage of total salaries.

Fringe Benefits are charged to a Fringe Benefit Pool. These expenses include employer payroll taxes, pension expenses, health and dental insurance and unemployment compensation. The pool is allocated to each program based upon a percentage of salaries.

Depreciation expense is allocated to each program based upon specific assets used by the program and is reported as depreciation expense on the statements of functional expenses.

Other occupancy expenses are applicable to assets which are used by multiple programs. Buildings are primarily charged to the benefiting program based upon an analysis of square footage. Costs related to a building include depreciation, insurance, utilities, building maintenance, etc. These costs are reported as space costs on the statements of functional expenses.

Insurance: automobile insurance is allocated to programs based on vehicle usage; building liability insurance is allocated to programs based on square footage of the buildings; and insurance for furniture and equipment is allocated to programs using the book basis of the insured assets.

The remaining shared expenses are charged to an Indirect Cost Pool and are allocated to each program based upon a percentage of program expenses. The expenses include items such as administrative salaries, general liability insurance, administrative travel, professional fees and other expenses which cannot be specifically identified and charged to a program.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The proposal, effective for the fiscal year beginning July 1, 2019, received provisional approval and is effective, until amended, at a rate of 12%. Per the agreement with the U.S. Department of Health and Human Services, the Organization's final rate for the year ended June 30, 2019 was 10.4%. The actual rate for the year ended June 30, 2020 was approximately 10.82%, which is allowable because it is less than the provisional rate.

Advertising policy

The Organization uses advertising to inform the community about the programs it offers and the availability of services. Advertising is expensed as incurred. The total cost of advertising for the years ended June 30, 2020 and 2019 was \$25,483 and \$11,698, respectively.

Debt Issuance Costs

During the year ended June 30, 2019, the Organization retrospectively adopted the provisions of the FASB Accounting Standards Update (ASU) No. 2015-03, "*Simplifying the Presentation of Debt Issuance Costs*." The ASU is limited to simplifying the presentation of debt issuance costs, and the recognition and measurement guidance for debt issuance costs is not affected by the ASU. Amortization expense of \$887 has been included with interest expense in the consolidated statements of functional expenses for both 2020 and 2019.

New Accounting Pronouncement

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (230): Restricted Cash (ASU 2016-18). The amendments address diversity in practice that exists in the classification and presentation of changes in restricted cash on the statement of cash flows. The amendments require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling beginning-of-period and end-of-period total amounts shown on the statement of cash flows. ASU 2016-18 is effective for the Organization's fiscal year ending June 30, 2020 and has been applied retrospectively to all periods presented.

During the year ended June 30, 2020, the Organization adopted the provisions of FASB ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958). This accounting standard is meant to help not-for-profit entities evaluate whether transactions should be accounted for as contributions or as exchange transactions and, if the transaction is identified as a contribution, whether it is conditional or unconditional. ASU 2018-08 clarifies how an organization determines whether a resource provider is receiving commensurate value in return for a grant. If the resource provider does receive commensurate value from the grant recipient, the transaction is an exchange transaction and would follow the guidance under ASU 2014-09 (FASB ASC Topic 606). If no commensurate value is received by the grant maker, the transfer is a contribution. ASU 2018-08 stresses that the value received by the general public as a result of the grant is not considered to be commensurate value received by the provider of the grant. Results for reporting the years ending June 30, 2020 and 2019 are presented under FASB ASU 2018-08. The comparative information has not been restated and continues to be reported under the accounting standards in effect in those reporting periods. There was no material impact to the financial statements as a result of adoption. Accordingly, no adjustment to opening net assets was recorded.

Other Matters

The impact of the novel coronavirus (COVID-19) and measures to prevent its spread are affecting the Organization's business. The significance of the impact of these disruptions, including the extent of their adverse impact on the Organization's financial operational results, will be dictated by the length of time that such disruptions continue and, in turn, will depend on the currently unknowable duration of the COVID-19 pandemic and the impact of governmental regulations that might be imposed in response to the pandemic. COVID-19 also makes it more challenging for management to estimate future performance of the Organization, particularly over the near to medium term.

NOTE 2. LIQUIDITY AND AVAILABILITY

The following represents the Organization's financial assets as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Financial assets at year-end:		
Cash and cash equivalents, undesignated	\$ 2,257,081	\$ 1,400,750
Accounts receivable	1,322,852	1,274,083
Pledges receivable	<u>307,017</u>	<u>231,161</u>
Total financial assets	<u>3,886,950</u>	<u>2,905,994</u>

Less amounts not available to be used within one year:		
Net assets with donor restrictions	596,550	678,254
Less net assets with time restrictions to be met in less than a year	<u>(410,015)</u>	<u>(565,176)</u>
Amounts not available within one year	<u>186,535</u>	<u>113,078</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 3,700,415</u>	<u>\$ 2,792,916</u>

It is the Organization's goal to maintain financial assets to meet 60 days of operating expenses which approximates \$2,860,000 and \$2,786,000 respectively, at June 30, 2020 and 2019.

NOTE 3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less. At year end and throughout the year, the Organization's cash balances were deposited with multiple financial institutions. At June 30, 2020 and 2019, the balances in interest and non-interest-bearing accounts were insured by the FDIC up to \$250,000. At June 30, 2020 and 2019, there was approximately \$2,653,000 and \$1,750,000, respectively, of deposits held in excess of the FDIC limit. Management believes the Organization is not exposed to any significant credit risk on cash and cash equivalents and considers this a normal business risk.

The following table provides a reconciliation of cash and restricted cash reported within the statements of financial position that sum to the total in the statements of cash flows as of June 30:

	<u>2020</u>	<u>2019</u>
Cash, operations	\$ 2,257,081	\$ 1,400,750
Restricted cash, current	796,937	583,963
Restricted cash, long term	<u>384,711</u>	<u>418,936</u>
Total cash and restricted cash	<u>\$ 3,438,729</u>	<u>\$2,403,649</u>

Cash Restrictions

The Organization is required to maintain a deposit account with a bank as part of the loan security agreement disclosed at Note 7. It is required to maintain a balance of \$19,968 in the account, which is restricted from withdrawal except to make payments of debt service or as approved by the US Department of Agriculture.

Amounts withdrawn to make payments of debt service must be replenished with monthly deposits until the maximum required deposit balance is achieved. The balance as of June 30, 2020 and 2019 was \$20,040 and \$20,010, respectively. The Organization has made all of their scheduled deposits for the years ended June 30, 2020 and 2019. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization is required to maintain a deposit account with another bank as part of a bond issue (see bond payable in Note 7). The required balance in the account is \$173,817 and is equal to 12 monthly payments. The balance as of June 30, 2020 and 2019 was \$174,626 and \$174,451, respectively, and the Organization was in compliance with this requirement. These amounts are included in restricted cash on the Statements of Financial Position.

The Organization maintains a deposit account on behalf of clients who participate in the Guardianship Services Program. The balance in the account is restricted for use on behalf of these clients and an offsetting liability is reported on the financial statements as other current liabilities. The total current liability related to this restriction at June 30, 2020 and 2019 was \$796,937 and \$583,963, respectively. These amounts are included in other liabilities on the Statements of Financial Position. The total restricted cash within this account at June 30, 2020 and 2019 was \$796,937 and \$583,963, respectively, and is included in the restricted cash balance on the Statements of Financial Position.

At June 30, 2019, the Organization had \$45,198 in restricted cash relating to the property that is held for sale at year end. This was donated to another non-profit Organization during the year ended June 30, 2020.

Certain cash accounts related to Cornerstone Housing North, Inc. are restricted for certain uses in the Organization under rules and regulations prescribed by the Department of Housing and Urban Development. The total amount restricted at June 30, 2020 and 2019 was \$190,045 and \$179,277, respectively. See Note 15.

NOTE 4. INVENTORY

In 2020 and 2019, inventory included weatherization materials which had been purchased in bulk. These items are valued at the most recent cost. A physical inventory is taken annually. Cost is determined using the first-in, first-out (FIFO) method. Inventory at June 30, 2020 and 2019, consists of weatherization materials totaling \$102,430 and \$85,886, respectively.

NOTE 5. ACCRUED EARNED TIME

For the years ending June 30, 2020 and 2019, employees of the Organization were eligible to accrue vacation for a maximum of 160 hours. At June 30, 2020 and 2019, the Organization had accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$243,779 and \$204,079, respectively.

NOTE 6. PROPERTY

Property consists of the following at June 30, 2020:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$ 9,810,288	\$ 3,753,302	\$ 6,056,986
Equipment	2,105,950	1,848,642	257,308
Construction in progress	4,727	-	4,727
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,344,805</u>	<u>\$ 5,601,944</u>	<u>\$ 6,742,861</u>

Property consists of the following at June 30, 2019:

	<u>Capitalized Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Building	\$ 9,709,749	\$ 3,469,618	\$ 6,240,131
Equipment	1,950,063	1,708,917	241,146
Construction in progress	2,500	-	2,500
Land	<u>423,840</u>	<u>-</u>	<u>423,840</u>
	<u>\$12,086,152</u>	<u>\$ 5,178,535</u>	<u>\$ 6,907,617</u>

The Organization has use of computers and equipment which are the property of state and federal agencies under grant agreements. The equipment, whose book value is immaterial to the financial statements, is not included in the Organization's property and equipment totals.

Depreciation expense for the years ended June 30, 2020 and 2019 totaled \$435,310 and \$447,669, respectively.

The Organization has property held for sale at June 30, 2020 and 2019 amounting to \$47,000, which is classified as a current asset in the accompanying consolidated statements of financial position. The total loss on the write down to market value of this property was \$255,492 in 2019.

