



STATE OF NEW HAMPSHIRE  
 DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT  
 OFFICE OF THE COMMISSIONER

172 Pembroke Road Concord, New Hampshire 03301-5791

January 25, 2016

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

**REQUESTED ACTION**

Authorize the Department of Resources and Economic Development, Office of Workforce Opportunity (DRED/OWO), to enter into a **sole source** contract for services with Families in Transition, Inc. (FIT) (VC#157730) 122 Market Street, Manchester, NH in the amount of \$200,000 for the delivery of Program Navigator services to assist homeless individuals in accessing services funded through the Workforce Innovation and Opportunity Act (WIOA ) effective March 1, 2016 or upon Governor and Executive Council approval, whichever is latest, through February 15, 2018. This project is 100% federal funding (WIOA discretionary funds).

Funds to support this request are anticipated to be available in the following account in State FY2016 and State FY2017 and pending budget approval for FY2018:

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
Office of Workforce Opportunity 03-35-35-3510-10-53360000-102-500731 - Contract for Program Services	\$50,000	\$100,000	\$50,000

**EXPLANATION**

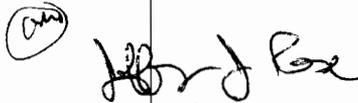
This is a **sole source** contract for a full-time FIT Program Navigator to work with homeless and other target populations for the provision of one-on-one assistance for the purpose of removing barriers to access to re-employment services and related support opportunities offered through the local NH Works offices. The project is for a two years, during which time FIT would employ a full-time staff person to serve as a system "navigator" connecting homeless families in need of employment services with the resources available. Through the provision of on-going, one-on-one guidance, working with people outside of traditional hours as needed to promote and support successful interventions, and providing emotional support to help break the cycle of failure often experienced by individuals and/or families in crisis, the Program Navigator will serve as the liaison between the homeless community and NH Works.

Founded as a nonprofit organization in 1991, Families in Transition was formed in response to the growing number of homeless individuals and families in Manchester and throughout the state of New Hampshire. Since its inception, FIT has been committed to providing only the most innovative, comprehensive, and effective programming to help homeless individuals and families reach beyond the cycle of homelessness and lead healthy and successful lives. FIT's unique combination of quality, affordable housing, and comprehensive services has been recognized statewide and nationally as one of the most effective ways to end homelessness. Remaining on the forefront of research and innovation in homeless services, the Families in Transition model empowers homeless individuals and families to lead healthy, happy, and productive lives. Many of the families served by FIT face challenges obtaining and retaining quality jobs that pay a living wage, offer benefits, and provide opportunities for advancement. Despite the fact that New Hampshire is a small state, understanding and navigating the landscape of programs and service available remains a challenge for many people who are under-educated and underemployed.

The Program Navigator project takes advantage of the vast knowledge and expertise available through FIT for effectively serving the homeless seeking new or advanced employment opportunities. The FIT Program Navigator will work with partner agency staff at the local NH Works offices to assist mutual customers in accessing employment opportunities that lead to self-sufficiency. Based on the purpose, mission, and position of the FIT program, the Office of Workforce Opportunity believes FIT is best suited to provide the unique set of skills and talents necessary for this project to succeed. FIT is guided by its mission "to provide safe and affordable housing and comprehensive supportive services to individuals and families who are homeless or at risk of becoming homeless, enabling them to gain self-sufficiency and respect". FIT owns over 200 units of save and affordable housing and provides housing and services to almost 600 men, women and children each year. As one the state's largest homeless service provides, FIT has an extensive reach, serving those who are homeless in southern, central and along the seacoast of New Hampshire. The agency serves all segments of the homeless population including single women and men, single parent with children, intact families, veterans, and chronically homeless.<sup>1</sup> FIT will work with partner agency staff to forge new relationships between homeless and workforce development practitioners to the benefit of mutual customers. This contract is sole source based FIT's experience, depth of services and current efforts to better connect the homeless community with existing employment and training resources. In August of 2014 FIT published *Addressing Structural and Individual Barriers to Employment Readiness in New Hampshire – A Review of Barriers and Evidence-based Approaches to Enhance Employment Outcomes*. The report identifies barriers, needs and recommendations for strategies to improve coordination with existing employment services, including hiring a Program Navigator. Funding to support this project was approved by the Governor upon recommendation of the State Workforce Innovation Board, in support of the request for financial assistance to pilot a Program Navigator to provide the services identified in this proposal.

The Attorney General's Office has reviewed and approved this contract as to form, substance and execution.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey J. Rose". To the left of the signature is a small circular stamp containing the word "COM".

Jeffrey J. Rose  
Commissioner

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<sup>1</sup> FIT Our Mission <http://www.fitnh.org/about-us/mission/>

<sup>4</sup> Addressing Structural and Individual Barriers to Employment Readiness in New Hampshire – A Review of Barriers and Evidence-based Approaches to Enhance Employment Outcomes

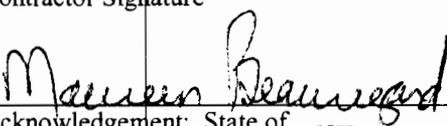
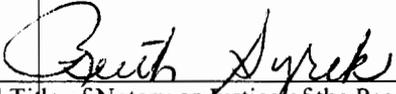
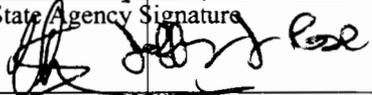
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name NH Dept. of Resources & Economic Development Office of Workforce Opportunity		1.2 State Agency Address 172 Pembroke Road Concord, NH 03301	
1.3 Contractor Name Families in Transition		1.4 Contractor Address 122 Market Street, Manchester, NH 03101	
1.5 Contractor Phone Number 603-641-9441	1.6 Account Number 010-035-5336-102-500731	1.7 Completion Date February 15, 2018	1.8 Price Limitation \$200,000
1.9 Contracting Officer for State Agency Jacqueline Heuser, Director		1.10 State Agency Telephone Number 603-271-7275	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Maureen A. Besuregard, President	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Hillsborough</u> On <u>1/8/16</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace [Seal] 		RUTH A. SYREK, Notary Public My Commission Expires October 16, 2018	
1.13.2 Name and Title of Notary or Justice of the Peace Ruth Syrek, Admin Assit. Notary Public			
1.14 State Agency Signature  Date: <u>2/2/16</u>		1.15 Name and Title of State Agency Signatory Jeffrey J. Rose, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: <u>N/A</u> Director, On:			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>2/8/16</u>			
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

Contractor Initials MMO  
Date 1/8/16

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.



greater access to resources and consistency of services for those individuals not readily available during office hours.

- Participate as a full contributing member on the local NH Works one-stop team.
- Coordinate all on-site (i.e., NH Works) activities with the local NH Works manager.
- Participate in training and meetings at the request of the NH Works Interagency Director's Group (IDG) (e.g., each partner agency will arrange for the Navigator to participate in program specific training; staff training opportunities offered through the NH Works Professional Development Team (PDT), etc.)
- Maintain a log of customers served, the type of services provided and report progress and outcomes for each person served.
- Submit individual outcome reports to the appropriate NH Works Employment Counselor; at a minimum upon completion of services.
- Submit monthly service reports to the IDG, and attend an IDG meeting quarterly and/or as requested to provide an update on activities, outcomes and suggestions for improvement.
- Along with the Director of FIT, attend a State Board meeting in December 2016 to present data on year one progress and, if applicable recommend continued services for the additional year.

The Program Navigator shall not:

- Serve as an agent for system change. Recommendations for improved services may be reviewed with the IDG at scheduled meetings, but shall not be the focus/responsibility of the Navigator.

Contractor's Initials: MD

Date: 1/8/16

## EXHIBIT B

### PRICE LIMITATION

- This contract is funded with WIOA Discretionary Funds (CDFA #17.258; 17.278; 17,259) as recommend by the State Workforce Innovation Board and approved by the Governor of New Hampshire.
- Total agreement not to exceed: \$200,000.00

### TERMS OF PAYMENT

1. For expenses related to the Program Navigator position from February 15, 2016 or upon Governor and Council approval, whichever comes later, through February 15, 2018, Family in Transition (FIT) shall be paid up to Two Hundred Thousand Dollars and 00/100 (\$200,000.00).
2. Related expenses shall be limited to salary, fringe benefits, reimbursement for in-state travel, and cell phone costs. All expenses shall be billed consistent with the policies and procedures in place for other employees of FIT. FIT shall be responsible for all other costs (e.g. indirect costs, supplies, audit fees, etc.)
3. Upon presentation of an invoice for such services and related expenses, which shall be billed monthly and submitted electronically, the amount of the invoice shall be payable to FIT in accordance with the State 30 day minimum payment schedule.

**Invoices shall be sent to:** **Office of Workforce Opportunity**  
Attn: Juli Pelletier  
172 Pembroke Rd  
Concord, NH 03302-1856  
[Julianne.Pelletier@dred.nh.gov](mailto:Julianne.Pelletier@dred.nh.gov)

**Payment shall be made to:** **Families in Transition**  
Attn: Maureen Beauregard  
122 Market Street  
Manchester, NH 03101

4. Invoices shall be signed by an authorized representative of FIT.
5. Supporting documentation, as mutually agreed to by FIT and OWO, shall be attached to the invoice to allow OWO to comprehend and track the origins of the amount invoiced.

6. Payments may be withheld pending receipt of required deliverables/reports as defined in Exhibit A of this agreement.

**REPORTING REQUIREMENTS**

1. FIT shall submit written monthly reports to the Interagency Directors Group.
2. A final report shall be due within 30 days of the end of this contract agreement.