NOTE 7. LONG TERM DEBT

The long term debt of the Organization as of June 30, 2020 and 2019 consisted of the following:

	<u>2020</u>	<u>2019</u>
Note payable with the USDA requiring 360 monthly installments of \$1,664, including interest at 5% per annum. Secured by general business assets. Final installment due January 2027.	\$ 110,824	\$ 124,867
Note payable with a bank requiring 120 monthly installments of \$3,033, including interest at 4.69% per annum. Secured by first mortgages on two commercial properties. Final installment due April 2021.	307,719	328,896
Note payable with a bank requiring 60 monthly installments of \$459, including interest at 5% per annum. This note was an unsecured line of credit that was converted to a term loan during the year ended June 30, 2016. Final installment due April 2021.	4,478	9,618
Note payable to a financing company requiring 72 monthly installments of \$312, including interest at 5.49% per annum. Secured by the Organization's vehicle. Final installment due August 2021.	4,228	7,642
Note payable to a financing company requiring 72 monthly installments of \$313, including interest at 5.54% per annum. Secured by the Organization's vehicle. Final installment due July 2021.	3,948	7,385
Note payable to a financing company requiring 60 monthly installments of \$143, including interest at 5.99% per annum. Secured by the Organization's vehicle. Final installment due November 2020.	705	2,331
Note payable to a financing company requiring 72 monthly installments of \$248, including interest at 6.10% per annum. Secured by the Organization's vehicle. Final installment due February 2023.	7,294	9,739
Note payable with a bank requiring 60 monthly installments of \$2,512, including interest at 5.51% per annum. Secured by second mortgage on commercial property. Final balloon payment is due in March 2023.	387,227	395,429

	<u>2020</u>	<u>2019</u>
Bond payable with a bank requiring monthly installments of \$14,485, including interest of 2.75% plus the bank's internal cost of funds multiplied by 67% with an indicative rate of 3.28%. Secured by first commercial real estate mortgage on various properties and assignments of rents at various properties. Final installment due August 2040.	2,547,308	2,634,595
Cornerstone Housing North, Inc. capital advance due to the Department of Housing and Urban Development. This capital advance is not subject to interest or principal amortization and will be forgiven after 40 years, or in August 2047.	1,617,600	1,617,600
Cornerstone Housing North, Inc. mortgage payable due to New Hampshire Housing Finance Authority. The mortgage is not subject to interest or principal amortization. Payments are deferred for 40 years, final payment due in August 2047.	<u>250,000</u>	<u>250,000</u>
Total long term debt before unamortized debt issuance costs	5,241,331	5,388,102
Unamortized deferred financing costs	<u>(10,931)</u>	<u>(11,818)</u>
Total long term debt	5,230,400	5,376,284
Less current portion due within one year	<u>(437,843)</u>	<u>(148,449)</u>
	<u>\$ 4,792,557</u>	<u>\$ 5,227,835</u>

The scheduled maturities of long-term debt as of June 30, 2020 were as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2021	\$ 437,843
2022	123,107
2023	485,399
2024	118,243
2025	122,486
Thereafter	<u>3,954,253</u>
	<u>\$ 5,241,331</u>

As described at **Note 3**, the Organization is required to maintain a reserve account with a bank for the first two notes payable listed above.

NOTE 8. CAPITAL LEASE OBLIGATIONS

During the year ended June 30, 2016, the Organization leased a phone system and copier under the terms of capital leases, expiring in November 2020 and March 2021, respectively. During the year ended June 30, 2017, the Company leased an additional copier under the terms of a capital lease, expiring in May 2021. The assets and liabilities under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over their estimated lives.

The obligations included in capital leases at June 30, 2020 and 2019, consisted of the following:

	<u>2020</u>	<u>2019</u>
Lease payable to a financing company with monthly installments of \$208 for principal and interest at 9.5% per annum. The lease is secured by the phone system and will mature in November 2020.	\$ 1,213	\$ 3,291
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.841% per annum. The lease is secured by a copier and will mature in March 2021.	944	2,261
Lease payable to a financing company with monthly installments of \$122 for principal and interest at 8.918% per annum. The lease is secured by a copier and will mature in May 2021.	<u>1,397</u>	<u>2,673</u>
	3,554	8,225
Less current portion	<u>(3,554)</u>	<u>(4,870)</u>
	<u>\$ -</u>	<u>\$ 3,355</u>

The scheduled maturities of capital lease obligations as of June 30, 2020 were as follows:

<u>Year ending</u> <u>June 30</u>	<u>Amount</u>
2021	<u>\$ 3,554</u>

NOTE 9. DEMAND NOTE PAYABLE

The Organization has available a \$750,000 line of credit with its primary financial institution which is secured by real estate mortgages and assignments of leases and rents on various properties as disclosed in the line of credit agreement. Borrowings under the line bear interest at 5.00% per annum. There was no balance outstanding at June 30, 2020 and 2019. The line is subject to renewal each January.

The Organization was issued an unsecured revolving line of credit in 2014 with the New Hampshire Department of Administration Services. The Organization was not required to make payments of interest or principal prior to maturity. The unsecured revolving line of credit was paid off in full during the year ended June 30, 2019.

NOTE 10. OPERATING LEASES

The Organization has entered into numerous lease commitments for space. Leases under non-cancelable lease agreements have various starting dates, lengths, and terms of payment and renewal. Additionally, the Organization has several facilities which are leased on a month to month basis. For the years ended June 30, 2020 and 2019, the annual rent expense for leased facilities totaled \$181,004 and \$181,127, respectively.

Future minimum lease payments under non-cancelable operating leases having initial terms in excess of one year as of June 30, 2020, are as follows:

<u>Years ending June 30</u>	<u>Amount</u>
2021	\$ 127,803
2022	<u>7,321</u>
	<u>\$ 135,124</u>

NOTE 11. IN-KIND CONTRIBUTIONS

The Organization records the value of in-kind contributions according to the accounting policy described in Note 1. The Head Start, transportation and elder programs rely heavily on volunteers who donate their services to the Organization. These services are valued based upon the comparative market wage for similar paid positions.

The Organization is also the beneficiary of a donation of in kind in the form of below market rent for some of the facilities utilized by the Head Start and elder programs. The value of the in-kind rent is recorded at the difference between the rental payment and the market rate for the property based upon a recent appraisal.

Many other individuals have donated significant amounts of time to the activities of the Organization. The financial statements do not reflect any value for these donated services since there is no reliable basis for making a reasonable determination.

NOTE 12. CONCENTRATION OF RISK

Tri-County Community Action Program, Inc. receives a majority of its support from federal and state governments. For the years ended June 30, 2020 and 2019, approximately \$14,380,020 (74%) and \$13,951,828 (77%), respectively, of the Organization's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant impact on the Organization's programs and activities.

Cornerstone Housing North, Inc. receives a large majority of its support from the U.S. Department of Housing and Urban Development. For the years ended June 30, 2020 and 2019, approximately 68% and 69%, respectively, of the Organizations total revenue was derived from the U.S. Department of Housing and Urban Development. In the absence of additional revenue sources, the future existence of Cornerstone Housing North, Inc. is dependent upon the funding policies of the U.S. Department of Housing and Urban Development.

The majority of Cornerstone Housing North, Inc.'s assets are apartment projects, for which operations are concentrated in the elderly person's real estate market. In addition, the Organization operates in a regulated environment. The operation of the Organization is subject to administrative directives, rules and regulations of federal, state and local regulatory agencies, including, but not limited to, HUD. Such administrative directives, rules and regulations are subject to change by an act of Congress or an administrative change mandated by HUD. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the administrative burden, to comply with the change.

NOTE 13. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following specific program services as of June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Temporary Municipal Funding	\$ 307,017	\$ 231,161
FAP	102,998	117,470
Restricted Buildings	85,713	87,541
DOE	46,287	-
FAP/EAP	24,350	11,290
Loans - HSGP	22,029	19,907
RSVP Program Funds	5,887	7,056
Donations to Maple Fund	1,571	1,571
RSVP – Matter to Balance	500	-
Loans - HHARLF	104	-

BWP/HRRP Program	94	-
10 Bricks Shelter Funds	-	142,190
Support Center	-	25,939
Weatherization	-	25,000
Senior Meals	-	5,130
Head Start	-	3,999
		<u> </u>
Total net assets with donor restrictions	<u>\$ 596,550</u>	<u>\$ 678,254</u>

NOTE 14. COMMITMENTS AND CONTINGENCIES

Grant Compliance

The Organization receives funds under several federal and state grants. Under the terms of the grants the Organization is required to comply with various stipulations including use and time restrictions. If the Organization was found to be noncompliant with the provisions of the grant agreements, the Organization could be liable to the grantor or face discontinuation of funding.

Environmental Contingencies

On March 30, 2009, the Organization's Board of Directors agreed to secure ownership of a 1.2-acre site located in Berlin, New Hampshire. There are 2 buildings on this site designated as the East Wing and West Wing Buildings which were formerly used as a research and development facility for the Berlin Mills Company.

The exterior soil and interior parts of the East Wing Building contained contaminants which required environmental remediation. In a letter dated May 2, 2012, the State of New Hampshire Department of Environment Services (the Department) noted that the remedial actions for the exterior soils and parts of the East Wing Building had been completed to the Department's satisfaction.

In addition, the Department noted that the contaminants related to the West Wing Building did not pose an exposure hazard to site occupants, area residents, and the environment, provided the West Wing Building is maintained to prevent further structural deterioration. If further deterioration occurs and contaminants are released into the environment, the Organization could be required to take additional action including containment and remediation.

Loss Contingencies

During the year ended June 30, 2018, legal actions were brought against the Organization. Due to the uncertainty of the outcome of such cases as of June 30, 2020, as well as the uncertainty of the Organization's potential liability, no amount has been accrued by the Organization at this time.

NOTE 15. REPLACEMENT RESERVE AND RESIDUAL RECEIPTS ACCOUNTS

Under Cornerstone Housing North, Inc.'s regulatory agreement with HUD, the Organization is required to set aside amounts into a replacement reserve for the replacement of property and other project expenditures approved by HUD. HUD-restricted deposits of \$155,278 and \$129,407 were held in a segregated account at June 30, 2020 and 2019, respectively. HUD-restricted deposits generally are not available for operating purposes.

Cornerstone Housing North, Inc.'s use of the residual receipts account is contingent upon HUD's prior written approval. Residual receipts of \$31,049 and \$46,514 were held in a segregated account for the years ended June 30, 2020 and 2019, respectively.

HUD has initiated policies to recapture funds built up in residual receipts accounts upon renewal of the Organization's project rental assistance contract. The policies direct that the amounts in excess of certain limits in the residual receipts account be (a) used to offset rent subsidies due from HUD under HAP contracts, or (b) remitted directly to HUD. The policies generally require project owners to limit the monies accumulated in the residual receipts account to \$250 per unit.

In accordance with the policy noted above, subsequent to year end the Organization was required to remit funds to HUD totaling \$31,412. In addition to the funds remitted, HUD approved the Organization to withdraw \$11,852 from the residual receipts account for equipment.

NOTE 16. RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

NOTE 17. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Non-recognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 28, 2020, the date the financial statements were available to be issued.