Contractor's Initials: MF

Date: 1/8/16

**NH Department of Resources & Economic Development  
Office of Workforce Opportunity (OWO)**

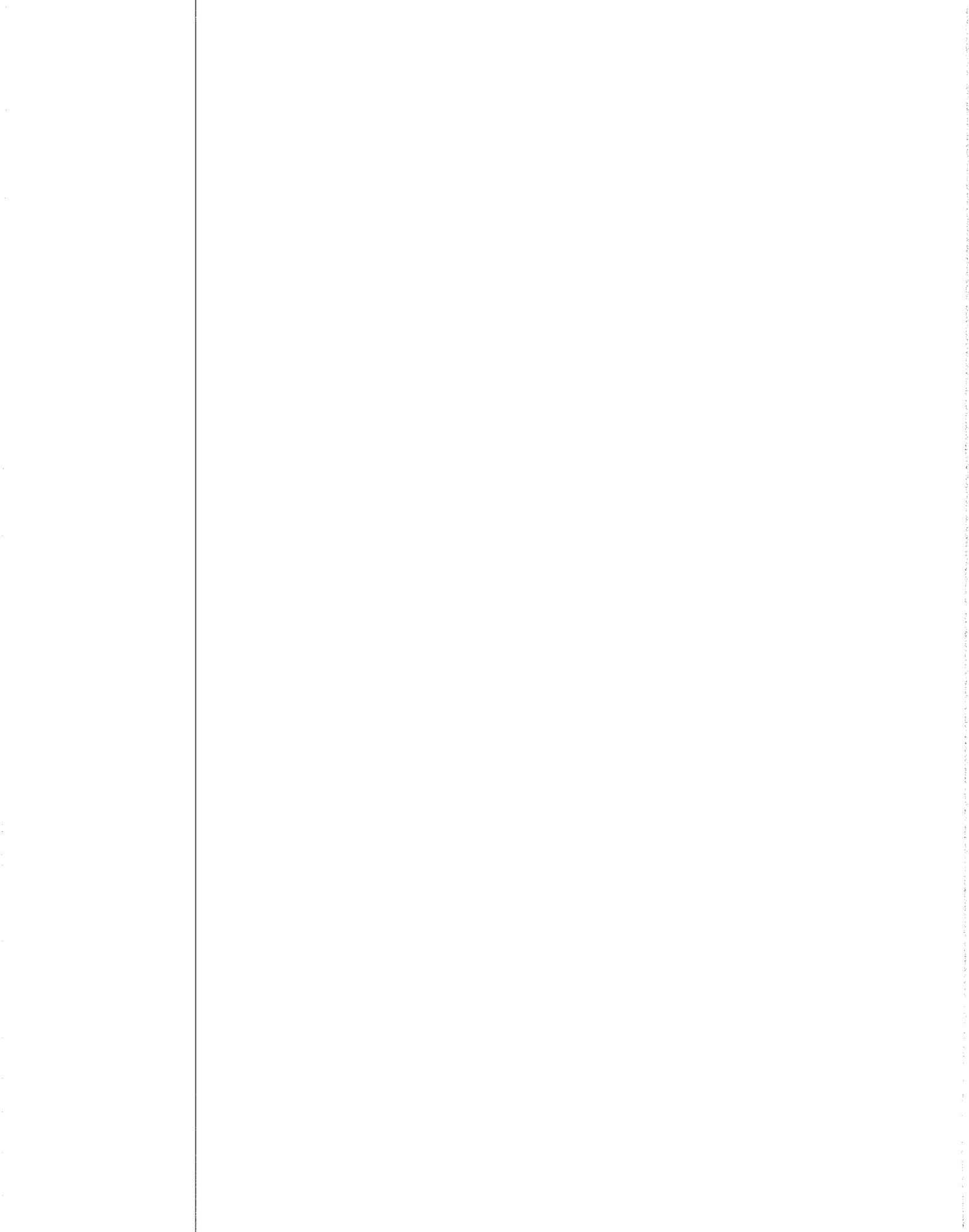
**STANDARD EXHIBIT C**

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**SPECIAL PROVISIONS**

As a condition of this contract agreement FIT agrees to:

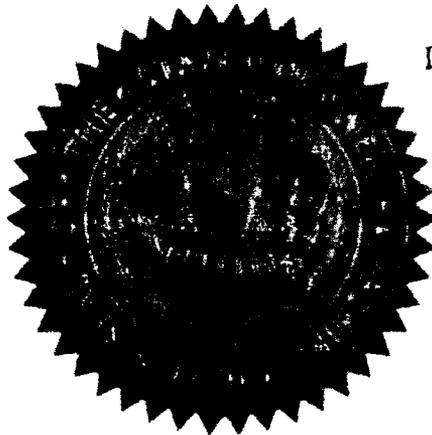
- Allow OWO staff to conduct on-site program and fiscal monitoring annually to comply with federal program management requirements, including access to customer files as necessary to verify the delivery of services.
- Maintain customer confidentiality consistent with OWO policy and procedures. The Program Navigator must sign a NH Works confidentiality form to be maintained in the personnel file at FIT.
- Comply with the provisions of the following as applicable:
  - 29 CFR Part 37 Nondiscrimination and Equal Opportunity Requirements
  - OMB 2 CFR 200 and CHAPTER XXIX—US DOL PART 2900 Audits of States, Local Governments and Non-Profit Organizations
  - The Americans with Disabilities Act of 1990 (Pub. L. 101-336, 104 Stat. 327,42 U.S.C 12101-12213 and 47 U.S.C 225 and 611)
  - Hatch Act (5 U.S.C. Subsection 1501 -1508 and 7324-7328) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds
  - Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 as amended (P.L.91-616)
  - Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. Section 794, 29 CFR Part 32)
  - Title IX of the Education Amendments Act of 1972, as amended (20 U.S.C. Subsection 1681-1683, and 1685 and 1686)
  - The Age Discrimination Act of 1975 as amended (42 U.S.C. Section 101-61 07) Title VI of the Civil Rights Act of 1964 (P.L. 88-352 / 29 CFR Part 31)
  - Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255)as amended
  - Davis-Bacon Act (40 U.S.C. Subsection 276a to 276a-7) regarding labor standards for federally assisted construction sub- agreements
  - Copeland Act (40 U.S.C. Subsection 276C and 18 U.S.C. Subsection 874) regarding labor standards for federally assisted construction sub-agreements
  - Contract Work Hours and Safety Standards Act (40 U.S.C. Subsections 327-333) regarding labor standards for federally assisted construction sub-agreements
  - Occupational Safety and Health Act, including State and Federal law which are applicable to similarly employed employees of the same employer who are not participants in programs under WIA/WIOA.
  - Implementation of the Priority of Service provisions of the Jobs For Veterans Act (73 fed. Reg. 78132)



State of New Hampshire  
Department of State

CERTIFICATE

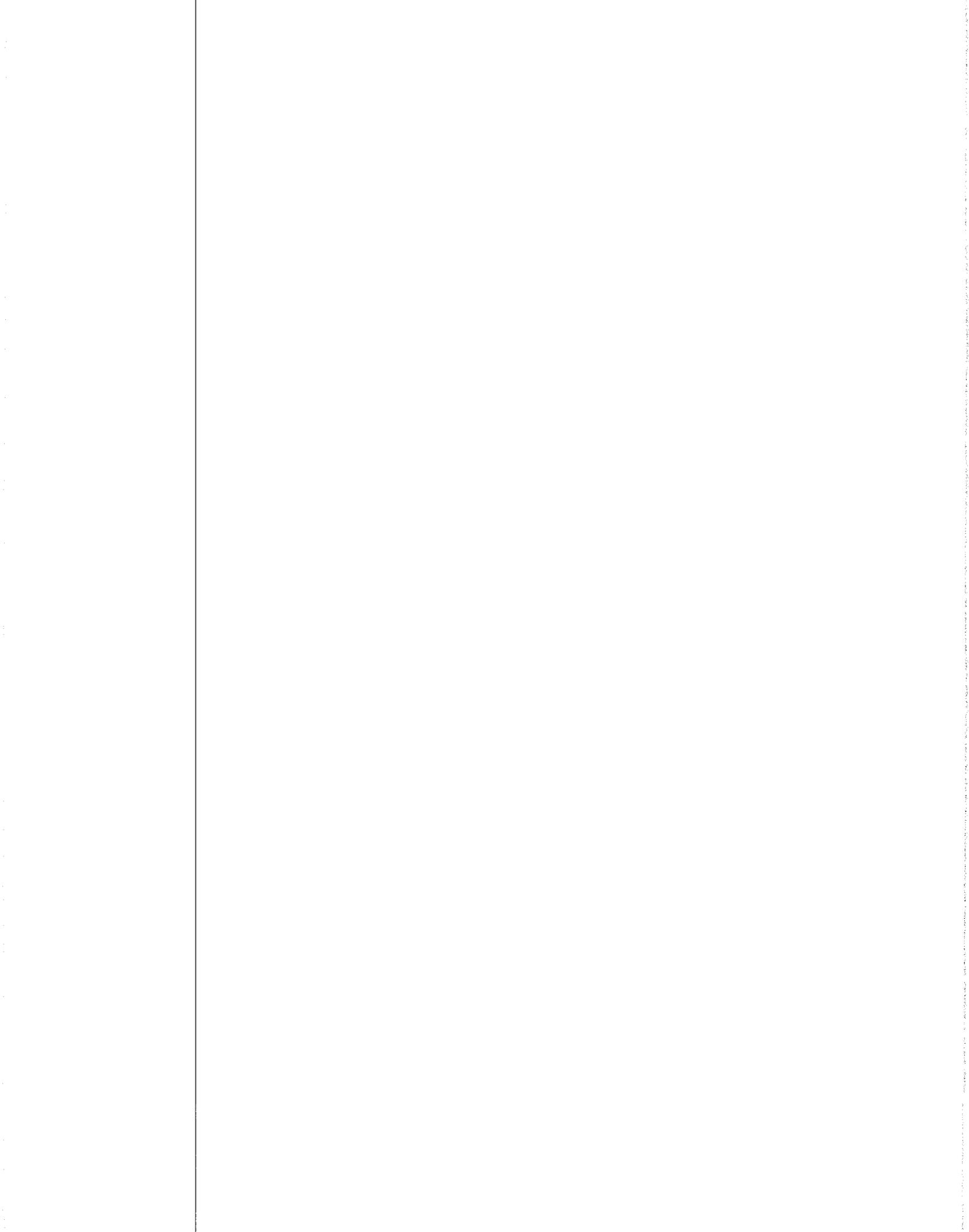
I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that FAMILIES IN TRANSITION is a New Hampshire nonprofit corporation formed May 13, 1994. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



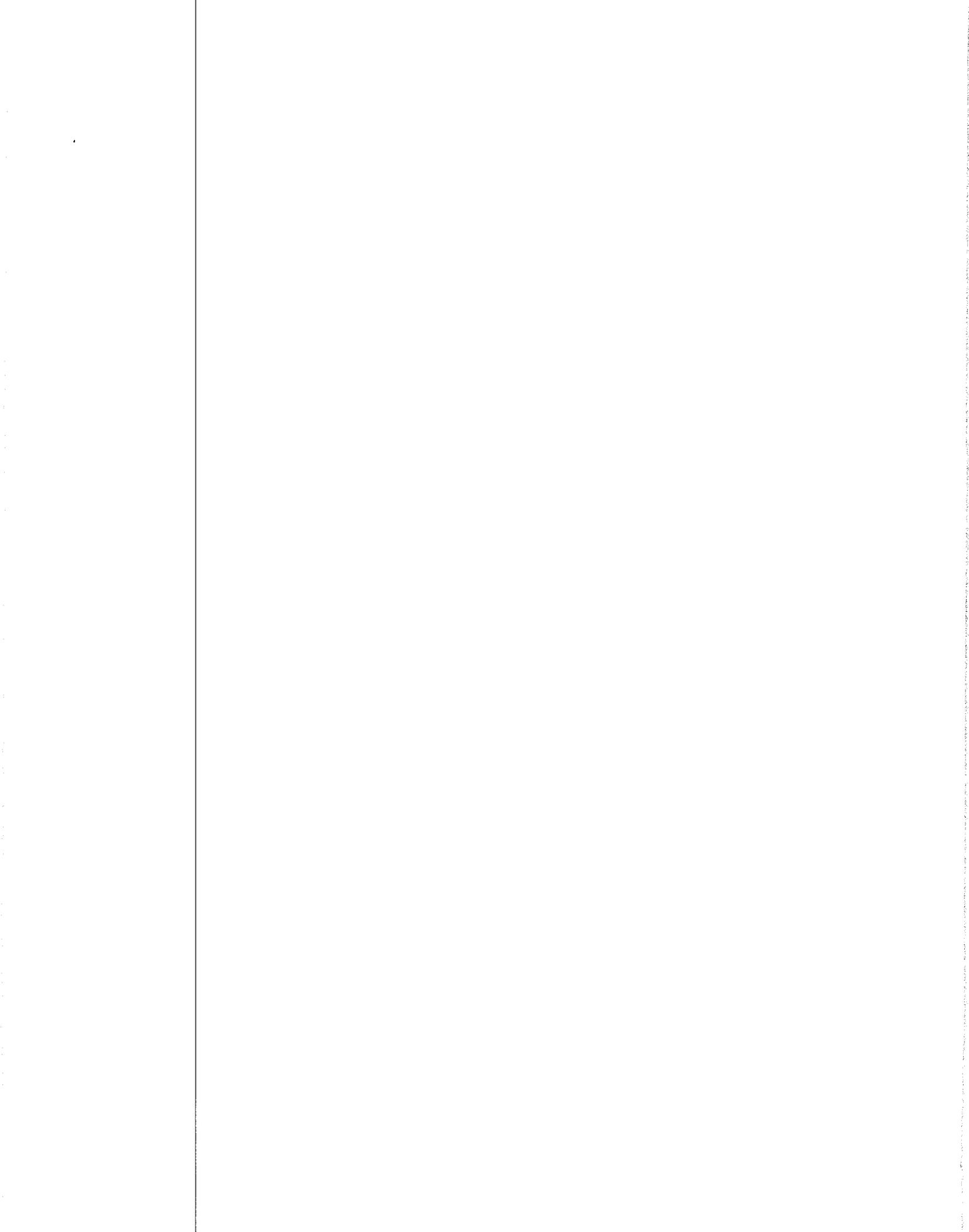
In TESTIMONY WHEREOF, I hereto  
set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 10<sup>th</sup> day of April, A.D. 2015

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

William M. Gardner  
Secretary of State







# CERTIFICATE OF VOTE

I, Dick Anagnost, do hereby certify that:  
(Name of the elected Officer of the Agency cannot be contract signatory)

1. I am a duly elected Officer of Families in Transition.  
(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 January 8, 2016:  
(Date)

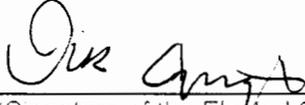
**RESOLVED:** That the President  
(Title of Contract Signatory)

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 8 day of January, 2016.  
(Date Contract Signed)

4. Maureen Beauregard is the duly elected President  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

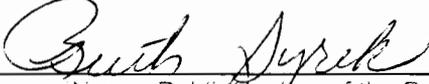
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 8 day of January, 2016.

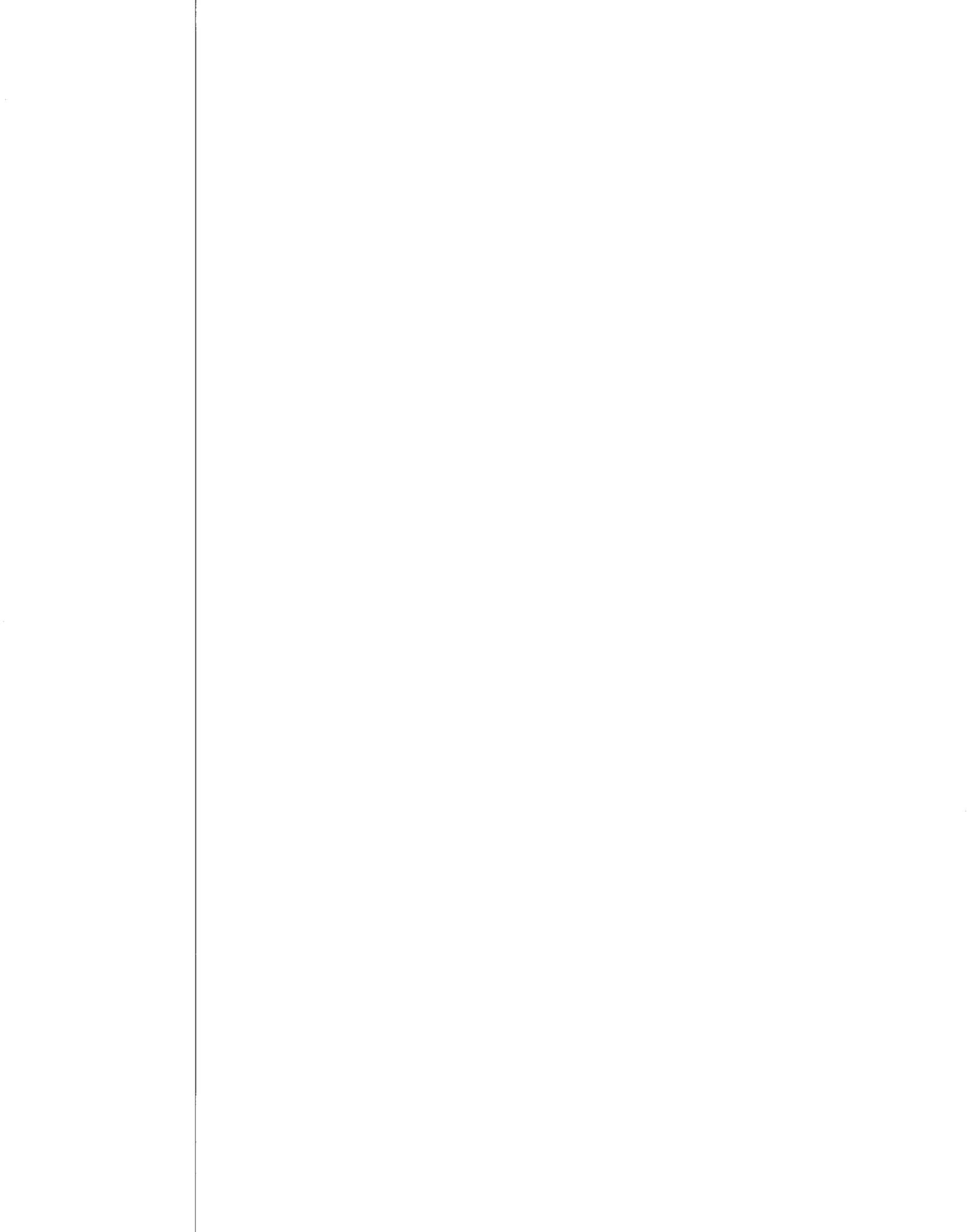
By Dick Anagnost  
(Name of Elected Officer of the Agency)

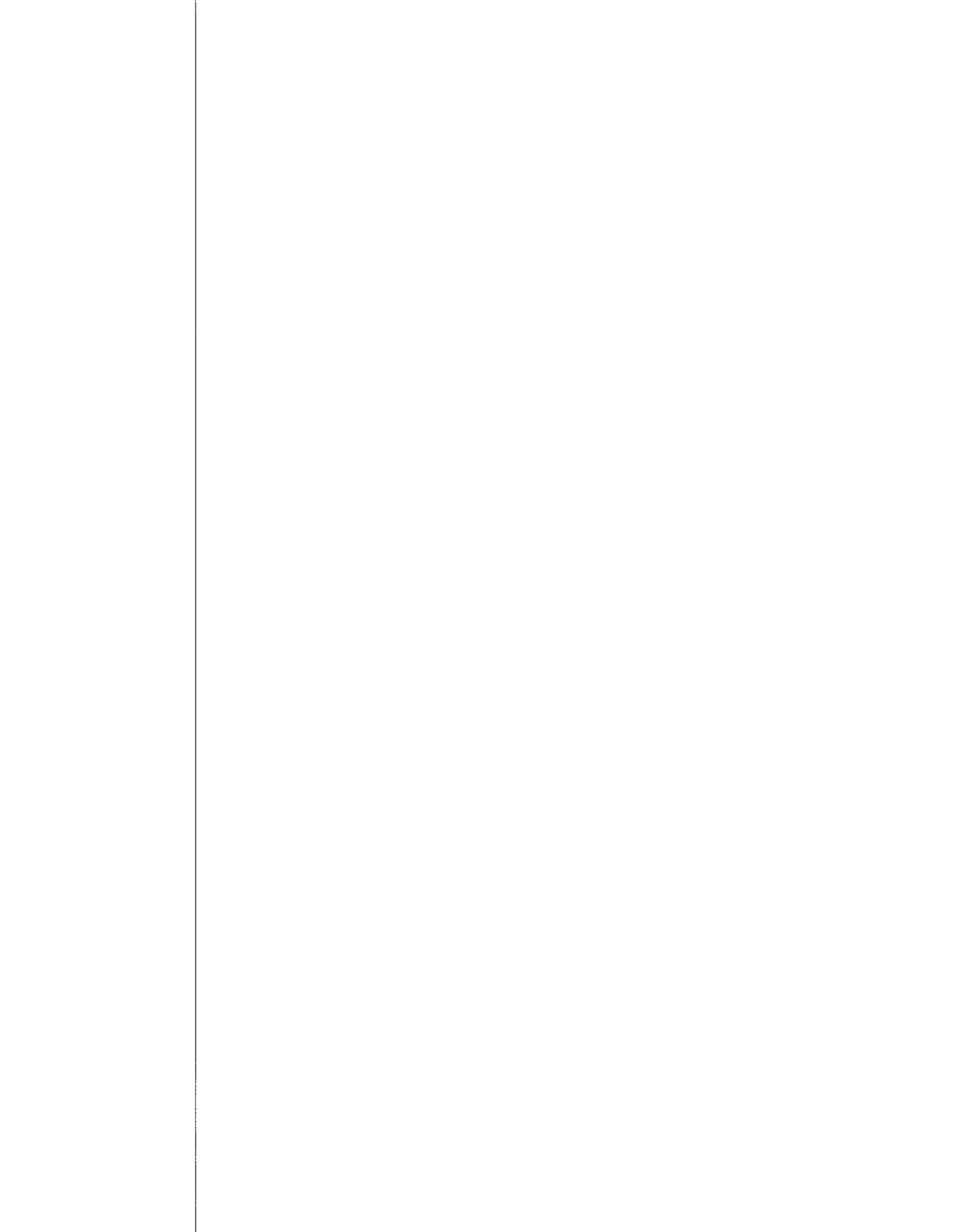
  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: \_\_\_\_\_

RUTH A. SYREK, Notary Public  
My Commission Expires October 16, 2018







STATE OF NEW HAMPSHIRE  
DEPARTMENT of RESOURCES and ECONOMIC DEVELOPMENT  
OFFICE OF WORKFORCE OPPORTUNITY

172 Pembroke Road Concord, New Hampshire 03302-1856

TO: Governor Margaret Wood Hassan  
FROM: Dick Anagnost, Chairman State Workforce Innovation Board  
DATE: December 16, 2015  
SUBJECT: WIOA Set-Aside Discretionary Fund – Fund Usage Recommendations

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The Workforce Innovation and Opportunity Act (WIOA) program sets aside discretionary funding for special projects relevant to workforce and labor market conditions that exist in the State. As of December 16, 2015 a total of \$412,403.00 is available for use consistent with the parameters set forth by US DOL. These funds are available for use through June 30, 2018.