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND NON-FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Health and Human Services</u>				
Head Start	93.600		01CH10000-05-00	\$ 1,595,937
Head Start	93.600		01CH10000-06-00	1,042,772
			TOTAL	<u>2,638,209</u>
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-1991NHLEIA	120,562
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-20B1NHLEIA	5,404,284
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-19B1NHLEIA 1056420	84,885
Low-Income Home Energy Assistance	93.568	State of New Hampshire Office of Energy and Planning	G-20B1NHLEIA 1056420	246,833
			TOTAL	<u>5,856,564</u>
<u>AGING CLUSTER</u>				
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (SEAS)	93.044	State of New Hampshire Office of Energy and Planning	18AANHT3SS	7,247
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers (Sr. Wheels)	93.044	State of New Hampshire Department of Health and Human Services	512-500352	122,681
			TOTAL	<u>129,928</u>
Special Programs for the Aging - Title III, Part C - Nutrition Services (Congregate & HD Meals)	93.045	State of New Hampshire Department of Health and Human Services	541-500388	279,797
Nutrition Services Incentive Program (NSIP)	93.053	State of New Hampshire Department of Health and Human Services	NONE	95,471
			CLUSTER TOTAL	<u>505,196</u>
Community Services Block Grant	93.569	State of New Hampshire Department of Health and Human Services	102-500731	<u>681,308</u>
<u>TANF CLUSTER</u>				
Temporary Assistance for Needy Families (NHEP Workplace Success)	93.558	Southern New Hampshire Services, Inc.	16-DHHS-BWW-CSP-05	318,892
Temporary Assistance for Needy Families (JARC)	93.558	State of New Hampshire Department of Health and Human Services	1802NHTANF	24,800
			CLUSTER TOTAL	<u>343,792</u>
HIV Care Formula Grants (Ryan White Care Program)	93.917	State of New Hampshire Department of Health and Human Services	530-500371	<u>8,495</u>
Social Services Block Grant (Title XX I&R)	93.867	State of New Hampshire Department of Health and Human Services	545-500387	111,196
Social Services Block Grant (Title XX HD)	93.867	State of New Hampshire Department of Health and Human Services	544-500386	84,819
Social Services Block Grant (Guardianship)	93.867	State of New Hampshire Department of Health and Human Services	102-500731	13,695
			TOTAL	<u>209,710</u>
Promoting Safe and Stable Families/Family Violence Prevention and Services/Discretionary	93.556 & 93.592	State of New Hampshire Coalition against Domestic and Sexual Violence	SPIRDV	<u>53,401</u>
Preventative HHS Block Grant & Injury Prevention and Control Research	93.136 & 93.758	State of New Hampshire Coalition against Domestic and Sexual Violence	SVP	<u>2,602</u>
Projects for Assistance in Transition from Homelessness (PATH)	93.150	State of New Hampshire Bureau of Homelessness and Housing	05-95-42-423010-7926	<u>59,029</u>
Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	State of New Hampshire Department of Health and Human Services		<u>20,000</u>
Total U.S. Department of Health and Human Services				<u>\$ 10,378,306</u>

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
<u>U.S. Department of Energy</u> Weatherization Assistance for Low-Income Persons	81.042	State of New Hampshire Governor's Office of Energy & Community Services	EE0007935	\$ <u>485,349</u>
Total U.S. Department of Energy				\$ <u>485,349</u>
<u>U.S. Corporation for National and Community Service</u> Retired and Senior Volunteer Program	94.002		19SRANH001	\$ <u>76,072</u>
Total U.S. Corporation for National and Community Service				\$ <u>76,072</u>
<u>U.S. Department of Agriculture</u> Child and Adult Care Food Program	10.558	State of New Hampshire Department of Education	NONE	\$ <u>159,225</u>
Total U.S. Department of Agriculture				\$ <u>159,225</u>
<u>U.S. Department of Homeland Security</u> Emergency Food & Shelter Program (FEMA)	97.024			\$ <u>29,388</u>
Emergency Management Performance Grants (FEMA)	97.042	State of New Hampshire Department of Safety	EMB-2017-EP-00005-S01	<u>43,082</u>
Total U.S. Department of Homeland Security				\$ <u>72,470</u>
<u>U.S. Department of Justice</u> Crime Victim Assistance (VOCA)	16.575	State of New Hampshire Coalition against Domestic and Sexual Violence	NONE	\$ <u>224,910</u>
Sexual Assault Services Formula Program (SASP)	16.017	State of New Hampshire Coalition against Domestic and Sexual Violence	2018-KF-AX-0043	<u>16,306</u>
OVW Technical Assistance Initiative	16.526	Grafton County Court	OVW-2016-13829	<u>61,303</u>
Total U.S. Department of Justice				\$ <u>302,519</u>
<u>U.S. Department of Transportation</u> Formula Grants for Rural Areas (Section 5311)	20.509	State of New Hampshire Department of Transportation	NH-18-X046	\$ <u>515,335</u>
TRANSIT SERVICES PROGRAMS CLUSTER Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of New Hampshire Department of Transportation	NH-65-X006	<u>18,034</u>
				CLUSTER TOTAL <u>18,034</u>
Total U.S. Department of Transportation				\$ <u>533,369</u>
<u>U.S. Department of Housing and Urban Development</u> Emergency Solutions Grant Program	14.231	State of New Hampshire Department of Health and Human Services	102-500731	\$ <u>100,862</u>
Continuum of Care Program (HOIP)	14.267	State of New Hampshire Department of Health and Human Services	SS-2019-61+HS-01-Coord-4	<u>182,876</u>
Continuum of Care Program (HOIP)	14.267	State of New Hampshire Department of Health and Human Services	NH-0020L111108	<u>72,548</u>
				TOTAL <u>255,424</u>
Total U.S. Department of Housing and Urban Development				\$ <u>356,086</u>

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S IDENTIFYING NUMBER	FEDERAL EXPENDITURES
U.S. Department of Labor				
WIA/WIOA CLUSTER				
WIA/WIOA Adult Program	17.258	Southern New Hampshire Services, Inc.	2016-0004	\$ 38,748
WIA/WIOA Dislocated Worker Formula Grants	17.278	Southern New Hampshire Services, Inc.	2016-0004	<u>22,212</u>
Total U.S. Department of Labor			CLUSTER TOTAL	\$ 60,960
U.S. Department of the Treasury				
Coronavirus Relief Fund				
Coronavirus Relief Fund	21.019	State of NH Department of HHS, Division of LT Supports and Services		\$ 89,460
Coronavirus Relief Fund	21.019	Governor's Office of Emergency Relief and Recovery COVID - 19 Long Term Care Stabilization Program		<u>35,400</u>
Total U.S. Department of the Treasury				<u>\$ 124,820</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS				\$ 12,529,278
NON-FEDERAL				
New Hampshire Public Utilities Company - Home Energy Assistance				<u>\$ 1,839,855</u>

NOTE A - BASIS OF PRESENTATION

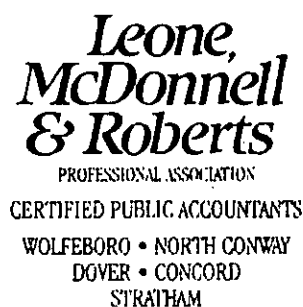
The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Tri-County Community Action Program, Inc. under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements 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 Tri-County Community Action Program, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE B - 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 Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE C - INDIRECT RATE

Tri-County Community Action Program Inc. has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.



TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

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

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, 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 financial statements of Tri-County Community Action Program, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 28, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

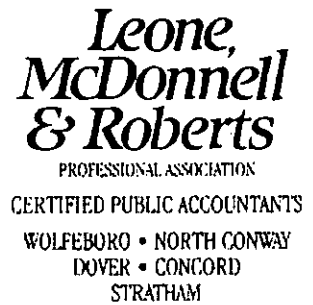
As part of obtaining reasonable assurance about whether Tri-County Community Action Program Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could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

Purpose of this Report

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

*Leone McDannell & Roberts
Professional Association*

October 28, 2020
North Conway, New Hampshire



TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

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

To the Board of Directors of
Tri-County Community Action Program, Inc.
Berlin, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited Tri-County Community Action Program Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Tri-County Community Action Program Inc.'s major federal programs for the year ended June 30, 2020. Tri-County Community Action Program Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Tri-County Community Action Program Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and 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 Tri-County Community Action Program Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Tri-County Community Action Program Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Tri-County Community Action Program, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of Tri-County Community Action Program, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Tri-County Community Action Program Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 Tri-County Community Action Program, Inc.'s internal control over compliance.

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

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

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

*Seone McDonnell & Roberts
Professional Association*

October 28, 2020
North Conway, New Hampshire

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2020**

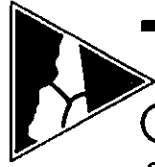
1. The auditors' report expresses an unmodified opinion on the financial statements of Tri-County Community Action Program, Inc.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Tri-County Community Action Program, Inc. which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs during the audit are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance in Accordance with the Uniform Guidance*.
5. The auditors' report on compliance for the major federal award programs for Tri-County Community Action Program, Inc. expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with 2 CFR 200.516(a) are reported in this Schedule.
7. The programs tested as major programs included:
 - U.S. Dept. of Health & Human Services, LIHEAP – CFDA #93.568
 - U.S. Dept. of Health & Human Services, CSBG – CFDA #93.569
 - New Hampshire Public Utilities Company, Home Energy Assistance (non-Federal)
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Tri-County Community Action Program, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None



TRI-COUNTY COMMUNITY ACTION

Serving Coös, Carroll & Grafton Counties since 1965

Helping People. Changing Lives.

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FY2021

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Sandy Alonzo

Carroll County

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Anne Barber

Grafton County

Linda Massimilla

Secretary

Tricia Garrison

Karolina Brzozowska

Richard Mcleod

Treasurer

George Sykes

Jeanne L. Robillard

CORE STRENGTHS

Program development, management and administration • Community collaborations
Development of policy, protocol, and service delivery to meet funder standards
Grant writing and management • Budget performance and financial reporting
Innovative solutions & problem solving • Capacity building
Professional presentations • Public speaking
Dedication • Imagination • Determination • Fortitude

PROFESSIONAL EXPERIENCE

Tri-County Community Action Programs, Inc.
Chief Executive Officer
Berlin, NH 2018 - current FT employment

Tri-County Community Action Programs, Inc.
Chief Operating Officer
Berlin, NH 2016 - 2018

Responsible for the operations of six agency Divisions with 15 individual programs that provide over 60 consumer services across three counties of Northern New Hampshire. Essential duties include; supervision of Division Directors, oversee and monitor program resources, revenues, expenditures and budget performance; tactical oversight of programs to meet or exceed agency defined strategic goals; develop and implement strategies to improve individual programs and overall agency program and fiscal performance; oversee and lead special projects such as the Annual Report, Strategic Plan, Community Needs Assessment process, and work with Senior Management Team to develop new service initiatives. Provide tactical guidance to Division Directors to trouble shoot issues and problems in the daily operations of programs.

Tri-County Community Action Programs, Inc.
Division Director: TCCAP Prevention Services
Berlin, NH 2015- 2016

Responsible for four agency programs under the umbrella of TCCAP Prevention Services; oversee division resources, revenues, and expenditures and monitor budget performance; general oversight of programs to meet or exceed agency defined strategic goals; supervise program directors; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and agency; develop fundraising and marketing strategies for programs; represent program through participation in state and local initiatives relative to program/division goals and service delivery; collaborate with stakeholders and elected officials, including presenting legislative testimony.

Tri-County Community Action Programs, Inc.
Program/Division Director: Support Center at Burch House
Littleton, New Hampshire 2007- 2015

Oversee daily operation and supervision of domestic and sexual violence crisis center and residential shelter; write grants to support programs, monitor results, and prepare grant reports and financial statements for funders and parent agency; oversee program resources, revenues and expenditures, and monitor budget performance and progress toward strategic goals; create and direct victim advocacy programs to ensure compliance with grant deliverables and applicable state and federal law; develop fundraising and marketing strategies; participate in state and local collaborations to enhance victim services; represent program in state and federal victim service initiatives, including presentation of legislative testimony; create and present trainings for medical and legal professionals on legal standards and best practices for victim services.

Bookkeeper: Women's Rural Entrepreneurial Network (WREN)**Bethlehem, NH current PT employment**

Responsible for grant fiscal tracking, reporting, funds release and account transfers, bi-weekly payroll and 941 payments, accounts payable and receivable, month end reconciliations for bank accounts, credit cards, petty cash, retail and market sales; monthly POS/QB reconciliation for three retail locations, preparing monthly cash flow, forecasts, and standard fiscal reports for Board of Directors.

Tri-County Community Action Programs, Inc.**Direct Services/Volunteer Coordinator: Support Center at Burch House****Littleton, New Hampshire 1997 to 2007**

Provide advocacy and direct service to victims of domestic and sexual violence; supervise court advocacy programs; recruit, train and supervise staff, volunteers, and interns; develop agency systems, policies and protocols; create and present community outreach presentations and campaigns; present school-based violence prevention classes for grades K-12; provide on-call coverage of crisis line

Director: Haverhill Area Juvenile Diversion Program**Woodsville, New Hampshire 1999-2001**

Recruit, train, and supervise volunteer diversion committees; establish community programming for diverted youth; supportive counseling of youth; maintain collaborative relationships between the court system, juvenile service officers, local police departments, and diversion program; prepare and file court reports on diverted youth; community outreach and education

Counselor/Title I Teacher: Northern Family Institute-Jefferson Shelter**Jefferson, New Hampshire 1996-1999**

Provide individual supportive counseling to adjudicated youth, facilitate peer support groups, develop and implement treatment plans and case management services to clients, supervise and tutor youth in classroom setting, supervise youth in daily living skills

Education**BS in Human Services, Springfield College School of Human Services, Boston, MA**

Criminal Justice Concentration, *Graduated with 4.0 GPA*

AS in Drug and Alcohol Rehabilitation Counseling (DARC Program)

Southern Connecticut Community College, New Haven, CT

Additional Skills, Professional Leadership and Civic Affiliations

- ♦ Chairman, Bethlehem Board of Selectmen, Town of Bethlehem Twice Elected 2006-2010.
- ♦ Chairman, Arts Alliance of Northern New Hampshire 2000-2003, *Treasurer 1996-1998*
- ♦ Chairman, Haverhill Area Family Violence Council 1998-2003
- ♦ Certified PRIME FOR LIFE Impaired Driver Intervention Program Instructor #NH16199
- ♦ Registered Sexual Harassment Prevention Trainer in the State of New Hampshire
- ♦ Board Member, Women's Rural Entrepreneurial Network 2014; *Individual Member 2008-2017*
- ♦ Bethlehem Planning Board 2010 - 2015
- ♦ Bethlehem Conservation Commission 2006 - *current*
- ♦ Granite United Way, North Country Cabinet Member 2011-2012
- ♦ TCCAP: Commendation- Division Director Award, 2011
- ♦ Bethlehem Citizen's Advisory Committee on Recycling 2007-2010
- ♦ Licensed Foster Parent, State of NH 2000-2006
- ♦ Small Business Owner : Aurora Energies 2015- *current*
- ♦ Speakeasy Trio Jazz Vocalist/ Sweet Jamm Swing Band Jazz Vocalist 1997- *current*
- ♦ Member, United States Figure Skating Association/International Skating Institute *current since 1993*

RANDALL S. PILOTTE

SUMMARY

Accounting professional with over 29 years of experience, of which 21 years were with a single private manufacturer. 16 years of experience managing accounting professionals. Key competencies include:

Financial Statements	Accounts Payables	Inventory	Fixed Assets
Payroll	Bank Reconciliations	Accounts Receivables	Sales/Use Tax
Budgeting	Cash Flow Management	Audits	Forecasting

EXPERIENCE

TRI-COUNTY COMMUNITY ACTION PROGRAM, INC., Berlin, NH

06/2013-Present

CFO (2017 – Present)

Work closely with the CEO, Treasurer and Finance Committee to identify performance goals for the Agency and to maintain systems to monitor performance against those goals. Plan, direct, coordinate, implement and evaluate the financial management systems and activities of the Agency with a budget of \$18M.

- Prepare/provides complete and accurate financial, statistical, and accounting records for the Agency and outside regulatory agencies.
- As a member of the senior management team, assists in the formulation and execution of corporate finance policies, objectives and programs.
- Prepares program and agency budgets in conjunction with the CEO and Program Directors. Plan, direct, coordinate, implement and evaluate fiscal performance reviews of Tri-County CAPs divisions.
- Hire, train, direct and evaluate employee performance within the department; recommend promotions and salary adjustments.
- Provides supervision and direction for the Facilities Management Team, ensuring that all mortgages, leases and covenants are maintained for Tri-County CAP's facilities. Creation of five-year capital plan.
- Reviews cash flows for each division, monitor cash management practices, and monitor investments associated with each property.
- Prepared five-year debt reduction plan.

Fiscal Director/Interim CFO (2016 – 2017)

- Direct and manage a fiscal staff of 5 and processes associated with the general ledger, payroll, and accounts payable, accounts receivable, cash receipts and fixed assets.
- Prepare and supervise the production of financial statements including Balance Sheet, Revenue and Expense Reports, and Cost Summaries on a monthly and annual basis.
- Maintain proper accounting controls on grants and contributions to ensure accurate revenue reporting and expense tracking to support periodic monitoring's by funders and auditors.
- Ensure all balance sheet, revenue and expense accounts are analyzed and reconciled periodically.
- Collaborate with Division Directors to monitor departmental revenue and expenses versus budget.
- Worked with the CFO to develop real time monthly and annual financial reporting; and implementing departmental goals.
- Prepare audit schedules for external auditors.
- Collaborate with external auditors in completing annual audit in a timely manner.

Accounting Manager (2015-2016)

Sr. Accountant (2013-2014)

RANDALL PILOTTE RESUME:

KENT NUTRITION GROUP, INC. (f/k/a Blue Seal Feeds, Inc.), Londonderry, NH

03/1989-09/2010

Assistant Controller (2005-2010)

- Ensured an accurate and timely monthly and year end close, consisting of the preparation of a consolidated and individual financial statement in accordance with GAAP for nine manufacturing plants and 11 retail stores with gross revenues in excess of \$200M. Additional responsibilities included preparing journal entries, account analysis, inventory review and observation, fixed assets, and depreciation.
- Managed, trained, and supervised a staff accountant responsible for ensuring accurate journal entries, inventory reconciliation, tonnage tax returns, bank reconciliations, and assignment of special projects.
- Oversaw all aspects of proprietary software, multi-state payroll system for 500 employees. Prepared all federal and state payroll tax reports, including quarterly and year-end returns, processing of W2s, and supervision of payroll clerk.
- Interfaced with 18 various banks throughout New England and Mid-Atlantic area used as depositories.
- Prepared multi-state sales/use tax returns and acted as point of contact for audits.
- Pro-actively coached and consulted plant and store management on the annual budget development process.
- Oversaw month-end accruals.
- Assisted and responded to auditors' requests on annual audit.
- Filed annual franchise and abandoned property reports with appropriate states.

Accounting Manager (1999-2005)

Supported the Corporate Controller's initiatives by providing supervision and oversight to the Accounting function. Supervised and trained two accounts payable clerks on Chart of Accounts, Accounts Payable, timely and accurate processing and payment of vendor's invoices, employee travel reimbursements, and standard accounting practices.

Accountant/Payroll Supervisor (1994-1999)

Accountant (1989-1994)

NORTHERN TELECOM, INC., Concord, NH

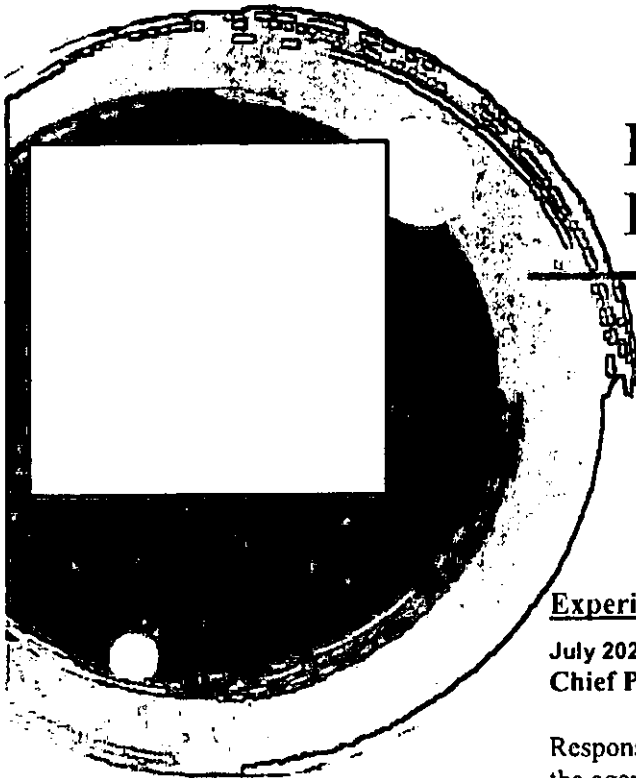
05/1987-03/1989

Associate Results Accountant (1988-1989)

Accounts Payable (1987-1988)

E D U C A T I O N

Bachelor of Science, Accounting, FRANKLIN PIERCE COLLEGE, Concord, NH



Kristy Letendre

“If human beings are perceived as potentials rather than problems, as possessing strengths instead of weaknesses, as unlimited rather than dull and unresponsive, then they thrive and grow to their capabilities.”

~Barbara Bush

Experience

July 2020–Present
Chief Programs Officer • TCCAP, Inc

Responsible to provide leadership, supervision, oversight, and management of the agency’s programs and services directly or through a program director or manager as well as works with the Chief Executive Officer to develop future business for the agency. Responsible to ensure that all programs and services comply with national program standards and state / federal governing laws and requirements.