Consistent with established procedures, the Office of Workforce Opportunity staff brings forward funding ideas through the NH Works committee structure. Proposed project ideas are reviewed at the Board level. Projects approved for consideration by the Board are then submitted to the Governor as recommendations for final approval.

Projects approved last year include funding to support WIOA State Plan development and program evaluation, and access to business services case management system for NH Works business staff; for a total of \$151,993.00.

By vote of the State Workforce Investment Board on December 16, 2015, two new projects are recommended for your approval:

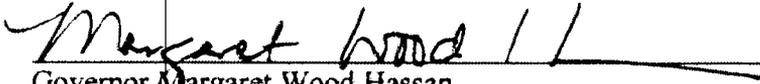
- \$60,000 in discretionary funding to cover the cost of individual training accounts (ITAs) for occupational skills training for out-of-school youth. If approved, discretionary funds would cover the cost of training for approximately 15 out-of-school youth. WIOA encourages enrollment of out-of-school youth in skills training opportunities that will lead to occupation specific credentialing. The youth program budget managed by NH DOE does not have sufficient funds to cover these costs.
- \$200,000 in discretionary funding to support a new initiative with the Manchester based non-profit organization, Families in Transition (FIT). Collectively, local service providers have identified a need for ongoing specialized support for individuals with multiple barriers to employment to help them access re-employment services and corresponding support resources. FIT, partnering with Goodwill Industries and other employment entities, proposes to pilot a program “navigator” approach to address this need. A Navigator will work one-on-one with homeless individuals to connect them with the services offered through the NH Works centers. If approved this would be a two year sole source contract. The project would employ one full-time staff person for 24 months in Manchester, NH. Year-two funding would be contingent on

The Office of Workforce Opportunity, DRED is a sponsor of the NH Works system, a proud member of America's Workforce Network and an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities

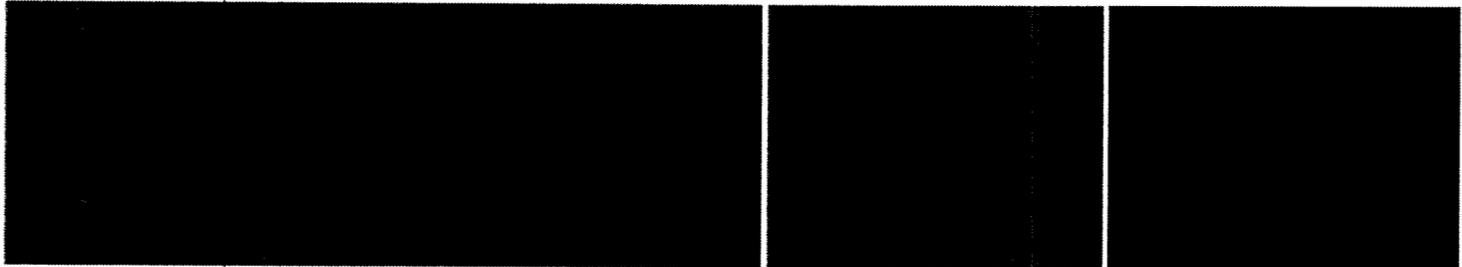
successful outcomes at the end of one year. It is anticipated that partner agencies will continue to work together to secure funds to sustain the project by the end of the second year.

I am hereby requesting your approval to expend WIOA Discretionary Funds for the purposes identified above.

If you agree with this request, please sign and date below and return this memorandum to the Office of Workforce Opportunity. Thank you for your consideration.

  
Governor Margaret Wood Hassan

12-17-15  
Date



**Families  
in Transition**

*Providing a Home Building Hope*

**CONSOLIDATED FINANCIAL STATEMENTS**

and

**SUPPLEMENTARY INFORMATION**

**December 31, 2014**

**(With Comparative Totals for 2013)**

**With Independent Auditor's Report**



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Families in Transition, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Families in Transition, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of December 31, 2014 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, 2014, and the consolidated changes in its net assets and its consolidated cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

***Report on Summarized Comparative Information***

We have previously audited the Organization's 2013 consolidated financial statements and, in our report dated March 28, 2014, 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, 2013, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived, adjusted as described in the following paragraph.

***Adjustment to Prior Period Summarized Comparative Information***

As disclosed in Note 11, the Organization has restated its beginning 2013 consolidated net assets to include a previously unrecognized contribution of property to Housing Benefits, Inc.'s Dover Housing Project.

As part of our audit of the 2014 consolidated financial statements, we audited the adjustment described in Note 11 that was applied to restate beginning 2013 consolidated net assets. In our opinion, such adjustment is appropriate and has been properly applied.

***Other Matter***

*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, 2014, 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.

*Berry Dawn McNeil & Parker, LLC*

Manchester, New Hampshire  
March 30, 2015

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Consolidated Statement of Financial Position**

**December 31, 2014**

**(With Comparative Totals for December 31, 2013)**

	<b>ASSETS</b>	
	<u>2014</u>	Restated <u>2013</u>
Current assets		
Cash and cash equivalents	\$ 996,035	\$ 732,210
Funds held as fiscal agent	75,737	96,380
Accounts receivable	39,983	43,901
Grants receivable	282,810	235,517
Prepaid expenses	54,587	65,440
Reserve cash designated for properties	662,613	646,522
Due from related parties	8,210	9,735
Other current assets	<u>43,779</u>	<u>40,058</u>
Total current assets	2,163,754	1,869,763
Replacement reserves	338,563	299,029
Investments	10,661	8,537
Investment in related entity	1,000	1,000
Property and equipment, net	26,111,906	24,356,363
Development in process	260,947	1,130,431
Other assets, net	<u>145,356</u>	<u>158,624</u>
Total assets	\$ <u>29,032,187</u>	\$ <u>27,823,747</u>
	<b>LIABILITIES AND NET ASSETS</b>	
Current liabilities		
Current portion of long-term debt	\$ 187,323	\$ 258,051
Accounts payable	183,579	136,696
Accrued expenses	159,806	102,519
Funds held as fiscal agent	75,737	96,380
Deferred revenue	32,581	6,825
Due to related entity	2,371	-
Security deposits	<u>43,784</u>	<u>40,138</u>
Total current liabilities	685,181	640,609
Long-term debt, less current portion	<u>9,938,952</u>	<u>9,681,352</u>
Total liabilities	<u>10,624,133</u>	<u>10,321,961</u>
Net assets		
Unrestricted - controlling interest	12,197,286	11,014,933
Unrestricted - noncontrolling interest	<u>5,691,054</u>	<u>6,114,912</u>
Total unrestricted	17,888,340	17,129,845
Temporarily restricted	<u>519,714</u>	<u>371,941</u>
Total net assets	<u>18,408,054</u>	<u>17,501,786</u>
Total liabilities and net assets	\$ <u>29,032,187</u>	\$ <u>27,823,747</u>

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

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**  
**Consolidated Statement of Activities**

**Year Ended December 31, 2014**  
**(With Comparative Totals for the Year Ended December 31, 2013)**

	Unrestricted - Controlling Interest	Unrestricted - Noncontrolling Interest	Total Unrestricted	Temporarily Restricted	2014	Restated 2013
Revenue and support						
Federal, state and other grant support	\$ 2,585,540	\$ -	\$ 2,585,540	\$ 283,408	\$ 2,868,948	\$ 3,699,199
Rental income, net of vacancies	1,674,741	-	1,674,741	-	1,674,741	1,493,303
Thrift store sales	724,911	-	724,911	-	724,911	700,667
Public support	116,666	-	116,666	-	116,666	90,985
Tax credit revenue	129,067	-	129,067	-	129,067	68,400
Special events	134,954	-	134,954	-	134,954	176,062
Developer fees	72,000	-	72,000	-	72,000	54,000
VISTA program revenue	93,474	-	93,474	-	93,474	104,523
Unrealized gains on investments	1,064	-	1,064	-	1,064	3,882
Loss on disposal of assets	(3,653)	-	(3,653)	-	(3,653)	(24,296)
Interest income	29,536	-	29,536	-	29,536	29,263
In-kind donations	25,890	-	25,890	-	25,890	25,397
Other income	547,357	-	547,357	-	547,357	289,132
Net assets released from restrictions	135,635	-	135,635	(135,635)	-	-
Total revenue and support	<u>6,267,182</u>	<u>-</u>	<u>6,267,182</u>	<u>147,773</u>	<u>6,414,955</u>	<u>6,710,517</u>
Expenses						
Program activities						
Housing	4,898,273	-	4,898,273	-	4,898,273	4,615,512
Thrift store	576,520	-	576,520	-	576,520	570,957
Total program activities	5,474,793	-	5,474,793	-	5,474,793	5,186,469
Fundraising	432,998	-	432,998	-	432,998	387,803
Management and general	288,623	-	288,623	-	288,623	337,187
Total expenses	<u>6,196,414</u>	<u>-</u>	<u>6,196,414</u>	<u>-</u>	<u>6,196,414</u>	<u>5,911,459</u>
Contribution of property for long-term purposes	<u>687,760</u>	<u>-</u>	<u>687,760</u>	<u>-</u>	<u>687,760</u>	<u>-</u>
Change in net assets	758,528	-	758,528	147,773	906,301	799,058
Distributions	-	(33)	(33)	-	(33)	-
Change in net assets attributable to noncontrolling interest in subsidiaries	423,825	(423,825)	-	-	-	-
Change in net assets attributable to controlling interest	1,182,353	(423,858)	758,495	147,773	906,268	799,058
Net assets, beginning of year, as restated	<u>11,014,933</u>	<u>6,114,912</u>	<u>17,129,845</u>	<u>371,941</u>	<u>17,501,786</u>	<u>16,702,728</u>
Net assets, end of year	<u>\$ 12,197,286</u>	<u>\$ 5,691,054</u>	<u>\$ 17,888,340</u>	<u>\$ 519,714</u>	<u>\$ 18,408,054</u>	<u>\$ 17,501,786</u>

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

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Consolidated Statement of Functional Expenses**