May 2019–Present
Division Director • TCCAP, Inc- Prevention

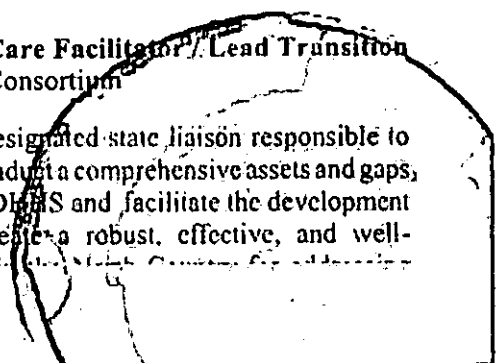
Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Prevention Services which include Guardianship Services; Homeless Programs, including Tyler Blain Homeless Shelter, and Advocacy and Support Services for Victims of Domestic Violence and Sexual Assault, including Emergency Shelter Services at the Support Center at Burch House

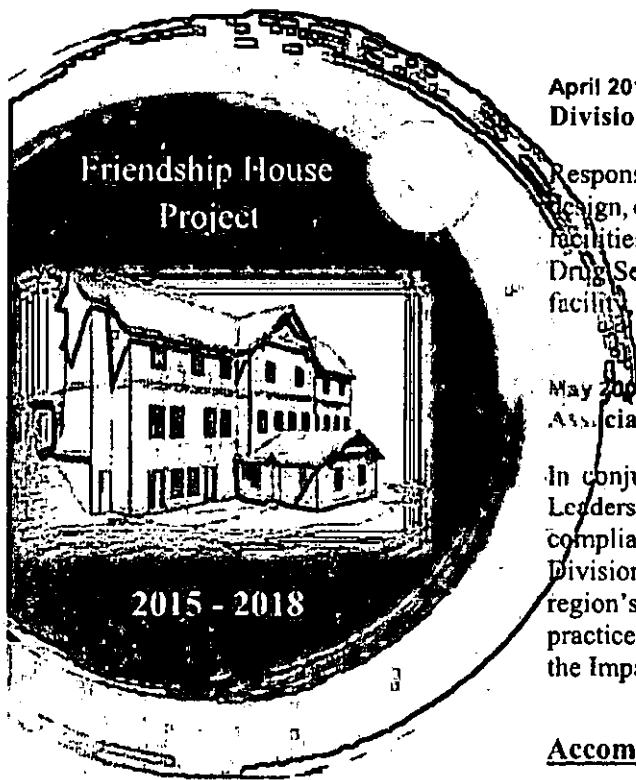
Sept 2018–Present
Division Operations Coordinator • TCCAP, Inc- Prevention

Responsible for monitoring compliance of grant deliverables and legal / ethical integrity of programs and services offered throughout the Division. Responsible to compile and analyze division data; reporting trends and outcomes to Sr. management and local stakeholders. Responsible to develop, review, and update program written policy, procedures, and work flows. Responsible for program development and oversight.

May 2017–August 2018
North Country SUD Continuum of Care Facilitator / Lead Transition Coordinator • North Country Health Consortium

COCF: The North Country Region’s designated state liaison responsible to work with regional key stakeholders to conduct a comprehensive assets and gaps analysis; reporting back findings to NH DHS and facilitate the development of a comprehensive plan aimed to create a robust, effective, and well-coordinated Continuum of Care (CoC) in the North Country for addressing





April 2014–May 2017
 Division Director • TCCAP, Inc- Clinical Services

Responsible to provide Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under Clinical Services including the Division of Alcohol and other Drug Services, Friendship House; the region’s 32- bed Residential Treatment facility, and the Tamworth Dental Center Practice.

May 2014–April 2014
 Associate Division Director •TCCAP, Inc- Division of Alcohol and Drugs

In conjunction with the Division Director, responsible to provide joint Sr. Leadership and oversight to the development, design, daily operation, compliance, and financial solvency of the programs and facilities under the Division of Alcohol and other Drug Services, including Friendship House, the region’s 32- bed Residential Treatment facility, the out-patient SUD treatment practice with 6 satellite sites throughout the 3 counties in the North Country and the Impaired Driver Care Management Program.

Accomplishments

Friendship House New Construction-Bethlehem, NH-\$5.2 MIL - 2015-2018

17,588-sq ft, 32-Bed Residential Substance Use Disorder Treatment Facility

- Submission of state and federal grant applications resulting in \$2.7 MIL in awards & executed a grass roots advocacy campaign securing the remaining \$2.5 MIL in anonymous donations
- Issued all final project approvals on the design, project development, construction, submission of permit applications and town zoning requirements, and licensure and compliance standards.

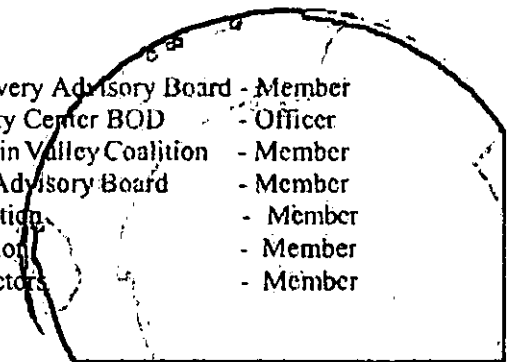
Implemented New Reimbursement System, 2015

- Eliminated the Division’s dependence on grant funding by successfully procuring contracts and credentialing with NH Medicaid, MCO’s, and Commercial insurance companies creating eligibility to submit claims on a fee-for-service basis stabilizing revenue and enhancing rates for service.
- Successfully negotiated a contract amendment with DHHS to expand billable services to include Outpatient and Intensive Outpatient services resulting in an increase to from \$1.8 MIL to \$2.5MIL

Expert Panelist - Guidance Document on Best Practices: Community-Based MAT for Opioid Use Disorders in New Hampshire, First Edition, 2016

Civic Involvement

- | | | |
|----------------|--|-----------|
| 2019 - Present | MWV Supports Recovery Advisory Board | - Member |
| 2017 – Present | North Country Serenity Center BOD | - Officer |
| 2016 - Present | Stand-Up Androscoggin Valley Coalition | - Member |
| 2016 – 2018 | Project Aware, BHS, Advisory Board | - Member |
| 2017 – Present | Littleton ATOD Coalition | - Member |
| 2018 – Present | Lancaster Area Coalition | - Member |
| 2016 – 2017 | NCHC Board of Directors | - Member |





Skills

Creative flair	Good sense of humor	Excellent written and oral communication skills
Engaging Community Presenter	Cultural intelligence	Well-informed in policy and procedure development
Proficient in Office Suite	Versatile and adaptable	Proficient in budget development and management
Solution focused problem resolution	Computer and technology adept	Lateral thinking and logical reasoning
Unique leadership through empowerment	Knowledgeable grant writer	Innovative
Detail oriented	Creative strategic planner	Experienced non-profit management
Excellent Community and political relations	Advocacy	Approachable, relatable, and relevant

Education

Plymouth State University, Plymouth NH.

2017-In Progress | Business Administration

Coursework: accounting, economics, finance, management, marketing theories and practices of business ethics and social responsibility, quantitative skills to analyze.

White Mountains Community College, Berlin NH.

2015-2017 | Business Administration

Coursework: management, accounting, finance, strategy, economics, statistics, marketing, operations/project management, entrepreneurship, and computer applications. Completed requirements of the first two years of a four-year business administration degree, AS-equivalent, 4.0 GPA

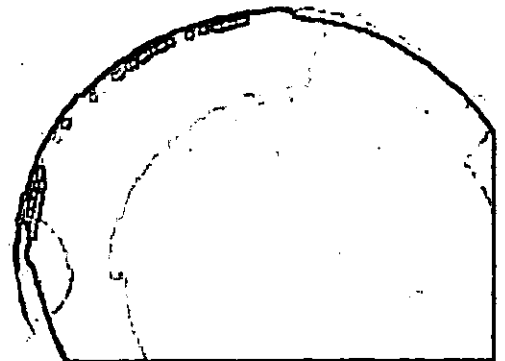
White Mountains Community College, Berlin NH.

2011 | Leadership North Country

Coursework: The program selects a diverse group aspiring leaders in northern New Hampshire through a competitive nomination and application process. Candidates participate in a 9-month program focused on education, arts and culture, leadership and civil engagement, travel and tourism, and government and politics.

References

Available upon request



MATHIEU DUCLOS



To obtain a position in the field of human services that maximizes and enhances my skill set, challenges me, and supports continued professional growth

EXPERIENCE

JULY 2020-PRESENT

PROGRAM DIRECTOR-HOMELESS & HOUSING PROGRAMS

TCCAP

RESPONSIBLE FOR THE IMPLEMENTATION, OVERSIGHT, AND DAY-TO-DAY MANAGEMENT OF HOMELESS AND HOUSING PROJECTS. RESPONSIBLE FOR PROVIDING SUPERVISION AND TRAINING TO CASE MANAGERS AND OUTREACH PROGRAM SPECIALISTS AND MONITOR COMPETENCIES OF PROVIDING DIRECT SERVICE. RESPONSIBLE TO WORK CLOSELY WITH THE HOUSING STABILITY DEPT HEAD ON PROJECT DEVELOPMENT, MONITORING LEGAL AND ETHICAL INTEGRITY AND FIDELITY OF THE PROJECTS; AND REPORTING OUTCOMES.

AUGUST 2018-PRESENT

DIRECTOR OF SHELTER OPERATIONS

TCCAP

Responsible for overall operations of Tyler Blain House Homeless Shelter Lancaster, NH and Building Operations at the Support Center Burch House Littleton NH. In charge of overseeing a staff of 6 or more. Keeping shelters in compliance with our deliverables and making sure all buildings are up to codes and standards.

MAY 2017- AUGUST 2018

IDCMP ADMINISTRATIVE ASST/ INSTRUCTOR, TCCAP/NORTH COUNTRY HEALTH CONSORTIUM

Responsible for overseeing new client intake process, initial substance misuse screening and development of service plan requirements required to satisfy DUI/DWI offense. Responsible to coordinate and correspond with NH Dept. of Safety, Bureau of Drug and Alcohol Services, prosecutor, and area district and superior courts. Responsible for processing Impaired Driver Class registrations, scheduling class, and inventory monitoring, control and procurement.

Required to adhere to HIPAA and 42 CFR part 2 regulations.

As a NH certified IDEP instructor, responsible to teach 20- hour IDEP, document presence, progress, and identify problematic substance using patterns that require further evaluation.

JUNE 2016-MAY 2017

TCCAP

FRIENDSHIP HOUSE

TLP SUPERVISOR

Responsible for providing residents with unique challenges, one on one or in small groups', instruction designed to develop basic life skills, introduce and support entry level hands on

training and work experience; in either the culinary or maintenance areas of the Transitional Living Program, and to foster self-empowerment helping the clients gain independence.

Responsible for overseeing the efficient operation of a residential health care facility kitchen and food service preparation, inventory control, management and procurement, complying to all health and safety code standards and regulations, while monitoring and adhering to budgetary limitations.

EDUCATION

FALL 2016-PRESENT

HUMAN SERVICES, WHITE MOUNTAIN COMMUNITY COLLEGE

ONGOING

NH TRAINING INSTITUTE OF ADDICTIVE DISORDERS

- HIV PREVENTION
- SUICIDE PREVENTION
- ETHICS AND BOUNDARIES
- DWI LAWS

JUNE 1997

H.S. DIPLOMA, NEW BEDFORD HIGH SCHOOL

SKILLS

- PRIME FOR LIFE INSTRUCTOR CERTIFIED
- NH approved IDEP instructor
- Serv-Safe trained
- CRSW eligible
- CPR/AED certified

ACTIVITIES

Board of directors Serenity Center 2017-2018

President of Board of Directors Serenity Center 2018-present

Key Note Speaker/panelist in speaking engagements throughout Tri County service area

Featured as a part of a 6 week community education awareness special on N. Country Radio

Volunteered for Special Olympics for 15 years

Volunteered for committee running benefit concerts for American Cancer Society for 7 years

Tri-County Community Action Program, Inc.

SGIA Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jeanne Robillard	Chief Executive Officer	\$115,000	0%	0%
Randal Pilotte	Chief Financial officer	\$75,000	0%	0%
Kristy Letendre	Chief Program Officer	\$70,000	0%	0%
Mathieu Duclos	Director of Housing Supports	\$47,500	25%	\$11,875



20 mac

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY

Lori A. Shibley
 Commissioner

Christine L. Santaniello
 Director

129 PLEASANT STREET, CONCORD, NH 03301
 603-271-9474 1-800-852-3345 Ext. 9474
 Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

June 29, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to amend existing **Retroactive** agreements with the vendors listed below to provide the State Grant in Aid (SGIA) Homeless Assistance program, by modifying the agreements to have individual price limitations instead of a shared price limitation for vendors listed in the table below and terminating two agreements with vendors as indicated in the table below, and decreasing the total price limitation by \$417,396 from \$7,300,000 to \$6,882,604, with no change to the contract completion dates of June 30, 2021, effective retroactive to July 1, 2020 upon Governor and Council approval. 100% General Funds.

The individual contracts were approved by Governor and Council as specified in the table below.

Vendor Name	Vendor Code	Area Served	Current Amount	Revised Amount	G&C Approval
Bridge House Shelters	165288 - B001	Plymouth NH	Shared	\$142,620	June 19,2019 Item #40
Community Action Partnership of Strafford County	177200 - B004	Dover NH	Shared	\$6,588	June 19,2019 Item #40
Community Action Program, Belknap and Merrimack	177203 - B003	Concord NH	Shared	\$0	O:
Concord Coalition to End Homelessness	267140 - B001	Bow NH	Shared	\$68,709	June 19,2019 Item #40
Cross Roads House	166570 - B001	Portsmouth NH	Shared	\$766,784	June 19,2019 Item #40
Families in Transition, NH	157730 - B001	Manchester NH	Shared	\$1,658,284	June 19,2019 Item #40
Friends Program	154987 - B001	Concord NH	Shared	\$174,710	June 19,2019 Item #40
Helping Hands Outreach Center	174226 - R001	Manchester NH	Shared	\$209,516	June 19,2019 Item #40
Hundred Nights, Inc	TBD	Keene NH	Shared	\$220,854	June 19,2019 Item #40

Lakes Region Community Developers	156571 - B001	Laconia NH	Shared	\$88,761	June 19,2019 Item #40
Marquerites Place	157465 - B001	Nashua NH	Shared	\$186,836	June 19,2019 Item #40
My Friend's Place	156274 - B001	Dover NH	Shared	\$177,231	June 19,2019 Item #40
Nashua Soup Kitchen & Shelter, Inc	174173 - R001	Nashua NH	Shared	\$284,806	June 19,2019 Item #40
New Generation	177295 - B001	Greenland NH	Shared	\$162,400	June 19,2019 Item #40
NH Coalition Against Domestic and Sexual Violence	155510 - B001	Concord NH	Shared	\$791,802	June 19,2019 Item #40
Salvation Army Carey House, Laconia	177627 - B001	Laconia NH	Shared	\$200,062	June 19,2019 Item #40
Salvation Army McKenna House, Concord, Eastern Territory	177627 - B003	Concord NH	Shared	\$312,915	June 19,2019 Item #40
Seacoast Family Promise	TBD	Exeter NH	Shared	\$94,661	June 19,2019 Item #40
Southern NH Services	177198 - B006	Manchester NH	Shared	\$0	June 19,2019 Item #40
Southwestern Community Services	177511 - R001	Keene NH 03431	Shared	\$527,563	June 19,2019 Item #40
The Front Door Agency	156244 - B001	Nashua NH 03064	Shared	\$287,991	June 19,2019 Item #40
The Way Home, Inc	166673 - B001	Manchester NH	Shared	\$140,656	June 19,2019 Item #40
Tri-County CAP, Inc	177195 - B009	Berlin NH	Shared	\$126,299	July 10, 2019 Item #16
Waypoint	177166 - B002	Manchester NH	Shared	\$252,556	June 19,2019 Item #40 A01: August 28, 2019 Item #20B
		Total	\$7,300,000 (Shared)	\$6,882,604	

Funds are available in the following accounts for State Fiscal Year 2021, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

See attached fiscal details.

EXPLANATION

This request is **Retroactive** because Department's business operations were disrupted by COVID-19 which led to delays in the contract amendment review and approval process.

The purpose of this request is to modify the agreements to have individual price limitations instead of a shared price limitation and to terminate agreements with two (2) Contractors, decreasing the total price limitation by \$417,396 from \$7,300,000 to \$6,882,604. The individual price limitations will allow each vendor to more accurately budget and allocate funding to meet the specific needs of the clients within the community.

Approximately 4,500 individuals will be served during each State Fiscal Year of this contract.

The Contractors will provide emergency shelter to individuals and families who are homeless. The Contractors will also provide case management services to individuals and families who are currently in a shelter or those who are unsheltered to link them with housing, other essential services, and provide ongoing case management. The case management services are personalized, based on the strengths and support needs for each individual or family. Case management services include, but are not limited to, housing navigation services, assistance with applications for housing, public assistance, referrals for healthcare, including mental health or substance use treatment, education, and employment supports.

The Department will monitor the contracted services by requiring the Contractors to submit reports in the HMIS system that include the following:

- Length of time persons remain homeless.
- The extent to which persons who exit homelessness to permanent housing destinations return to homelessness.
- Successful exit to permanent housing destinations.

Should Governor and Executive Council not authorize this request, individuals and families who are experiencing housing instability will not receive the essential services and supports for themselves and their families.

Area served: Statewide

Source of Funds: Source of Funds: 100% General Funds

Respectfully submitted,


Lori A. Shibinette
Commissioner

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
COMMUNITY MENTAL HEALTH CENTER CONTRACT AMENDMENTS
SFY 2016 FINANCIAL DETAIL**

**05-95-42-423010-79270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF ECONOMIC AND HOUSING STABILITY, BUREAU OF HOUSING STABILITY, HOUSING - SHELTER PROGRAM
100% General Funds**

Bridge House Shelters

Vendor # 1652:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget
2020	102/500731	Contracts for Program Services		\$83,490
2021	102/500731	Contracts for Program Services		\$59,130
		Sub Total		\$142,620

Community Action Partnership of Strafford County

Vendor # 1772:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$6,588
2021	102/500731	Contracts for Program Services		\$0
		Sub Total		\$6,588

Community Action Program, Belknap and Merrimack

Vendor # 1772:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$0
2021	102/500731	Contracts for Program Services		\$0
		Sub Total		\$0

Concord Coalition to End Homelessness

Vendor # 2671:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$10,091
2021	102/500731	Contracts for Program Services		\$58,618
		Sub Total		\$68,709

Cross Roads House

Vendor # 1665:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$465,221
2021	102/500731	Contracts for Program Services		\$301,563
		Sub Total		\$766,784

FITNHNH, Inc.

Vendor # 1577:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$1,037,418
2021	102/500731	Contracts for Program Services		\$620,866
		Sub Total		\$1,658,284

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
COMMUNITY MENTAL HEALTH CENTER CONTRACT AMENDMENTS
SFY 2016 FINANCIAL DETAIL**

Friends Program

Vendor # 1549:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$88,971
2021	102/500731	Contracts for Program Services		\$85,739
		Sub Total		\$174,710

Helping Hands Outreach Center

Vendor # 1742:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$114,908
2021	102/500731	Contracts for Program Services		\$94,608
		Sub Total		\$209,516

Hundred Nights, Inc

Vendor #

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$117,376
2021	102/500731	Contracts for Program Services		\$103,478
		Sub Total		\$220,854

Lakes Region Community Developers

Vendor # 1565:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$32,587
2021	102/500731	Contracts for Program Services		\$56,174
		Sub Total		\$88,761

Marquerites Place

Vendor # 1574:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$118,536
2021	102/500731	Contracts for Program Services		\$68,300
		Sub Total		\$186,836

My Friend's Place

Vendor # 1562:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$115,144
2021	102/500731	Contracts for Program Services		\$62,087
		Sub Total		\$177,231

Nashua Soup Kitchen & Shelter, Inc

Vendor # 1741:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
COMMUNITY MENTAL HEALTH CENTER CONTRACT AMENDMENTS
SFY 2016 FINANCIAL DETAIL**

2020	102/500731	Contracts for Program Services		\$196,111
2021	102/500731	Contracts for Program Services		\$88,695
		Sub Total		\$284,806

New Generation

Vendor # 1772:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$97,357
2021	102/500731	Contracts for Program Services		\$65,043
		Sub Total		\$162,400

NH Coalition Against Domestic and Sexual Violence

Vendor # 1555:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$363,109
2021	102/500731	Contracts for Program Services		\$428,693
		Sub Total		\$791,802

Salvation Army Carey House, Laconia

Vendor # 1776:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$81,802
2021	102/500731	Contracts for Program Services		\$118,260
		Sub Total		\$200,062

Salvation Army McKenna House, Concord, Eastern Territory

Vendor # 1776:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$188,742
2021	102/500731	Contracts for Program Services		\$124,173
		Sub Total		\$312,915

Seacoast Family Promise

Vendor #

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$53,270
2021	102/500731	Contracts for Program Services		\$41,391
		Sub Total		\$94,661

Southern NH Services

Vendor # 1771:

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$0
2021	102/500731	Contracts for Program Services		\$0

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
COMMUNITY MENTAL HEALTH CENTER CONTRACT AMENDMENTS
SFY 2016 FINANCIAL DETAIL**

		Sub Total	\$0
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Southwestern Community Services

Vendor # 1775

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$302,869
2021	102/500731	Contracts for Program Services		\$224,694
		Sub Total		\$527,563

The Front Door Agency

Vendor # 1562

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$157,905
2021	102/500731	Contracts for Program Services		\$130,086
		Sub Total		\$287,991

The Way Home, Inc

Vendor # 1666

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$84,482
2021	102/500731	Contracts for Program Services		\$56,174
		Sub Total		\$140,656

Tri-County CAP, Inc

Vendor # 1771

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$87,864
2021	102/500731	Contracts for Program Services		\$38,435
		Sub Total		\$126,299

Waypoint

Vendor # 1771

State Fiscal Year	Class / Account	Class Title	Job Number	Current Modified Budget
2020	102/500731	Contracts for Program Services		\$166,817
2021	102/500731	Contracts for Program Services		\$85,739
		Sub Total		\$252,556