**Year Ended December 31, 2014**

**(With Comparative Totals for the Year Ended December 31, 2013)**

	<u>Program Activities</u>	<u>Fundraising</u>	<u>Management and General</u>	<u>2014 Total</u>	<u>2013 Total</u>
Salaries and benefits					
Salaries and wages	\$ 1,743,218	\$ 233,064	\$ 170,914	\$ 2,147,196	\$ 2,004,885
Temporary labor	7,202	-	-	7,202	38,656
Employee benefits	239,196	28,093	20,602	287,891	225,247
Payroll taxes	<u>138,280</u>	<u>18,922</u>	<u>13,876</u>	<u>171,078</u>	<u>174,159</u>
Total salaries and benefits	2,127,896	280,079	205,392	2,613,367	2,442,947
Expenses					
Advertising	29,308	-	332	29,640	26,407
Amortization	13,268	-	-	13,268	13,769
Application and permit fees	2,400	-	-	2,400	2,850
Bad debts	15,341	-	-	15,341	10,131
Bank charges	10,878	-	3,739	14,617	16,723
Consultants	30,333	2,250	-	32,583	41,606
Depreciation	849,077	21,192	15,541	885,810	849,064
Events	4,194	42,725	-	46,919	35,345
General insurance	119,390	8,043	5,899	133,332	120,529
Interest expense	179,152	-	-	179,152	177,265
Management fees	35,189	-	-	35,189	4,511
Meals and entertainment	2,968	590	432	3,990	3,973
Membership dues	5,172	932	683	6,787	7,324
Office supplies	100,961	16,447	12,061	129,469	117,049
Participant expenses	43,958	-	-	43,958	44,929
Postage	6,073	1,112	816	8,001	11,547
Printing	12,913	2,365	1,735	17,013	30,484
Professional fees	108,923	8,520	6,248	123,691	96,608
Rental subsidies	251,347	-	-	251,347	261,606
Repairs and maintenance	385,885	10,674	7,828	404,387	382,228
Staff development	8,792	1,782	1,307	11,881	11,776
Taxes	263,719	-	-	263,719	245,422
Technology support	44,546	8,617	6,319	59,482	58,676
Telephone	52,510	7,817	5,732	66,059	64,532
Travel	43,862	7,450	5,463	56,775	52,358
Utilities	403,942	4,462	3,272	411,676	374,781
VISTA program	264,623	-	-	264,623	345,979
Workers' compensation	<u>58,173</u>	<u>7,941</u>	<u>5,824</u>	<u>71,938</u>	<u>61,040</u>
Total expenses	\$ <u>5,474,793</u>	\$ <u>432,998</u>	\$ <u>288,623</u>	\$ <u>6,196,414</u>	\$ <u>5,911,459</u>

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

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Consolidated Statements of Cash Flows**

**Year Ended December 31, 2014**

**(With Comparative Totals for the Year Ended December 31, 2013)**

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ 906,301	\$ 799,058
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	899,078	862,833
Contribution of property for long-term purposes	(687,760)	-
Grants revenue for long-term purposes	-	(1,184,206)
Forgiveness of debt	(131,267)	(131,267)
Unrealized gains on investments	(1,064)	(3,882)
Loss on asset disposal	3,653	24,296
Decrease (increase) in:		
Accounts receivable	3,918	(21,025)
Grants receivable	(53,293)	(115,204)
Prepaid expenses	10,853	9,620
Due from related parties	1,525	(1,623)
Other current assets	(3,721)	(11,801)
Increase (decrease) in:		
Accounts payable	46,883	44,764
Accrued expenses	57,287	(1,573)
Deferred revenue	25,756	3,158
Due to related party	2,371	-
Security deposits	3,646	11,888
	<u>1,084,166</u>	<u>285,036</u>
Net cash provided by operating activities		
Cash flows from investing activities		
Net withdrawals from (deposits to) reserve accounts	14,242	(11,387)
Purchases of investments	(1,060)	-
Investment in development in process	(550,717)	(1,104,891)
Acquisition of property and equipment	(113,629)	(132,294)
	<u>(651,164)</u>	<u>(1,248,572)</u>
Net cash used by investing activities		
Cash flows from financing activities		
Grants received for long-term purposes	-	1,184,206
Partner distributions	(33)	-
Proceeds from borrowing long-term debt	-	45,701
Payments of long-term debt	(169,144)	(164,230)
	<u>(169,177)</u>	<u>1,065,677</u>
Net cash (used) provided by financing activities		
Increase in cash and cash equivalents	263,825	102,141
Cash and cash equivalents, beginning of year	<u>732,210</u>	<u>630,069</u>
Cash and cash equivalents, end of year	<u>\$ 996,035</u>	<u>\$ 732,210</u>
Supplemental disclosure		
Acquisition of property and equipment through long-term borrowings	<u>\$ 430,000</u>	<u>\$ -</u>
Acquisition of development in process through long-term borrowings	<u>\$ 63,283</u>	<u>\$ -</u>
Property and equipment transferred from development in process	<u>\$ 1,483,484</u>	<u>\$ -</u>

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

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

### Organization

Families in Transition, Inc. (FIT or the Organization) is a New Hampshire nonprofit, incorporated on May 13, 1994, 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, including Manchester, Concord and Dover.

The Organization directly owns and operates housing programs in facilities located on Amherst Street, Spruce Street and Douglas Street in Manchester, New Hampshire. Additional housing facilities are owned and operated by several limited partnerships of which the Organization is the sole general partner. These limited partnerships include Millyard Families II Limited Partnership (Millyard II), located on Market Street in Manchester, New Hampshire; 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).

In 2008, the Organization created a Community Development Housing Organization, Housing Benefits, Inc. (Housing Benefits). Housing Benefits identifies and develops new housing units and refurbishes existing units to meet the persistent need of combating homelessness. Completed housing units are located on School & Third Streets, Lowell Street, Belmont Street, and Market Street (Millyard Families I), in Manchester, New Hampshire as well as an additional housing unit located on Central Avenue in Dover, New Hampshire. An additional housing unit became operational in 2014, located on Hayward Street in Manchester, New Hampshire.

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. OutFITters operates independent thrift stores in Concord and Manchester, New Hampshire with the sole purpose of generating an alternate funding stream for the Organization.

The Limited Partnerships, Housing Benefits, MEH and OutFITters constitute the subsidiaries of the Organization.

In 2012, the Organization became the sole member of The New Hampshire Coalition to End Homelessness, a statewide entity, whose mission is to "eliminate the causes for homelessness through research, education and advocacy". The activity of this entity is not deemed material and has not been included in the consolidated financial statements.

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

### 1. Summary of Significant Accounting Policies

#### Principles of Consolidation

The Organization has several wholly-owned corporations which include Brick Mill House Families II, Inc. (Brick Mill), Bicentennial Families Concord, Inc. (Bicentennial Families), 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 Brick Mill is general partner of Millyard II, Bicentennial Families is general partner of Bicentennial, Family Mill is general partner of Family Bridge and Big Shady Tree is general partner of Family Willows.

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

The consolidated financial statements include the net assets of the Organization, the Limited Partnerships, the General Partners, Housing Benefits, MEH and OutFITters. 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, 2013 consolidated financial statements, from which the summarized information was derived.

#### Use of Estimates

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

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

### **Basis of Presentation**

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

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

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

Permanently restricted net assets - Net assets subject to donor imposed stipulations that they be maintained permanently by the Organization. The donors of these assets permit the Organization to use all or part of the income earned on related contributions for general or specific purposes. The Organization had no permanently restricted net assets as of December 31, 2014 and 2013.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. The Organization records donor-restricted contributions whose restrictions are met in the same reporting period as unrestricted support in the year of the gift.

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

### **Cash and Cash Equivalents**

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

Restricted deposits 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.

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

### Property and Equipment

Property and equipment are recorded at cost or, if donated, at estimated fair market value at the date of donation less accumulated depreciation. 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.

### Volunteer Services (unaudited)

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, 2014 and 2013, is approximately \$810,000 and \$780,000, respectively.

### Functional Expense Allocation

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

### Income Taxes

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

The standards for accounting for uncertainty in income taxes require the Organization to report any uncertain tax positions and to adjust its financial statements for the impact thereof. As of December 31, 2014 and 2013, the Organization determined that it had no tax positions that did not meet the more-likely-than-not threshold of being sustained by the applicable tax authority. The Organization files an informational return in the United States. This return is generally subject to examination by the federal government for up to three years.

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

### Reclassification

Certain amounts in the 2013 financial statements have been reclassified to conform to the current year's presentation.

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014  
(With Comparative Totals for December 31, 2013)

### 2. Property and Equipment

Property and equipment consisted of the following:

	<u>2014</u>	<u>2013</u>
Land	\$ 3,112,699	\$ 2,304,135
Land improvements	595,300	502,948
Buildings and improvements	27,743,643	26,035,016
Furniture and fixtures	496,456	503,087
Equipment	336,464	372,668
Vehicles	<u>214,065</u>	<u>214,065</u>
	<b>32,498,627</b>	29,931,919
Less: accumulated depreciation	<u>6,386,721</u>	<u>5,575,556</u>
Property and equipment, net	<u>\$ 26,111,906</u>	<u>\$ 24,356,363</u>

During 2012, the Organization began the development of the Hayward Street Permanent Supportive Housing Program (Hayward St. Program) through funding received by Housing Benefits from the U.S. Department of Housing and Urban Development, passed through the City of Manchester, New Hampshire, known as Neighborhood Stabilization Program grants. The funds were used to purchase a vacant lot in Manchester, New Hampshire and to construct a building used to provide housing and supportive services to individuals and families who are homeless. The facility contains four 2-bedroom apartments and two 1-bedroom apartments. In addition, tenants receive comprehensive supportive services designed to ensure long-term stability and wellness. At December 31, 2013, the Organization had incurred costs of approximately \$1.1 million presented in the Organization's consolidated statement of financial position as development in process.

At December 31, 2014, the Organization had invested approximately \$1.5 million in the Hayward St. Program. On March 1, 2014, the Hayward St. Program was placed into service and the assets were transferred from development in process and at December 31, 2014 are presented in the Organization's consolidated statement of financial position in property and equipment, net.

In June 2014, land located at Spruce Street and Massabesic Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. This land will be used to be developed into the Hollow's Community Garden and Learning Center. The project is intended to improve the quality of life of at-risk children and families by providing immediate hunger relief, expanding food access and delivering hands-on educational experiences.

In September 2014, a three-family building and land located on Spruce Street in Manchester, New Hampshire, was donated to FIT from the City of Manchester. The property was transferred from FIT to Housing Benefits. Housing Benefits intends to rehabilitate the project into rental housing for low-income households. All construction will incorporate energy efficiencies to the maximum extent possible to reduce operating costs and ensure long-term affordability.

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

### 3. Development in Process

In 2014, the Organization began the pre-construction phase on its Family Place Resource Center and Shelter through funding received from New Hampshire Housing Finance Authority (NHHFA), Community Development Finance Authority funds and donations. The facility will house a new and expanded family shelter as well as a comprehensive resource center designed to meet the needs of homeless families and children. The shelter will consist of 12 emergency housing units for families in immediate need of shelter. The services include, but are not limited to, centralized assessment and referral, hot meals, access to an onsite food pantry, onsite medical care and therapeutic preschool programming for children. The project is expected to cost approximately \$1.8 million and is expected to be completed in 2015. At December 31, 2014, the Organization had invested approximately \$200,000 in the facility.

### 4. Line of Credit

The Organization has an unsecured line of credit agreement, renewed annually, with a financial institution in the amount of \$100,000. 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%. There was no outstanding balance or activity as of and for the years ended December 31, 2014 and 2013.

### 5. Long-term Debt

Long-term debt consisted of the following:

	<u>2014</u>	<u>2013</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.	\$ 67,613	\$ 71,011
A note payable to NHHFA. The note is non-interest 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.	157,283	163,283
A mortgage loan payable to St. Mary's Bank in monthly payments of \$990, including interest at 6.25%. The loan is collateralized by real estate on Spruce Street, Manchester, New Hampshire and is due and payable in full in February 2019.	132,207	136,628
A vehicle loan on an activity bus payable to New Hampshire Health and Education Facilities Authority in monthly payments of \$525 at 1% annual interest rate. The loan is due and payable in February 2017.	13,492	19,621

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2014**

**(With Comparative Totals for December 31, 2013)**

A mortgage loan payable to TD Bank, N.A. in monthly payments of \$1,359, including interest at 7.1%. The loan is collateralized by real estate at Beech Street, Manchester, New Hampshire. The loan is due and payable in full in November 2023.	<b>100,050</b>	108,818
A mortgage loan payable to RBS Citizens Bank in monthly payments of \$2,126, including interest at 4.93%. The loan is collateralized by real estate on Douglas Street, Manchester, New Hampshire. The loan is due and payable in full in April 2024.	<b>250,676</b>	258,443
Non-interest bearing note payable to the City of Manchester, New Hampshire, payable in annual installments of \$1,977. The loan was paid in October 2014.	-	1,977
A mortgage note payable by Bicentennial to NHHFA, collateralized by real estate and personal 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.	<b>164,904</b>	170,083
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 50% of surplus cash are due. The note is due and payable on May 27, 2033. This is non-recourse.	<b>102,647</b>	102,647
A non-interest bearing note payable by Bicentennial to NHHFA, collateralized by real estate and various financing instruments. Annual payments of 25% of surplus cash are due. The note is due and payable on May 27, 2033. This note is non-recourse and is subordinate to the \$102,647 note payable.	<b>337,720</b>	337,720
A non-interest bearing note payable by Bicentennial to Merrimack County, collateralized by real estate and various financing instruments. The note is due and payable in full May 27, 2033.	<b>260,000</b>	260,000
A non-interest bearing note payable by Millyard II to NHHFA, collateralized by real estate 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 non-recourse.	<b>461,696</b>	462,309
A mortgage note payable by Millyard II to NHHFA, collateralized by real estate and personal property. Monthly payments of \$1,729 include principal and interest at 3.5% per annum. The final installment is due and payable on April 1, 2032.	<b>268,758</b>	279,885

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

A non-interest bearing note payable by Millyard II to the City of Manchester, New Hampshire, collateralized by real estate 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. In any year where the Debt Coverage Ratio 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 non-recourse.	<b>226,725</b>	227,521
A non-interest bearing note payable by Millyard II to the New Hampshire Community Loan Fund, Inc. (NHCLF), collateralized by real estate. All unpaid amounts are due and payable in full on December 31, 2031. This note is non-recourse.	<b>250,000</b>	250,000
A mortgage note payable by Millyard Families I to the City of Manchester Community Improvement Program, collateralized by real estate. The note is non-interest bearing and is due and payable in January 2027.	<b>230,000</b>	230,000
A second mortgage note payable by Millyard Families I to the NHCLF, collateralized by 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.	<b>93,604</b>	105,058
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.	<b>850,000</b>	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 7.71%. The note is payable in full in October 27, 2023 and is guaranteed by FIT and Family Mill.	<b>483,093</b>	492,270
A promissory note payable by Family Bridge to the City of Manchester, New Hampshire. The note is non-interest 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 non-recourse.	<b>600,000</b>	600,000

# FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

## Notes to Consolidated Financial Statements

December 31, 2014

(With Comparative Totals for December 31, 2013)

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.	<b>598,957</b>	598,957
A note payable by Family Willows to the City of Manchester, New Hampshire. The note is non-interest 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 non-recourse.	<b>127,272</b>	136,363
A note payable by Family Willows to RBS Citizens Bank, collateralized by real estate. Monthly payments of \$1,882 include principal and interest at 3.25%, based on the prime rate capped at 6%. The note is payable in full on October 14, 2033 and is guaranteed by FIT and Big Shady Tree.	<b>312,442</b>	324,506
A mortgage note payable by School & Third Street to NHHFA, collateralized by real estate and personal property. Monthly payments of \$2,774 include principal and interest at 8% per annum. The note is due April 1, 2021.	<b>163,281</b>	182,653
A second mortgage note payable by School & Third Street to NHCLF, collateralized by real estate and personal property. The note bears no interest and monthly payments of \$2,774 will commence on April 15, 2021 and continue until maturity in September 15, 2039.	<b>617,613</b>	617,613
A mortgage note payable by Belmont Street to NHHFA, collateralized by 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.	<b>419,370</b>	433,000
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 note will be paid in full in September 2031.	<b>392,864</b>	405,761
A mortgage note payable from Lowell Street to NHHFA, collateralized by 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.	<b>44,312</b>	59,157

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2014**

**(With Comparative Totals for December 31, 2013)**

<p>A second, non-interest bearing, mortgage note payable from Lowell Street to the City of Manchester, New Hampshire, collateralized by real estate. Annual payments equal to the greater of 25% of new cash flow or \$4,000 commenced in October 2012 and will continue until the maturity date in June 2041.</p>	<b>180,864</b>	188,287
<p>A non-interest promissory note payable from Lowell Street to NHHFA collateralized by a mortgage and security agreement on real estate. The note will be forgiven 1/15th annually over the low-income housing tax credit compliance period. During 2014 and 2013, \$131,267 was recognized as other income in the consolidated statement of activities.</p>	<b>1,509,565</b>	1,640,832
<p>A mortgage note payable from Dover to NHHFA, collateralized by the 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 June 2028.</p>	<b>221,428</b>	225,000
<p>A non-interest mortgage note payable to the City of Manchester Community Improvement Program, collateralized by real estate located at 393-395 Spruce St. The note has a borrowing limit of \$500,000. As costs are incurred Housing Benefits will be reimbursed by the City of Manchester. Annual payments of the greater of 25% of net cash flow or \$5,000 are due by October 1 commencing October 1, 2015. The note is due in full by October 1, 2045.</p>	<b>63,283</b>	-
<p>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 \$1,921 include principal and interest at 3.41%. The note is due in full by April 2019.</p>	<b><u>424,556</u></b>	<u>-</u>
	<b>10,126,275</b>	9,939,403
Less current portion	<b><u>187,323</u></b>	<u>258,051</u>
	<b><u>\$ 9,938,952</u></b>	<b><u>\$ 9,681,352</u></b>

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

2015	\$ 187,323
2016	141,655
2017	143,682
2018	149,749
2019	645,646
Thereafter	<u>8,858,220</u>
	<b><u>\$ 10,126,275</u></b>

Cash paid for interest approximates interest expense.

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2014  
(With Comparative Totals for December 31, 2013)**

**6. Temporarily Restricted Net Assets**

Temporarily restricted net assets are restricted for the following purposes:

	<u>2014</u>	<u>2013</u>
The Family Place - services	\$ 53,672	\$ 50,888
The Family Place - development	241,000	177,000
Research and training	26,333	19,551
Scholarships and tutoring	4,375	6,879
VISTA program	38,511	54,484
Housing programs	4,750	2,700
Direct care for clients	79,851	35,439
Community Gardens	71,222	-
Grant receivable - time restricted	-	25,000
	<u>\$ 519,714</u>	<u>\$ 371,941</u>

**7. 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.

**8. 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 \$31,138 and \$32,692 during the years ended December 31, 2014 and 2013, respectively.

**9. Housing Action New Hampshire**

In 2011, the Organization entered into a Fiscal Sponsorship Agreement with Housing Action New Hampshire (HANH), an unincorporated association. Authority to manage the programmatic activities of HANH is vested solely in HANH. The Organization maintains the books and financial records for HANH in accordance with U.S. GAAP. HANH funds are presented in the Organization's consolidated statement of financial position as funds held as fiscal agent.

**FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES**

**Notes to Consolidated Financial Statements**

**December 31, 2014**

**(With Comparative Totals for December 31, 2013)**

**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 as of December 31:

<u>Limited Partner</u>	<u>Property</u>	<u>2014</u>	<u>2013</u>
Community Capital 2000 New Hampshire Housing Equity Fund, Inc.	Millyard II	\$ 1,000,929	\$ 1,080,482
JP Morgan Chase	Bicentennial	352,882	382,492
BCCC, Inc.	Bicentennial	352,985	382,589
Boston Capital Corporate	Family Bridge	10	10
BCCC, Inc.	Family Bridge	1,660,467	1,853,769
Boston Capital Midway	Family Willows	10	10
	Family Willows	<u>2,323,771</u>	<u>2,415,560</u>
		<u>\$ 5,691,054</u>	<u>\$ 6,114,912</u>

**11. Restatement of January 1, 2013 Net Assets**

The beginning 2013 unrestricted net assets has been restated to properly reflect property contributed to Housing Benefit's Dover Housing Project in a prior year. The effect of the restatement is as follows:

Unrestricted net assets - controlling interest, January 1, 2013 (as previously stated)	\$ 9,551,445
Amount of restatement to include property contributed in 2012	<u>280,700</u>
Unrestricted net assets - controlling interest, January 1, 2013 (restated)	9,832,145
Unrestricted net assets - noncontrolling interest, January 1, 2013	6,652,776
Temporarily restricted net assets, January 1, 2013	<u>217,807</u>
Total net assets, January 1, 2013 (restated)	<u>\$ 16,702,728</u>

The restatement had no effect on the previously reported change in net assets for 2013.