Overall Total	\$6,882,604
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**New Hampshire Department of Health and Human Services
State Grant in Aid Homeless Assistance Program**



**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the State Grant in Aid Homeless Assistance Program**

This 1st Amendment to the State Grant in Aid Homeless Assistance Program contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Bridge House Inc., (hereinafter referred to as "the Contractor"), a nonprofit, with a place of business at 260 Highland Street, Plymouth, NH 03264.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019 (Item #40), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to, modify the price limitation and modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
 \$142,620.
2. Modify P-37, General Provisions, Block 1.3 to read:
 The Bridge House, Inc.
3. Modify Exhibit A, Scope of Services, Section 2, Subsection 2.1. to read:
 - 3.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless statewide, including but not limited to:
4. Modify Exhibit A, Scope of Services, Section 2, Subsection 2.1.4. to read:
 - 2.1.4. The Contractor shall provide Case Management Services to assist individuals and families who are homeless to access and apply for other services with the goal of obtaining permanent housing. Activities include but are not limited to:
 2. Delete Exhibit B, Methods and Conditions Precedent to Payment, Section 1, in its entirety.
 3. Delete Exhibit B, Methods and Conditions Precedent to Payment, Section 2, Subsection 2.1, in its entirety.
 4. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 2, Subsection 2.2, to read:
 - 2.2. The Department will reimburse the Contractor based on the total emergency shelter beds in a program as reported to the Department of Housing and Urban Development. The rate includes all services provided in this Contract on behalf of the individual per day.
 3. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 3, Subsection 3.1,

**New Hampshire Department of Health and Human Services
State Grant in Aid Homeless Assistance Program**



to read:

- 3.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the fiftieth (15th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.

CB



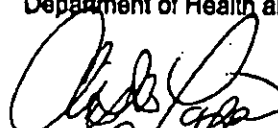
**New Hampshire Department of Health and Human Services
State Grant In Aid Homeless Assistance Program**

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,


State of New Hampshire
Department of Health and Human Services

6/29/2020
Date


Name: Christine Tappan
Title: Associate Commissioner

The Bridge House Inc:

June 29, 2020
Date


Name:
Title:



**New Hampshire Department of Health and Human Services
State Grant in Aid Homeless Assistance Program**

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

06/29/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

40 mac



Jeffrey A. Meyers
Commissioner

Christine L. Santaniello
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF ECONOMIC & HOUSING STABILITY

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9474 1-800-852-3345 ExL 9474
Fax: 603-271-4230 TOD Access: 1-800-735-2964 www.dhhs.nh.gov

June 7, 2019

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into agreements with the vendors listed below in an amount not to exceed \$7,000,000, to provide the State Grant in Aid (SGIA) Homeless Assistance program, effective July 1, 2019, through June 30, 2021, upon Governor and the Executive Council approval. 100% General Funds:

Vendor Name	Vendor Number	Location
Bridge House Shelters	165288 - B001	260 Highland Street Plymouth NH 03264
Community Action Partnership of Strafford County	177200 - B004	577 Central Ave Ste 10 Dover NH 03820
Community Action Program, Belknap and Merrimack	177203 - B003	2 Industrial Park Drive Concord NH 03302
Concord Coalition to End Homelessness	267140 - B001	22 Stack Drive Bow NH 03304
Cross Roads House	166570 - B001	600 Lafayette Road Portsmouth NH 03801
Families in Transition, NH	157730 - B001	122 Market Street Manchester NH 03101
Friends Program	154987 - B001	202 N State Street Concord NH 03301
Helping Hands Outreach Center	174226 - R001	50 Lowell Street Manchester NH 03101
Hundred Nights, Inc	TBD	17 Lamson Street Keene NH 03431
Lakes Region Community Developers	156571 - B001	658 Union Ave Laconia NH 03246
Marquerites Place	157465 - B001	87 Palm Street Nashua NH 03060
My Friend's Place	156274 - B001	368 Washington Street Dover NH 03820
Nashua Soup Kitchen & Shelter, Inc	174173 - R001	2 Quincy Street Nashua NH 03061
New Generation	177295 - B001	9 Tide Mill Road Greenland NH 03840
NH Coalition Against Domestic and Sexual Violence	155510 - B001	One Hundred North Main Street Concord NH 03301

Salvation Army Carey House, Laconia	177627 - B001	177 Union Ave Laconia NH 03246
Salvation Army McKenna House, Concord, Eastern Territory	177627 - B003	58 Clinton Street Concord NH 03301
Seacoast Family Promise	TBD	27 Hampton Road Exeter NH 03833
Southern NH Services	177198 - B006	40 Pine Street Manchester NH 03108
Southwestern Community Services	177511 - R001	63 Community Way Keene NH 03431
The Front Door Agency	156244 - B001	7 Concord Street, Nashua NH 03064
The Way Home, Inc	166673 - B001	214 Spruce Street Manchester NH 03103
Waypoint	177166 - B002	464 Chestnut Street Manchester NH 03105
		Total: \$7,000,000

Funds are available in the following account(s), and are anticipated to be available in State Fiscal Years 2020 and 2021, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office. During each State Fiscal Year of the contract, there is a shared price limitation among the vendors of \$3,500,000. Consequently, there is no guaranteed minimum or maximum amount of client or service volume.

05-95-42-423010-79270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF ECONOMIC AND HOUSING STABILITY, BUREAU OF HOUSING STABILITY, HOUSING - SHELTER PROGRAM

State Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
2020	102-500731	Contracts for Prog Svc	TBD	\$3,500,000
2021	102-500731	Contracts for Prog Svc	TBD	\$3,500,000
			Total	\$7,000,000

EXPLANATION

The purpose of this request is to administer the State Grant in Aid (SGIA) Homeless Assistance program. The Contractors listed above shall be required to either: provide emergency shelter services and case management services or case management services only. The Department will reimburse the Contractor at a rate of \$11.00 for services provided to each individual per day.

Approximately 4,500 individuals will be served during each State Fiscal Year of this contract.

The Contractors will provide emergency shelter to individuals and families who are homeless. The Contractors will also provide case management services to individuals and families who are currently in a shelter or those who are unsheltered to link them with housing, other essential services, and provide ongoing case management. The case management services are personalized, based on the strengths and support needs for each individual or family. Case management services include, but are not limited to, housing navigation services, assistance with applications for housing, public assistance, referrals for healthcare, including mental health or substance use treatment, education, and employment supports.

The Contractors shall be monitored for performance through reports available from the HMIS system as follows:

- Length of time persons remain homeless.
- The extent to which persons who exit homelessness to permanent housing destinations return to homelessness.
- Successful exit to permanent housing destinations.

The vendors listed above were selected for this project through a competitive bid process. A Request for Applications was posted on the Department of Health and Human Services' web site from March 28, 2019 through April 25, 2019. The Department received twenty six (26) eligible applications, with one vendor withdrawing after submission. The applications were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the applications. The Bid Summary is attached.


As referenced in Exhibit C-1 of this contract, this Agreement has the option to extend for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

Should Governor and Executive Council not authorize this request, individuals and families who are experiencing housing instability will not receive the essential services and supports for themselves and their families.

Area served: Statewide

Source of Funds: Source of Funds: 100% General Funds

Respectfully submitted,



Jeffrey A. Meyers
Commissioner



New Hampshire Department of Health and Human Services
Office of Business Operations
Contracts & Procurement Unit
Summary Scoring Sheet

State Grant-In-Aid Homeless Assistance Program

RFA-2020-DEHS-01-STATE

RFA Name

RFA Number

Reviewer Names

Bidder Name

1. Bridge House Shelter
2. New Generation, Inc.
3. Marguerite's Place
4. Southwestern Community Services
5. Cross Roads House
6. Community Action Program
7. Waypoint
8. Seacoast Family Promise
9. Nashua Soup Kitchen & Shelter, Inc.
10. NH Coalition Against Domestic & Sexual Violence
11. The Salvation Army-Carey House
12. The Salvation Army-McKenna House

Pass/Fail	Maximum Points	Actual Points
	100	90
	100	100
	100	100
	100	100
	100	100
	100	95
	100	100
	100	95
	100	100
	100	100
	100	100

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____

13	New Hampshire Legal Assistance
14	Helping Hands Outreach Center
15	Southern New Hampshire Services
16	Headrest, Inc.
17	Tri-County Community Action Program, Inc.
18	Lakes Region Community Developers
19	My Friend's Place, Emergency Shelter Program
20	Familles in Transition/New Hampshire
21	Community Action Partnership of Strafford County
22	Friends Program
23	Concord Coalition To End Homelessness
24	The Front Door Agency-Transformational Housing Program
25	Hundred Nights
26	The Way Home, Inc.
28.	0
29.	0
30.	0
31.	0

	100	100
	100	100
	100	100
	100	0
	100	100
	100	100
	100	100
	100	100
	100	100
	100	70
	100	100
	100	100
	100	0
	100	0
	100	0
	100	0

Subject: State Grant in Aid Homeless Assistance Program (RFA-2020-DEHS-01-STATE-01)

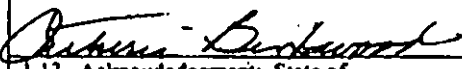
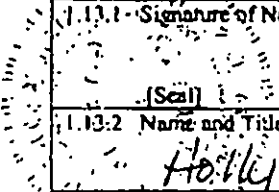

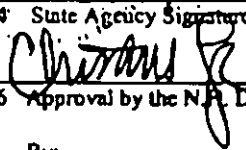
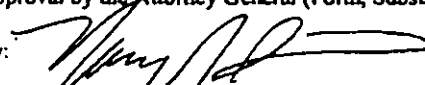
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Bridge House		1.4 Contractor Address 260 Highland Street Plymouth NH 03264	
1.5 Contractor Phone Number 603-536-7631	1.6 Account Number 05-95-42-423010-7927-102-500731	1.7 Completion Date 6/30/21	1.8 Price Limitation 7,000,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory CATHERINE BENTWOOD, E. J. BRIDGE HOUSE	
1.13 Acknowledgement: State of _____, County of _____ On _____, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace   <div style="text-align: right;"> HOLLY J. CORMIEA Notary Public - New Hampshire My Commission Expires December 5, 2023 </div>			
1.13.2 Name and Title of Notary or Justice of the Peace Holly J. Cormiea Facility Manager Bridge House			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christina Santoro, Director, DCHA Date: 5/31/19	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 6/3/2019			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, 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 1.18, 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 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature, incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

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

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

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



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. For the purposes of this Agreement, the Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.330.