**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 30, 2015, 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**

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Financial Position

December 31, 2014

ASSETS

	Families In Transition Unrestricted	Limited Partnerships	Housing Benefits	Family Outlets	Manchester Emergency Housing	Families in Transition Temporarily Restricted	Eliminations	Total
<b>Current assets</b>								
Cash and cash equivalents	\$ 230,524	\$ 66,581	\$ 44,897	\$ 124,642	\$ 7,677	\$ 519,714	\$ -	\$ 996,035
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Accounts receivable	117,456	14,010	6,176	-	-	-	(97,659)	39,983
Grants receivable	275,758	-	4,058	-	2,994	-	-	282,810
Prepaid expenses	9,197	26,215	14,717	1,278	3,180	-	-	54,587
Accrued interest receivable on related party note	746,158	-	-	-	-	-	(746,158)	-
Reserve cash designated for properties	2,871	382,705	277,037	-	-	-	-	662,613
Due from related party	220,321	-	66,759	-	4,896	-	(381,361)	8,210
Other current assets	10,516	20,025	13,238	-	-	-	-	43,779
<b>Total current assets</b>	<b>1,688,538</b>	<b>511,536</b>	<b>426,882</b>	<b>223,515</b>	<b>18,747</b>	<b>519,714</b>	<b>(1,225,178)</b>	<b>2,163,754</b>
Replacement reserves	33,113	-	-	-	-	-	-	33,113
Related party notes receivable	1,725,799	189,079	116,371	-	-	-	(1,725,799)	-
Investments	10,661	-	-	-	-	-	-	10,661
Investment in related entities	1,196,347	-	25,051	-	-	-	(1,220,398)	1,000
Property and equipment, net	3,052,217	13,896,792	9,108,993	13,204	40,700	-	-	26,111,906
Development in process	190,815	-	70,132	-	-	-	-	260,947
Other assets, net	-	70,345	75,011	-	-	-	-	145,356
<b>Total assets</b>	<b>\$ 7,897,490</b>	<b>\$ 14,667,752</b>	<b>\$ 9,822,440</b>	<b>\$ 236,719</b>	<b>\$ 59,447</b>	<b>\$ 519,714</b>	<b>\$ (4,171,375)</b>	<b>\$ 29,032,187</b>

LIABILITIES AND NET ASSETS

<b>Current liabilities</b>								
Current portion of long-term debt	\$ 52,971	\$ 101,684	\$ 32,668	\$ -	\$ -	\$ -	\$ -	\$ 187,323
Accounts payable	85,751	152,339	34,785	6,421	1,942	-	(97,659)	183,579
Accrued expenses	103,316	595,568	188,252	13,997	4,831	-	(746,158)	159,806
Funds held as fiscal agent	75,737	-	-	-	-	-	-	75,737
Due to related entities	58,385	34,402	190,163	100,782	-	-	(381,361)	2,371
Deferred revenue	30,383	1,340	858	-	-	-	-	32,581
Security deposits	10,516	20,025	13,243	-	-	-	-	43,784
<b>Total current liabilities</b>	<b>417,059</b>	<b>905,358</b>	<b>459,969</b>	<b>121,200</b>	<b>6,773</b>	<b>-</b>	<b>(1,225,178)</b>	<b>685,181</b>
Long-term debt, less current portion	1,485,770	6,268,329	3,910,652	-	-	-	(1,725,799)	9,938,952
<b>Total liabilities</b>	<b>1,902,829</b>	<b>7,173,687</b>	<b>4,370,621</b>	<b>121,200</b>	<b>6,773</b>	<b>-</b>	<b>(2,950,977)</b>	<b>10,624,133</b>
<b>Net assets</b>								
Unrestricted - controlling interest	5,994,661	1,803,011	5,451,819	115,519	52,674	-	(1,220,398)	12,197,286
Unrestricted - noncontrolling interest	-	5,691,054	-	-	-	-	-	5,691,054
<b>Total unrestricted</b>	<b>5,994,661</b>	<b>7,494,065</b>	<b>5,451,819</b>	<b>115,519</b>	<b>52,674</b>	<b>-</b>	<b>(1,220,398)</b>	<b>17,888,340</b>
Temporarily restricted	-	-	-	-	-	519,714	-	519,714
<b>Total net assets</b>	<b>5,994,661</b>	<b>7,494,065</b>	<b>5,451,819</b>	<b>115,519</b>	<b>52,674</b>	<b>519,714</b>	<b>(1,220,398)</b>	<b>18,408,054</b>
<b>Total liabilities and net assets</b>	<b>\$ 7,897,490</b>	<b>\$ 14,667,752</b>	<b>\$ 9,822,440</b>	<b>\$ 236,719</b>	<b>\$ 59,447</b>	<b>\$ 519,714</b>	<b>\$ (4,171,375)</b>	<b>\$ 29,032,187</b>

FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Activities

Year Ended December 31, 2014

	Families In Transition Operating	Limited Partnerships	Housing Benefits	Family Outfits	Manchester Emergency Housing	Eliminations	Unrestricted Total	Temporarily Restricted	Total
Revenue and support									
Federal, state and other grant support	\$ 2,169,710	\$ 64,807	\$ 506,734	\$ -	\$ 159,186	\$ (314,897)	\$ 2,585,540	\$ 283,408	\$ 2,868,948
Rental income, net of vacancies	295,911	965,137	490,308	-	2,260	(78,875)	1,674,741	-	1,674,741
Thrift store sales	-	-	-	724,911	-	-	724,911	-	724,911
Public support	113,645	-	-	3,021	-	-	116,666	-	116,666
Tax credit revenue	129,067	-	-	-	-	-	129,067	-	129,067
Special events	134,354	-	-	600	-	-	134,954	-	134,954
Property management fees	570,336	-	-	-	-	(570,336)	-	-	-
Developer fees	72,000	-	-	-	-	-	72,000	-	72,000
VISTA program revenue	93,474	-	-	-	-	-	93,474	-	93,474
Unrealized gains on investments	1,064	-	-	-	-	-	1,064	-	1,064
Loss on disposal of assets	-	(3,653)	-	-	-	(67,770)	(3,653)	-	(3,653)
Interest income	96,758	438	110	-	-	-	29,536	-	29,536
In-kind donations	24,040	-	1,850	-	-	-	25,890	-	25,890
Other income	367,656	22,249	157,737	4,295	1,420	(6,000)	547,357	-	547,357
Net assets released from restrictions	135,635	-	-	-	-	-	135,635	(135,635)	-
Total revenue and support	4,203,650	1,048,978	1,156,739	732,827	162,866	(1,037,878)	6,267,182	147,773	6,414,955
Expenses									
Program activities	3,261,921	1,472,843	1,060,320	699,216	165,765	(1,185,272)	5,474,793	-	5,474,793
Fundraising	432,998	-	-	-	-	-	432,998	-	432,998
Management and general	411,429	-	-	-	-	(122,806)	288,623	-	288,623
Total expenses	4,106,348	1,472,843	1,060,320	699,216	165,765	(1,308,078)	6,196,414	-	6,196,414
Excess (deficiency) of revenue and support over expenses	97,302	(423,865)	96,419	33,611	(2,899)	270,200	70,768	147,773	218,541
Contribution for long-term purposes	687,760	-	216,200	-	-	(216,200)	687,760	-	687,760
Change in net assets	\$ 785,062	\$ (423,865)	\$ 312,619	\$ 33,611	\$ (2,899)	\$ 54,000	\$ 758,528	\$ 147,773	\$ 906,301

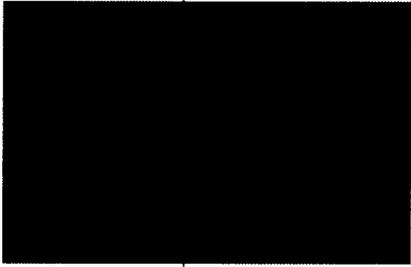
FAMILIES IN TRANSITION, INC. AND SUBSIDIARIES

Consolidating Statement of Functional Expenses

Year Ended December 31, 2014

Program Activities

	Families In Transition Operating					Manchester Emergency Housing			Program Activities Total		Management and General		Eliminations	Total
	Limited Partnerships	Housing Benefits	Family OutFitters	Manchester Emergency Housing	Program Activities Total	Fundraising	General							
<b>Salaries and benefits</b>														
Salaries and wages	\$ 1,149,785	\$ -	\$ 153,510	\$ 347,826	\$ 92,097	\$ 1,743,218	\$ -	\$ 233,064	\$ 170,914	\$ -	\$ 2,147,196			
Temporary labor	-	-	5,777	1,425	7,202	-	-	-	-	-	7,202			
Employee benefits	138,593	35,542	51,750	13,311	239,196	239,196	-	28,093	20,602	-	287,891			
Payroll taxes	93,347	10,554	27,714	6,665	138,280	138,280	-	18,922	13,876	-	171,078			
<b>Total salaries and benefits</b>	<b>1,381,725</b>	<b>199,606</b>	<b>433,067</b>	<b>113,498</b>	<b>2,127,896</b>	<b>2,127,896</b>	<b>280,079</b>	<b>205,392</b>	<b>-</b>	<b>-</b>	<b>2,613,367</b>			
Advertising	6,316	-	22,992	-	29,308	29,308	-	332	-	-	29,640			
Amortization	-	6,744	-	-	13,268	13,268	-	-	-	-	13,268			
Application and permit fees	-	960	-	-	2,400	2,400	-	-	-	-	2,400			
Bad debts	-	4,470	10,871	-	15,341	15,341	-	-	-	-	15,341			
Bank charges	-	645	96	-	10,137	10,878	-	-	3,739	-	14,617			
Consultants	24,045	-	3,864	1,102	30,333	30,333	2,250	-	-	-	32,583			
Depreciation	104,545	483,500	254,034	4,784	849,077	849,077	21,192	15,541	-	-	885,810			
Events	-	-	1,262	-	4,194	4,194	42,725	-	-	-	46,919			
General insurance	39,681	40,629	28,943	5,806	119,390	119,390	8,043	5,899	-	-	133,332			
Interest expense	67,717	135,176	44,029	-	246,922	246,922	-	-	-	(67,770)	179,152			
Management fees	84,156	241,973	243,976	-	585,525	585,525	-	-	-	(550,336)	35,189			
Meals and entertainment	2,908	-	-	60	2,968	2,968	590	432	-	-	3,990			
Membership dues	4,597	-	575	-	5,172	5,172	932	683	-	-	6,787			
Office supplies	81,137	4,457	6,190	120	100,961	100,961	16,447	12,061	-	-	129,469			
Participant expenses	42,340	-	1,193	275	43,958	43,958	-	-	-	-	43,958			
Postage	5,487	-	586	-	6,073	6,073	1,112	816	-	-	8,001			
Printing	11,669	-	437	807	12,913	12,913	2,365	1,735	-	-	17,013			
Professional fees	42,032	28,890	32,001	-	108,923	108,923	8,520	6,248	-	-	123,691			
Related entity expenditures	559,793	-	(135,323)	-	484,470	484,470	-	106,627	-	(591,097)	-			
Rent	-	-	62,696	-	62,696	62,696	-	16,179	-	(78,875)	-			
Rental subsidies	251,347	-	31,065	8,557	251,347	251,347	-	-	-	-	251,347			
Repairs and maintenance	52,659	171,739	141,865	-	405,885	405,885	10,674	7,828	-	(20,000)	404,387			
Staff development	8,792	-	-	-	8,792	8,792	1,782	1,307	-	-	11,881			
Taxes	49,504	119,994	91,364	-	263,719	263,719	8,617	6,319	-	-	263,719			
Technology support	42,508	788	125	-	44,546	44,546	7,817	5,732	-	-	59,482			
Telephone	38,561	744	5,301	2,461	52,510	52,510	7,450	5,463	-	-	66,059			
Travel	36,753	-	7,089	20	43,862	43,862	4,462	3,272	-	-	56,775			
Utilities	22,010	229,974	115,679	8,658	403,942	403,942	4,462	-	-	-	411,676			
VISTA program	262,463	2,160	-	-	264,623	264,623	-	-	-	-	264,623			
Workers' compensation	39,176	-	7,280	4,197	58,173	58,173	7,941	5,824	-	-	71,938			
<b>Total expenses</b>	<b>\$ 3,261,921</b>	<b>\$ 1,472,843</b>	<b>\$ 1,060,320</b>	<b>\$ 165,765</b>	<b>\$ 6,660,065</b>	<b>\$ 6,660,065</b>	<b>\$ 432,998</b>	<b>\$ 411,429</b>	<b>\$ (1,308,078)</b>	<b>\$ (1,308,078)</b>	<b>\$ 6,196,414</b>			





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FAMILIES IN TRANSITION

**Board of Directors**

Dick Anagnost, Chairperson  
*President, Anagnost Companies*  
Board member since 2007

Charla Bizios Stevens, Vice Chairperson  
*Director, Litigation Department and Chair of Employment Law Practice Group  
McLane, Graf, Raulerson & Middleton, P.A.*  
Board member since 2013

Robert Bartley, Treasurer  
Bartley Financial Advisor  
Board member since 2015

Colleen Cone, Secretary  
*VP, Talent & Culture, DYN*  
Board member since 2014

Susan Grodman,  
*Director of Enrollment & Global Program, The Derryfield School*  
Board member since 2007

Trevor Arp,  
*VP of Product Management, Comcast*  
Board member since 2008

Rev. Gayle Murphy  
*Reverend, Northwood Congregational Church, UCC*  
Board member since 2008

Eric Demaree  
*President, Carpet One Floor & Home Division, CCA Global Partners*  
Board member since 2012

Tracie Sponenberg  
*Senior Vice President Human Resources, The Granite Group*  
Board member since 2013

Alison Hutcheson  
*Manager of Sales, Merchants Fleet Management*  
Board member since 2014

Kristy Merrill  
*Chief of Staff, New Hampshire Senate*  
Board member since 2014

Angela M. Whitcher  
*Assistant Vice President, Field Development,  
Lincoln Financial Group*  
Board member since 2014

Kitten Stearns  
*Realtor, Coldwell Banker Residential Brokerage*  
Board member since 2014

Sedra Michaelson  
*Strategic Account Manager, CCH, a Wolters Kluwer Business*  
Board member since 2015

Peter Mennis  
NBT Bank, NA – VP  
Board member since 2015

Mary Ann Aldrich  
Dartmouth Hitchcock- Director of Clinical Operations  
Board member since 2015

Alex Anagnost  
Anagnost Comp Mgr. of Public Relations & Philanthropy  
Board member since 2015

Kriss Blevens  
Kriss Cosmetics, Owner  
Board member since 2015

	<b>Name</b>	<b>Title</b>	<b>Salary</b>	<b>% paid from contract</b>	<b>Amt pd this contract</b>
	Maureen Beaugard	President	137,977	0%	-
	Stephanie Savard	Vice President	85,694	0%	-

## Maureen Ann Beauregard

**November 1991 to Present:** Families in Transition, 122 Market Street, Manchester, NH 03101.

1995-Present. President, Families in Transition. Developed a Board of Directors and established Families in Transition as a private nonprofit agency in 1995. Responsible for grant writing, fundraising, facility development, oversight of agency personnel, program development, day to day operations, reporting to state and federal agencies and public relations.

- 2003 to Present: Development and Implementation of 33 units permanent affordable housing in Manchester.
- 2001-2003: Development of Families in Transition – Concord, 16 units of affordable housing with 6 designated for homeless women with a disability and 10 designated for transitional housing for homeless women and their children.
- 2001 to Present: Development of Families in Transition's social entrepreneurship, Family OutFITters thrift store and Employment Training Program.
- 1998 – 2001: Development of Millyard II Transitional Housing Program with 19 apartments and 1 interim unit for 3 families.
- 1995 – 1997: Development of Millyard I Transitional Housing Program with 12 apartments for homeless women with children.
- 1994 – 1995: Development of steering committee to form the Board of Directors for Families in Transition and Families in Transition becomes an independent 501 © (3)

1991- 1994 New Hampshire Community Loan Fund. Program Director. Designed and implemented transitional housing programs for the homeless women with and without children.

- 1993 – 1994: Development and implementation of Community Program providing supportive services to 14 homeless women and their children and assisting them in attaining and maintaining housing.
- 1992 – 1993: Development and implementation of Amherst Street Transitional Housing Program for 9 homeless single women.
- 1991 – 1992: Development and implementation of Spruce Street Transitional Housing Program for 5 homeless women and their children.

**November 1989-March 1991:** Child Protective Service Worker II for the Division for Children and Youth Services, 30 Maplewood Avenue, Portsmouth, NH. Advocated for abused and neglected children in court, established support network (fostercare, visitation, and counseling) to help in the abuse/neglect recovery process.

**November 1988-November 1989:** Substance Abuse Counselor for Team Coordinating Agency, Phoenix East, Haverhill, MA. Counseled clients, aided and found resources

(AA/NA meetings, employment, education, and counseling) for residents in halfway house for alcoholic/addicts, age 16-25. Conducted weekly support group.

### **Education**

Bachelor of Science degree from the University of New Hampshire, College of Life Science and Agriculture. Area of study: Family Studies.

### **Professional Affiliations and Honors**

- **1998 to 2004** – Northern New England Housing Investment Fund. Member of Board of Directors.
- **1998 to 2004** – Northern New England Equity Fund. Member Board of Directors and Investment Committee
- **2004:** New Hampshire Business Review, Business Excellence Awards 2004, Maureen Beauregard for Excellence in Non-Profit
- **2004:** The Walter J. Dunfey Awards for Excellence in Management awarded to Families in Transition
- **2003:** YWCA Susan B. Anthony Award, Woman of the Year
- **2003:** New Hampshire Housing Finance Authority Annual Conference: Maureen Beauregard and Families in Transition recognized as Best Practice for Development of Affordable Housing in New Hampshire.
- **2002:** Great Bay Foundation: \$150,000 grant award for the development and implementation of social entrepreneurship, Family OutFITters.
- **2002:** Citizens Bank and WMUR Channel – 9, 2003 Community Champions Award for Homelessness for New Hampshire
- **2001:** Manchester Continuum of Care Narrative submission to the U.S. Dept. of Housing & Urban Development, SuperNOFA: 1 of top 10 narratives in the country.
- **2003 to Present:** YMCA Diversity Committee
- **2003 to Present:** Intown Manchester, Economic Development Committee, Trustee
- **2003:** The Sharing Foundation, Caring for Cambodia's Children Parent Advisory Council
- **2003 to Present:** New Hampshire Interagency Council on Homelessness, member appointed by Governor Benson
- **2002 to Present:** Policy Academy for the Chronically Homeless, member
- **2002 to Present:** Great Bay Foundation, Work Group consisting of 5 leading initiatives, member
- **2001 to Present:** Manchester Task Force on Housing, member appointed by Mayor
- **1999 to Present:** Northern New England Housing Investment Fund, Investment Committee, Trustee
- **1998 to Present:** Manchester Continuum of Care, Chairperson in 1998, 2003, founding member

## Stephanie Allain Savard, LICSW

### Licensure and Education:

- New Hampshire Licensed Independent Clinical Social Worker, #941, April, 2000.
- Masters in Social Work, Boston University, 1996.
- Bachelor of Arts – Honors in Psychology, Keene State College, 1992.
- Associate of Science in Chemical Dependency, Keene State College, 1992.
- Boston University Workshop-Based Trauma Certificate, 2006.
- Low Income Housing Tax Credit Certified Credit Compliance Professional (C3P), 2000.

### Professional Experience:

*Vice-President*, Families in Transition, Manchester, NH, 1/97 – Present.

- Oversight of clinical department and all supportive services programming within agency, including case management, therapeutic services, employment & training services, youth programming and specialized programming. Oversee and manage treatment and supportive services for a program capacity of 150+ homeless families and individuals to ensure that consistent and quality clinical services are provided. Oversight of 135+ units of affordable housing to ensure quality and safe housing for all tenants.
- Provide administrative and clinical supervision to all licensed clinicians, masters and bachelor level clinician & case managers. Provide oversight to the Property Administration Department, including management of all funding requirements for each property, including Low Income Housing Tax Credits, HOME, Housing and Urban Development, CDBG, etc.
- Assumes responsibilities and decision-making for agency in the absence of the President. Assist President on personnel issues and in oversight of agency and strategic planning.
- Provide therapeutic services to participants of program, including participation in participant team meetings. Co-facilitate support groups on various issues, including self-esteem, co-dependency, Relational/Cultural Theory, trauma and relationships.
- Families in Transition Board of Directors Programs and Supportive Services Committee Member and assist in Board of Director meetings.
- Member of the Manchester Continuum of Care, 10/00 – Present; Community Awareness Committee Chair 2003/2004; 2006 – Present.

*Counselor/Family Service Worker*, NFI Midway Residential Shelter, Manchester, NH, 1993 – 1996.

- Supervised 15 adolescent males utilizing behavior management and normative culture techniques.

- Supervised all shifts and summer activity program; Conducted family assessments and counseling.

*MSW Clinical Intern, CASPAR Emergency Service Center, Cambridge, MA, 1995-1996.*

- Provided assessments, individual and group therapy to homeless substance abusers in early recovery.
- Developed a resource manual of services for client referral and assisted in creating a program brochure.

*MSW Clinical Caseworker Intern, WorkSource of Work, Inc., Quincy, MA, 1994-1995.*

- Provided case management, counseling, and crisis intervention to consumers with psychiatric disabilities in a vocational rehabilitation workshop. Developed and co-facilitated support groups.
- Developed and facilitated a pre-employment program for consumers transitioning into community work.

*VISTA Volunteer, Center for Human Services, Seattle, WA, 1992-1993.*

- Developed, recruited, and supervised a volunteer program for multiple programs and departments.
- Diversity Committee Member; Assisted in agency fundraising and grant writing; designed and marketed public relation materials; assisted in coordinating Board of Directors and chairing Board committees.

**Professional Affiliations and Volunteer Experience:**

- Lazarus House Transitional Housing Advisory Council, Lawrence, MA, 2004 - Present.
- Board of Directors of the NH Coalition to End Homelessness, 12/00 - 2002.

**Awards & Professional Memberships:**

- National Association of Social Workers, Member 1996-Present; NH Chapter Board of Directors, Vice-President 2006 – Present.
- Union Leader and Business Industry Association “40 Under 40” Leaders of New Hampshire, 2004
- NH Homeless Service Providers Award, Office of Homeless and Housing Services, 2003.