2. Scope of Services

- 2.1. The Contractor shall provide emergency shelter services to individuals and families who are homeless or at risk of becoming homeless statewide. Including, but not limited to:
 - 2.1.1. Ensuring temporary shelter (non-permanent shelter) is designed to meet the basic needs of individuals and families who have no other housing options and who would otherwise be without a place to sleep.
 - 2.1.2. Ensuring basic needs of each individual are met that at a minimum include a safe, protective, and sanitary environment, on a short-term emergency or transitional basis, as described in RSA 126-A:26.
 - 2.1.3. Operating a facility in accordance with Exhibit C-1 Operation of Facilities: Compliance with Laws and Regulations that includes at a minimum:
 - 2.1.3.1. Building maintenance and repair.
 - 2.1.3.2. Security systems.
 - 2.1.3.3. Heating and possible cooling equipment.
 - 2.1.3.4. Property and business insurance.
 - 2.1.3.5. Utilities and furnishings.
 - 2.1.3.6. Amenities such as bathrooms.
 - 2.1.4. The Contractor shall provide Case Management Services to assist individuals and families who are homeless or at-risk of becoming homeless to access and apply for other services with the goal of obtaining permanent housing. Activities include but are not limited to:

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- 2.1.4.1. Assessing individuals and families' needs for well-being and obtaining housing, and developing an individualized plan to meet those needs.
 - 2.1.4.2. Developing an individualized plan with the types of services and assistance programs to meet their needs.
 - 2.1.4.3. Assisting individuals and families with accessing emergency shelter.
 - 2.1.4.4. Assisting individuals and families with applying for and accessing permanent housing.
 - 2.1.4.5. Assisting individuals and families with applying for mainstream benefits, including, but not limited to, SSI, TANF, SNAP, Medicaid, Veteran and other State or Federal benefits.
 - 2.1.4.6. Assisting individuals and families with accessing community providers and supports, for, including but not limited to, mental health services, substance use treatment, medical care, employment, veterans benefit, financial and food assistance, and education supports.
- 2.1.5. The Contractor shall comply with the program requirements, which include but are not limited to:
- 2.1.5.1. Following best practices in providing emergency shelter services in accordance with the National Alliance to End Homelessness, "The Five Keys to Effective Emergency Shelter" that include but are not limited to:
 - 2.1.5.1.1. Housing First Approach
 - 2.1.5.1.2. Safe and appropriate diversion
 - 2.1.5.1.3. Immediate and low-barrier access
 - 2.1.5.1.4. Housing-focused, rapid exit services
 - 2.1.5.1.5. Data to measure performance
 - 2.1.5.2. Participating in Coordinated Entry as required by the State, a centralized or coordinated process designed to get people in permanent support housing, in accordance with the NH BOS CES Policy Manual adopted on January 23, 2018, that is herein incorporated by reference and as amended.
 - 2.1.5.3. Accepting homeless and at risk of homelessness individuals and families regardless of their sobriety and other conditions such as but not limited to mental health services, medication stability, sexual orientation, vulnerability to illness, vulnerability to victimization, vulnerability to physical assault, racial equality, marital status or ability to pay program fee, in accordance with federal Housing Urban Development (HUD) guidance for low threshold eligibility programs.



- 2.1.5.4. Entering data into the Homeless Management Information System (HMIS) to collect client-level data and data on the provision of housing and services to homeless individuals and families, in accordance with the federal HUD data standards for emergency shelter, unless restrictive by law such as for domestic violence. The data standards may be found at: <http://nh-hmis.org/sites/default/files/reference/NH-HMIS-PnP-112018.pdf>
- 2.1.5.5. Agreeing to on-site monitoring, on an annual basis, to review compliance, progress, and performance, which includes, but is not limited to:
 - 2.1.5.5.1. Reviewing policies and procedures for services provided.
 - 2.1.5.5.2. Reviewing financial analyses.
 - 2.1.5.5.3. Reviewing for compliance with safety and hazard requirements.
 - 2.1.5.5.4. Reviewing Data and HMIS entry standards.
- 2.1.5.6. Complying with New Hampshire Administrative Rules He-M 314 Rights of Persons Using Emergency Shelters. http://www.gencourt.state.nh.us/rules/state_agencies/he-m300.html and ensuring that individuals understand their rights

3. Reporting

- 3.1. The Contractor shall submit monthly reports to the Department, with the corresponding monthly invoice for payment that includes the aggregate number of individuals served, in accordance with Section 2.1.5.4 above, no later than the 10th day of the following month.
- 3.2. The Contractor shall submit an annual report to the Department, with the aggregate number of individuals served in accordance with Section 2.1.2.4, beginning September 30, 2020 and each year thereafter.

4. Performance Measures

- 4.1. The Contractor's performance shall be measured to ensure that the data is entered into HMIS in accordance with Section 2.1.5.4, above, and clients are receiving the assistance needed to meet their goals.
- 4.2. The Contractor shall be monitored for performance through reports available from the HMIS system that include but are not limited to:
 - 4.2.1. Length of time persons remain homeless
 - 4.2.2. The extent to which persons who exit homelessness to permanent housing destinations return to homelessness
 - 4.2.3. Successful exit to permanent housing destinations



Exhibit B

Method and Conditions Precedent to Payment

1. Price Limitation: This agreement is one of multiple agreements that will serve the State Grant in Aid to Homeless program. *No maximum or minimum client and service volume is guaranteed.* Accordingly, the price limitation among all agreements is identified in Block 1.8 of the P-37 for the duration of the agreement.
2. The funding source for this agreement for State Grant in Aid (SGIA) Homeless Assistance program are 100% General Funds
 - 2.1. Funds for SGIA Homeless Assistance program across all vendors, statewide, are anticipated to be \$7,000,000 and available in the following amounts:
 - 2.1.1. \$3,500,000 for State Fiscal Year 2020.
 - 2.1.2. \$3,500,000 for State Fiscal Year 2021.
3. Payments shall be made as follows:
 - 3.1. All reimbursement requests for all Project Costs, including the final reimbursement request for this Contract, shall be submitted by the tenth (10th) day of each month, for the previous month, and accompanied by an invoice from the Contractor for the amount of each requested disbursement along with a payment request form and any other documentation required, as designated by the State, which shall be completed and signed by the Contractor.
 - 3.2. In lieu of hard copies submitted to the address listed in Section 5.4. Exhibit B., all invoices may be assigned an electronic signature and emailed to: housingsupportsinvoices@dhhs.nh.gov
 - 3.3. The Contractor shall keep detailed records of their activities related to Department programs and services, and shall provide such records and any additional financial information if requested by the State to verify expenses. The Contractor shall return completed invoices, as provided by the Department, no later than thirty (30) days from the date services are provided.
 - 3.4. The Contractor shall submit completed invoices to:

State Grant in Aid to Homeless Program
Bureau of Housing Supports
Department of Health and Human Services
Division of Economic and Housing Stability
129 Pleasant Street
Concord, NH 03301
Phone: 603-271-9196
 - 3.5. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are

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New Hampshire Department of Health and Human Services
State Grant In Aid to Homeless Program

Exhibit B

available.

4. Notwithstanding anything to the contrary herein, the Contractor agrees that payment under this agreement may be withheld, in whole or in part, in the event of noncompliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
5. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

Exhibit C - Special Provisions

Contractor Initials CB



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. Maintenance of Records: In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
 - 8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
 - 9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract, and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion; to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



more employees, it will maintain a current EEO on file and submit an EEO Certification Form to the OCR, certifying that its EEO is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEO Certification Form to the OCR certifying it is not required to submit or maintain an EEO. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEO requirement, but are required to submit a certification form to the OCR to claim the exemption. EEO Certification Forms are available at: <http://www.eop.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13168, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

20. Contract Definitions:

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

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5-29-19



New Hampshire Department of Health and Human Services
Exhibit C-1

REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, 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, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

2. Renewal

2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

Exhibit C-1 - Revisions/Exceptions to Standard Contract Language Contractor Initials

Date 5-21-19



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Vendor 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:

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**

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:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession 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;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counselling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. 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);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. 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;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 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

New Hampshire Department of Health and Human Services
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. 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
 - 1.6.2. 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;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. 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.

Vendor Name:

Budge Reese

May 29, 2019
Date

Antonia Emwood RN

Name:

Title:

Executive Director

BR
5-29-19



CERTIFICATION REGARDING LOBBYING

The Vendor 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:

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

- Programs (indicate applicable program covered):
- *Temporary Assistance to Needy Families under Title IV-A
 - *Child Support Enforcement Program under Title IV-D
 - *Social Services Block Grant Program under Title XX
 - *Medicaid Program under Title XIX
 - *Community Services Block Grant under Title VI
 - *Child Care Development Block Grant under Title IV

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 sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients 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.

Vendor Name: *Bridge House*

5-29-19
Date

Christina Burdwood
Name: *Executive Director*
Title:

Vendor Initials *CB*
Date 5-29-19



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

The Vendor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Order 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:

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 Department of Health and Human Services' (DHHS) 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 DHHS 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, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS 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 DHHS.
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 DHHS, 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 Nonprocurement 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, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. 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 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;
 - 11.3. 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 (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. 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).

LOWER TIER COVERED TRANSACTIONS

13. 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:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. 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).
14. 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.

Vendor Name:

Bridge House

May 29, 2019
Date

Name: *Catherine Embury*
Title: *Executive Director*

Vendor Initials *CE*
Date *5-29-19*



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

The Vendor 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:

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

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.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower Protections

02/11/14
Rev. 10/21/14

Page 1 of 2

Date

5-29-19

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Vendor 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:

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

Bridge House

May 29, 2019
Date

Name:

Title:

Christina Corbett
Executive Director

Exhibit G

Certification of Compliance with requirements pertaining to Federal Non-discrimination, Equal Treatment of Faith-Based Organizations and whistleblower protections

Vendor Initials

CB



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly 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, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

May 29, 2019
Date

Catherine Bestwood
Name:
Title: Executive Director
Bridge House



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. "**Breach**" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "**Business Associate**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "**Covered Entity**" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "**Designated Record Set**" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "**Data Aggregation**" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "**Health Care Operations**" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "**HITECH Act**" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "**HIPAA**" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "**Privacy Rule**" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "**Protected Health Information**" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

CB
Date 5.21.14



Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

CB

5/29/19



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
 - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.528.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Vendor Initials

LB

Date *5-29-19*



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

CO

5-29-14



Exhibit I

- e. **Segregation.** If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. **Survival.** Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) l, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services
The State

Christine Santaniello
Signature of Authorized Representative

Christine Santaniello
Name of Authorized Representative

Director, D&HS
Title of Authorized Representative

5/31/19
Date

Bridget Flanagan
Name of the Vendor

Christine Embert RN
Signature of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

5-29-19
Date



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 Department of Health and Human Services (DHHS) 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. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. 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 Vendor 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 Vendor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Vendor Name:

Bridge House

May 29, 2019
Date

Arthur Costello

Name:

Title:

Executive Director



FORM A

As the Vendor 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: 636410323
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?

X NO _____ 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 _____ 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: _____

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C; and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the Internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

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wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of Information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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the breach, including but not limited to; credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov