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STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION FOR CHILDREN, YOUTH & FAMILIES

Lori A. Shibinette
Commissioner

Joseph E. Ribsam, Jr.
Director

129 PLEASANT STREET, CONCORD, NH 03301-3857

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May 18, 2020

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Children, Youth and Families, to enter into **Sole Source** contracts with the vendors listed below in an amount not to exceed \$1,010,377 to provide funding for residential treatment facilities to provide onsite education to abused, neglect or children involved with juvenile justice, who have a higher level of special education needs and are unable to be educated in a public school setting, with the option to renew for up to two (2) additional years, effective upon Governor and Council approval through August 31, 2021. 100% Other Funds.

Vendor Name	Vendor Code	Area Served	Contract Amount
Easter Seals New Hampshire, Inc. Manchester, NH	177204	Manchester	\$125,438
Merrimack Valley Day Care Service Concord, NH	157934	Concord	\$5,969
Mount Prospect Academy, Inc. Plymouth, NH	264251	Plymouth	\$472,296
NFI North, Inc. Contoocook, NH	177575	Contoocook	\$337,274
Spaulding Youth Center Northfield, NH	TBD	Northfield	\$69,400
		Total:	\$1,010,377

Funds are available in the following account for State Fiscal Years 2020 and 2021, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

Fiscal Details Sheet Attached

EXPLANATION

This request is **Sole Source** because the vendors are the only vendors able to provide the necessary services and have continuously provided these services for a decade or more. The above listed vendors are determined by the Department of Education to receive Title 1 funding for area school systems. Beginning in September 2020, the Department of Education will distribute this funding directly to school districts.

The purpose of this request is to provide funding for residential treatment facilities to provide onsite education to abused, neglect or children involved with juvenile justice, who have a higher level of special education needs and are unable to be educated in a public school setting.

The Contractors will provide funding to residential treatment facilities to support their onsite education needs to children who have experienced neglect, abuse or who have been involved in the juvenile justice system. Approximately five hundred and sixty-six (566) individuals will be served from September 1, 2019 to August 31, 2020.

The Contractors will provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.

As referenced in Exhibit A, Paragraph 3, of the attached contracts, the parties have the option to extend the agreements for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request statewide alternative school options for juveniles experiencing abuse, neglect or juvenile justice services will not have access to effective educational services within their living setting.

Areas served: Statewide

Respectfully submitted,


 Lori A. Shibanette
Commissioner

Fiscal Details Sheet

05-95-042-421010-29750000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF, HHS: HUMAN SERVICES, CHILD PROTECTION, PASS THRU GRANTS TITLE I

100% Other Funds

Easter Seals of New Hampshire Inc.

State Fiscal Year	Class / Account	Class Title	Job Number	Contract Amount
2020	571-500929	Contracts for Program Services	42307925	\$107,214.00
2021	571-500929	Contracts for Program Services	42307925	\$18,224.00
		Sub Total		\$125,438.00

Merrimack Valley Day Care Services

State Fiscal Year	Class / Account	Class Title	Job Number	Revised Modified Budget
2020	571-500929	Contracts for Program Services	42307925	\$4,635.00
2021	571-500929	Contracts for Program Services	42307925	\$1,334.00
		Sub Total		\$5,969.00

Mount Prospect Academy, Inc.

State Fiscal Year	Class / Account	Class Title	Job Number	Revised Modified Budget
2020	571-500929	Contracts for Program Services	42307925	\$236,148.00
2021	571-500929	Contracts for Program Services	42307925	\$236,148.00
		Sub Total		\$472,296.00

NFI North, Inc

State Fiscal Year	Class / Account	Class Title	Job Number	Revised Modified Budget
2020	571-500929	Contracts for Program Services	42307925	\$168,637.00
2021	571-500929	Contracts for Program Services	42307925	\$168,637.00
		Sub Total		\$337,274.00

Spaulding Youth Center

State Fiscal Year	Class / Account	Class Title	Job Number	Revised Modified Budget
2020	571-500929	Contracts for Program Services	42307925	\$59,300.00
2021	571-500929	Contracts for Program Services	42307925	\$10,100.00
		Sub Total		\$69,400.00

Overall Total	\$1,010,377.00
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Subject: Title I Programs for the Division for Children, Youth and Families (DCYF) (SS-2020-DCYF-15-TITLE-01)


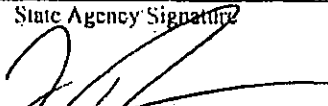
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Easter Seals New Hampshire, Inc.		1.4 Contractor Address 555 Auburn Street Manchester, 03101	
1.5 Contractor Phone Number (603) 623-8863	1.6 Account Number 05-095-042-421010-29750000	1.7 Completion Date August 31, 2021	1.8 Price Limitation \$125,438
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 4-17-20		1.12 Name and Title of Contractor Signatory Elin Treanor CFO	
1.13 State Agency Signature  Date: 4/30/2020		1.14 Name and Title of State Agency Signatory Joseph Ribsam, Director DCYF	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: 1/s/Christen Lavers On: 5/1/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required; in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

Contractor, or subcontractors, including but not limited to, the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

17. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. CHOICE OF LAW AND FORUM. This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

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

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

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

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

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

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services in this agreement to abused and delinquent youth.
- 1.2. The Contractor shall ensure services are available statewide.
- 1.3. For the purposes of this agreement, all references to days shall mean business days.
- 1.4. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from 8am to 4pm, excluding state and federal holidays.
- 1.5. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.6. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.7. The Contractor shall provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth.
- 1.8. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.
- 1.9. Services shall include those described in the Contractor's Title I Part D, Subpart 1 Application submitted to the New Hampshire Department of Health and Human Services and subsequently approved for funding by the Department of Education.
- 1.10. The Contractor's Title 1 Part D, Subpart 1, Application terms are hereby incorporated by reference into this Agreement as Exhibit B-1.

2. Exhibits Incorporated

- 2.1. The Contractor shall comply with all Exhibits D through H, which are attached hereto and incorporated by reference herein.

3. Performance Measures

- 3.1. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 3.2. The Contractor may be required to provide other key data and metrics to the

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



Department, including client-level demographic, performance, and service data.

- 3.3. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

4. Additional Terms

4.1. Impacts Resulting from Court Orders or Legislative Changes

- 4.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

4.2. Culturally and Linguistically Appropriate Services (CLAS)

- 4.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4.3. Credits and Copyright Ownership

- 4.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."
- 4.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.
- 4.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:
- 4.3.3.1. Brochures.
 - 4.3.3.2. Resource directories.
 - 4.3.3.3. Protocols or guidelines.
 - 4.3.3.4. Posters.
 - 4.3.3.5. Reports.

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New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



- 4.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5. Records

- 5.1. The Contractor shall keep records that include, but are not limited to:
- 5.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 5.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 5.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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TITLE I PART D, SUBPART 1, SECTION 2

ESEA 2018-2021

INSTITUTION LEVEL APPLICATION

1. Program Goals, Measurable Objectives and Assessments - Updates required as needed each year of the funding cycle.

Subject/Program Area	Long Term Goal By end of 2021 SY	What overall changes in academic and vocational abilities do you expect your students to achieve within the 2019-2020 SY?	What assessments will be used to assess these goals? <i>Include pre/post dates for reading and math assessments.</i>	Who is responsible for giving and analyzing student results
Academic Outcomes				
Mathematics	To increase basic math skills by creating specialized programs to meet the needs of all students and to improve student growth and progress.	Students will utilize the Odysseyware Curriculum to help increase basic math concepts through structured lessons and assessments. Staff will utilize a math consultant to help create specialized instruction that will help increase student achievement.	Transcripts, progress reports and report cards will be used to monitor and assess this goal.	Curriculum Coordinator
Reading	To improve individual student growth by providing a variety of reading materials (Book fairs, Learning A-Z, News 2 You) that are of high interest to the students to increase reading comprehension and	Staff will utilize an English consultant to help create specialized instruction and provide reading ideas that will help increase student achievement. Students will increase reading comprehension and fluency by	QRI-6 assessment will be used to monitor and assess this goal.	Curriculum Coordinator

SS-2020-DCYF-15-TITLE-01

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Contractor Initials

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Easter Seals of New Hampshire, Inc.

Page 1 of 11

Date

4-17-20

Exhibit B-1, Title 1 Part D, Subpart 1, Application

	reading fluency.	reading literature that is of high interest through attending two book fairs a year as well as utilizing specialized reading programs (Learning A-Z and News 2 You)		
Vocational Outcomes				
Career Development	To provide students with at least 3 job sites (Laundry, Day Care Lunches, Habitat for Humanity) to gain hands on experience.	Students will have access to a school to van help them navigate the community to their job sites.	Trip slips and Education Modified will be used to monitor and assess this goal.	Guidance Department
Vocational Education	To provide students with opportunities (Career Fair, Odysseyware Curriculum) and to assess (Vocational Abilities checklist) to learn and understand employment in the 21 st century.	Students will attend a career fair to help introduce them to different opportunities and to ask questions to gain a better understanding of a variety of careers. Students will utilize the Odysseyware Curriculum to help increase employment/job knowledge through structured lessons and assessments.	Vocational Behavior Abilities and Skills and/or Employee Behavior Checklist. Participation in Job/Career Fairs will be tracked by sign in sheets.	Guidance Department
Transition	To provide students the opportunity to gain knowledge of post high school resources through curriculum (ACE, Education Modified), data collection and professional development (Transitional Summit).	Students will utilize the ACE curriculum to help them with transitional skills necessary to access the world around them. Staff will attend the Transitional Summit and utilize the concepts/skills learned to help support curriculum/instruction. -Student will utilize Education Modified to help students with their transitional goals.	Transcripts and report cards will be used to monitor and assess transition goals. Staff will utilize tablets to collect data using the ACE curriculum to monitor and assess progress. Staff will provide a professional development certificate confirming attendance.	Guidance Department

SS-2020-DCYF-15-TITLE-01

Contractor Initials

Exhibit B-1, Title 1 Part D, Subpart 1, Application

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SS-2020-DCYF-15-TITLE-01

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Contractor Initials



Easter Seals of New Hampshire, Inc.

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Date 4-17-20

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Easter Seals Joliceour School
Institution Name

2. Scope of Project

A. Students to Be Served

Using current data as a basis, estimate the number of students who will participate in the Title I Part D, Subpart 1 program's instructional and support related components each SY year 2018-2021. These numbers can be updated as part of subsequent program renewals.

Ages	Reading	Mathematics	Career Development	Vocational Education
5 – 10 years old	3	3	0	0
11 – 15 years old	24	24	0	0
16 – 18 years old	44	44	10	10
19+ years old	17	17	16	16

B. Staff Paid with Title I, Part D, Subpart 1 Funds

Using the chart below describe the staff to be paid with these funds.

Number	FTE (fulltime equivalent)	Responsibility/Job Title	Certification or other Qualification Required for Position	Each Estimated Salary
1	.46 FTE	Paraprofessional	None	\$ 16,762
2	.46 FTE	Paraprofessional	None	\$ 15,627
3	.18 FTE	Curriculum Coordinator	DOE Curriculum Administrator Certification	\$ 11,210
4	.09 FTE	Guidance Counselor	DOE School Counselor Certification	\$ 4,403
5	.09 FTE	Guidance Counselor	DOE School Counselor Certification	\$ 4,403
6	.09 FTE	Special Education Teacher	DOE Special Education Certification	\$ 5,433

C. Transition Coordinator

Designate an individual or individuals to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs.

Shonda Tenley
Name of Individual

Guidance Counselor
Title of Individual

Katie Kelly
Name of Individual

Guidance Counselor
Title of Individual

SS-2020-DCYF-15-TITLE-01

Easter Seals of New Hampshire, Inc.

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Contractor Initials 

Date 4-17-20

Exhibit B-1, Title 1 Part D, Subpart 1, Application

D. Staff/Student Ratio's:

Total students provided T1 D support 88 divided by Total T1 D staff FTE 6 = 14.6 to 1

Exhibit B-1, Title 1 Part D, Subpart 1, Application

E. Program Description: (Use additional space as needed)

- 1) Describe the program in sufficient detail such that a teacher implementing this project and/or parents/guardians or persons visiting would know what to expect.

Mathematics Program: The Easter Seals Educational Programs currently provide math instruction through classroom instruction and learning activities in the classroom and real world settings. Class sizes are small and well supported by a teacher and paraprofessionals. Classroom teachers and special educators are trained in using state standards, common core and curriculum. Title 1 funds would be utilized for our Curriculum Coordinator, Special Education Teacher and contracted math consultants. Curriculum materials, such as Odysseyware are utilized to enhance student achievement.

Reading Program: The Easter Seals Educational Program currently provides reading instruction through classroom instruction. Staff are trained in all reading curriculum and programs during Teacher Professional Development workshops. Title 1 funds would be utilized to contract English Language Art and Reading Consultants and purchase curriculum materials. Scholastic "News 2 You" and "Learning A-Z" will be materials used by Special Education teachers to enhance student achievement by creating interest level reading assignments. The schools currently have a Read a Book program that encourages students to find books that interest them and provides motivation to take time in the day to read. Title 1 funds will be used to provide an increased variety of books to encourage students to read and host 2 book fairs that will expose the students to reading opportunities and engage them in a book.

Career Development: Easter Seals Educational Programs currently provide instruction and guidance services for students to develop independent living skills, career plans, and post graduate opportunities. Title 1 funds will be used to make sure that we have paraprofessionals to meet the students needs and introduce them to the experiences that will provide the most growth. By having paraprofessionals in this area this would provide additional support to the students.

Vocational Education: Easter Seals Educational Programs provide vocational and volunteer opportunities in the school setting and community. In today's competitive market, it is crucial that students enter into the world with experience and skills to help them succeed. Title 1 funding would be used to enhance these experiences and provide more individual instruction and supervision to learn the required skills. Transportation is a necessity in making sure our students are able to get to and from their daily commitments they are providing. By having paraprofessionals in this area and access to a vehicle would provide additional opportunities for the students to practice what they have learned in class.

Transition: Easter Seals Educational Services provides transition services and activities that help students gain the skills necessary to help them towards independence as they transition into adulthood. Title 1 funds would help provide opportunities to gain knowledge of post high school resources through curriculum (ACE, Education Modified), data collection and professional development. By providing these experiences, it will help students be successful as the transition into the workforce. The use of tablets with the ACE curriculum will enhance the students' growth and progress instantly in place of the Behavior Specialist to analyze the data and make the change to the next steps of the goal.

- 2) Describe function of major personnel such as home/school coordinators. (Attached job descriptions are appreciated)

Assistant Principal - Educational Services: will oversee the distribution and accountability for the Title 1 funds. This person will ensure that achievement testing and other outcome assessments are administered and that results are reviewed and used to improve practice.

Curriculum Coordinator – Will create and implement an education plan that meets the needs of all students. She helps support teachers and provides recommendations to teachers and support staff in regards to the ways in which various subjects are being taught in order to enhance learning.

Guidance Counselor - Will work with special educators, guidance counselors and students at each campus to implement programming for vocational and career development services.

Special Education Teacher – Will help execute individual education plans for each of their students. They prepare detailed lesson plans that are differentiated for students of all levels. They participate in IEP meetings and help track data to show student progress. They also help create a safe and productive environment to maximum student achievement.

Paraprofessional: Will work with the students to make sure that they are getting exposure to vocational and career skills. They will also be supporting the student with academic and behavioral needs per their IEPs.

- 3) *Describe any additional services, beyond instruction, for children and youth provided with these funds such as career counseling, etc.*

Students behaviors frequently interfere with their ability to receive benefit from their classroom experiences, experiences in the community and when working on job skills. Behavioral and academic supports are provided to help students get through their day. When in the classroom, community or working on job skills they may need additional supports to benefit from. These supports are critical for the growth of all students in our educational programs. These students often need additional supports to help them meet goals that will assist them in becoming college and/or career ready.

F. Transition Services:

- 1) *Identify (by dollar amount) the financial reserves (must be between 15-30 percent of allocated funds) which will be used to provide transitional education services for neglected or delinquent children and youth. It is required to set aside a minimum of 15% and a maximum of 30% (each program year) of your dollars for this purpose.*

The transitional services provided for the students in our school include the services related to 2 hours a day for each para and professional development specific to transition. Total expenses related to transition services are \$29,993 (27.98%) during the school year and \$5,223 (28.66%) during the summer school program.

- 2) *Describe how the above reserved funds will be used for transitional educational services (i.e. to re-enter school successfully or preparation for employment).*

These reserve funds will be utilized to help enhance students transition skills. This will an additional supplement to assist students with their preparation to be career and college ready. By providing extra supports and equal experiences this can increase the opportunities for students to learn the skills needed to be successful.

G. Professional Development:

- 1) *List the major NEEDS of the **Title I staff and Institution staff** relating to the objectives of the Title I project that can be met by in-service training programs.*

The needs for the staff members are met through ongoing professional development opportunities. Professional development in the areas of transitional needs, instruction

Exhibit B-1, Title 1 Part D, Subpart 1, Application

implementation and student specific educational goals are needed in order to identify skill deficits, measure and assess student performance.

- 2) Describe all staff development activities to be funded by this grant. PD activities for 2018-2019 only. Activities will be updated each year with the budget summary. (How many hours of training, when, for whom, and what topics will be covered?) Include a timeline.

Teachers will attend trainings offered outside our Educational Programs in the areas of academic instruction to enhance their knowledge base with instructional strategies with a total of \$800.00 for the school year.

Teacher and/or Support Staff will attend NH Transition Summit with a total cost of \$200.00.

Teacher and/or Support Staff will attend the yearly Law Conference with a total amount of \$1,000.00.

H. Coordination:

Describe how the program/s will be coordinated with other appropriate State and Federal programs, such as Vocational Education, Special Education, Work Force Investment Act and local dropout prevention programs. If applicable grade levels, describe how the institution will endeavor to coordinate with local businesses for training and mentoring opportunities for participating youth.

The Assistant Principal and Guidance Counselor are a key part of the school leadership team that guides Title 1 services. The Assistant Principal and Guidance Counselor supports and collaborates with administration, teachers and paraprofessionals with the implementation of instructional and transitional services for students. Easter Seals Educational Programs coordinate with other individuals and community programs to identify student volunteer and paid employment opportunities. Students engaged in Title 1 funding will have access to these opportunities and will receive the support needed to enhance their knowledge of these skills outside of the classroom environment.

Exhibit B-1, Title 1 Part D, Subpart 1, Application

I. Budget Narrative (School Year)

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2018-2021. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	2 Paraprofessionals for 5 hours a day for 38 weeks (40% for Transitions) 2 Guidance Counselors for 1 hour a day each for 38 weeks (50% for Transition) 1 Special Education Teacher for 1 hour a day for 38 weeks (50% for Transition) 1 Curriculum Coordinator for 2 hours a day for 38 weeks (100% for Transition)	\$73,743
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>	Consultants for Trauma Informed Care, Math and Reading curriculum review	\$10,000
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	YES Program materials \$500 Curriculum materials \$13,044 Tablets & protective cases inclusive of software licenses \$3,450 Transition activity supplies \$900	\$17,894
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>	\$1,000 to a book fair to encourage reading	\$1,000
Equipment <i>Attach a justification for each item to be purchased.</i>	n/a	\$0
Professional Development Activities	Law Conference: \$1,000 Transition Conference: \$200 Teacher Professional Development Subject Area: \$800	\$2,000
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>	Transportation for Transition activities	\$1,515
Administration	1% of total direct cost of \$106,152 for indirect	\$1,062

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Total Costs		\$107,214
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MS

Exhibit B-1, Title 1 Part D, Subpart 1, Application

I. Budget Narrative (Summer)

Use this form to provide sufficient detail regarding proposed expenditures of Title 1 Part D, Subpart 1 funds for 2018-2019. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	2 Para Professionals for 5 hours a day for 7 weeks (40% transition) 2 Guidance Counselors for 1 hour a day for 7 weeks (50% for Transition) 1 Special Education Teacher for 1 hour a day for 7 weeks (50% for Transition) 1 Curriculum Coordinator for 2 hours a day for 7 weeks (100% for Transition).	\$13,685
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>	Consultant for Math and Reading curriculum review	\$2,000
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	Curriculum materials \$1,000 Transition activity supplies \$180	\$1,180
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>	\$1,000 to a book fair to encourage reading	\$1,000
Equipment <i>Attach a justification for each item to be purchased.</i>	n/a	\$0
Professional Development Activities	n/a	\$0
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>	Transportation for Transition activities	\$279
Administration	1% of total direct cost of \$18,044 for indirect	\$180
Total Costs		\$18,224

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT C



Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Other funds (Department of Education).
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.0, et seq.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to kaliglovanditto@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
Division for Children, Youth and Families
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, and Exhibit B-1, Institutional Level Application, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event

Easter Seals of New Hampshire, Inc.

Exhibit C

Contractor Initials ES

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Date 4-17-20

Rev. 01/08/19

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT C



of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

11. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

**Exhibit C-1, Budget Sheet
DCYF Title I Program
2019-2020 School Year
(SFY20) Budget**

Line Item	Amount
Salaries	\$73,743
Contracted Services - Curriculum consultant for math and reading	\$10,000
Professional Development Activities	\$2,000
Supplies and Materials	\$17,894
Travel	\$1,515
Books	\$1,000
Other (Administration)	\$1,062
Total	\$107,214

**Exhibit C-2, Budget Sheet
DCYF Title I Program
2019-2020 Summer School
(SFY21) Budget**

Line Item	Amount
Salaries	13585
Contracted Services - Curriculum consultant for math and reading	2000
Supplies and materials	1180
Professional Development Activities	0
Travel	279
Books	1000
Other (Administration)	180
Total	\$18,224



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name: Easter Seals NH, Inc

4-17-2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

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

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

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

Vendor Name: Easter Seals NH, Inc

4-17-2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO

Exhibit E - Certification Regarding Lobbying

Vendor Initials ET

Date 4-17-20



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

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

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

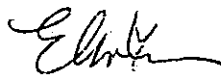
11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 -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

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: Easter Seals NH, Inc

4-17-2020
Date


Name: Elin Treanor
Title: CFO

Vendor Initials 

Date 4-17-20



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations - OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations - Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations - Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

46

8/27/14
Rev. 10/21/14

Page 1 of 2

Date 4-17-20

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Easter Seals NH, Inc

4-17-2020
Date

Elin Treanor
Name: Elin Treanor
Title: CFO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials ET



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE


Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: Easter Seals NH, Inc

4-17-2020
Date


Name: Elin Treanor
Title: CFO

State of New Hampshire

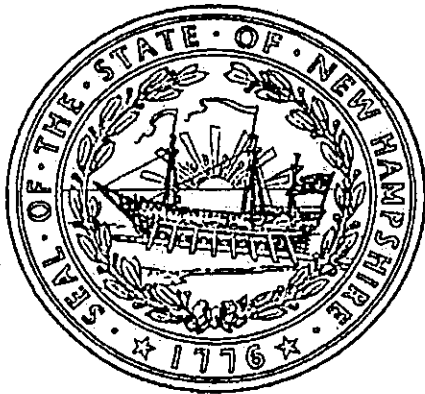
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that EASTER SEALS NEW HAMPSHIRE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on November 06, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 61290

Certificate Number : 0004498654



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 12th day of April A.D. 2019.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

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

1. I am a duly elected Clerk/Secretary/Officer of Easter Seals New Hampshire, Inc.
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on April 17, 2019, at which a quorum of the Directors/shareholders were present and voting.
(Date)

VOTED: That Elin Treanor, CFO (may list more than one person)
(Name and Title of Contract Signatory)

is duly authorized on behalf of Easter Seals New Hampshire, Inc. to enter into contracts or agreements with the State

(Name of Corporation/ LLC)

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

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

Dated:

Cynthia Ross

Signature of Elected Officer

Name: Cynthia Ross

Title: Assistant Secretary

STATE OF NEW HAMPSHIRE

County of Hillsborough

The foregoing instrument was acknowledged before me this 31 day of Mar, 2020.

By Cynthia Ross
(Name of Elected Clerk/Secretary/Officer of the Agency)

Alycia D. Monroe

(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires:



ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

8/26/2019

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

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

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS:																					
INSURED Easter Seals NH, Inc. 555 Auburn Street Manchester, NH 03103	<table border="1"> <tr> <th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr> <tr> <td colspan="2">INSURER A : Philadelphia Indemnity Insurance Co.</td><td>18058</td></tr> <tr> <td colspan="2">INSURER B :</td><td></td></tr> <tr> <td colspan="2">INSURER C :</td><td></td></tr> <tr> <td colspan="2">INSURER D :</td><td></td></tr> <tr> <td colspan="2">INSURER E :</td><td></td></tr> <tr> <td colspan="2">INSURER F :</td><td></td></tr> </table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A : Philadelphia Indemnity Insurance Co.		18058	INSURER B :			INSURER C :			INSURER D :			INSURER E :			INSURER F :		
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INSURER C :																						
INSURER D :																						
INSURER E :																						
INSURER F :																						

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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


INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Professional Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:	X	X	PHPK2027763	09/01/2019	09/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY	X	X	PHPK2027759	09/01/2019	09/01/2020	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10K	X	X	PHUB690618	09/01/2019	09/01/2020	EACH OCCURRENCE \$15,000,000 AGGREGATE \$15,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	EDP			PHPK2027763	09/01/2019	09/01/2020	\$1,619,500 \$500 Deductible Special Form Incl Theft

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

Supplemental Names: Easter Seals ME, Inc., Manchester Alcohol Rehabilitation Center, Inc., dba The Farnum Center, Easter Seals VT, Inc., & The Homemakers Health Services. The General Liability policy includes a Blanket Automatic Additional Insured Endorsement that provides Additional Insured and a Blanket Waiver of Subrogation status to the Certificate Holder, only when there is a written contract or written agreement between the named insured and the certificate holder that requires such status, and only with regard to the (See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

Division for Children, Youth and Families Title 1 Division 129 Pleasant St., Thayer Building Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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DESCRIPTIONS (Continued from Page 1)

above referenced on behalf of the named insured. The General Liability policy contains a special endorsement with "Primary and Non-Contributory" wording.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/2/2019

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

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

PRODUCER Hays Companies Inc. 133 Federal Street, 4th Floor Boston MA 02110	CONTACT NAME: Tina Housman PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS: thousman@hayscompanies.com INSURER(S) AFFORDING COVERAGE INSURER A: The North River Insurance Company INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	NAIC # 21105
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COVERAGES **CERTIFICATE NUMBER:** 20-21 WC **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ OTHER \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ OTHER \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$ <input type="checkbox"/>						EACH OCCURRENCE \$ AGGREGATE \$ OTHER \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input type="checkbox"/>	N/A	406-731971-7	1/1/2020	1/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

Evidence of Insurance

CERTIFICATE HOLDER

NH DHHS
129 Pleasant Street
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

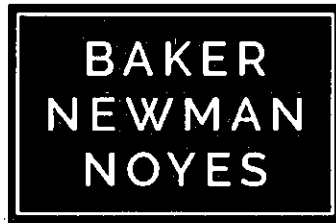
James Hays/GSCHIC

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Mission:

Easterseals provides exceptional services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.



Easter Seals New Hampshire, Inc. and Subsidiaries

**Consolidated Financial Statements and
Other Financial Information**

*Years Ended August 31, 2019 and 2018
With Independent Auditors' Report*

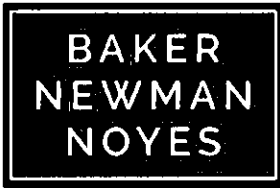
EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

**CONSOLIDATED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION**

For the Years Ended August 31, 2019 and 2018

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH), which comprise the consolidated statements of financial position as of August 31, 2019 and 2018, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' 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.

To the Board of Directors
Easter Seals New Hampshire, Inc. and Subsidiaries

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Easter Seals NH as of August 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the consolidated financial statements, in 2019, Easter Seals NH adopted Financial Accounting Standards Board Accounting Standards Update 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities*, and applied the guidance retrospectively to all periods presented. Our opinion is not modified with respect to this matter.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying other financial information is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual companies 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 audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2019, on our consideration of Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Easter Seals New Hampshire's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Easter Seals New Hampshire, Inc. and Subsidiaries' internal control over financial reporting and compliance.

Baker Newman & Noyes LLC

Manchester, New Hampshire
December 9, 2019

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 3,341,755	\$ 2,365,508
Short-term investments, at fair value	3,094,539	3,002,574
Program, and other accounts receivable, less contractual allowance of \$9,657,800 in 2019, and \$12,719,900 in 2018, and allowance for doubtful accounts of \$2,180,600 in 2019 and \$2,377,500 in 2018	11,408,200	11,083,589
Contributions receivable, less allowance for doubtful accounts of \$63,400 in 2019 and \$66,600 in 2018	499,216	495,957
Current portion of assets limited as to use	403,917	894,523
Prepaid expenses and other current assets	<u>522,436</u>	<u>431,780</u>
Total current assets	19,270,063	18,273,931
Assets limited as to use, net of current portion	1,807,587	1,660,727
Investments, at fair value	12,793,877	12,777,572
Beneficial interest in trust held by others and other assets	139,926	206,608
Fixed assets, net	<u>29,384,642</u>	<u>28,795,786</u>
	<u>\$63,396,095</u>	<u>\$61,714,624</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Line of credit	\$ -	\$ 610,319
Accounts payable	2,655,352	2,722,563
Accrued expenses	6,400,152	5,334,857
Deferred revenue	383,288	704,650
Current portion of interest rate swap agreements	295,305	244,261
Current portion of long-term debt	<u>1,243,661</u>	<u>1,241,671</u>
Total current liabilities	10,977,758	10,858,321
Other liabilities	1,807,587	1,660,727
Interest rate swap agreements, less current portion	2,359,688	1,528,323
Long-term debt, less current portion, net	<u>20,122,563</u>	<u>21,049,598</u>
Total liabilities	35,267,596	35,096,969
Net assets:		
Without donor restrictions	22,045,456	19,284,594
With donor restrictions	<u>6,083,043</u>	<u>7,333,061</u>
Total net assets	<u>28,128,499</u>	<u>26,617,655</u>
	<u>\$63,396,095</u>	<u>\$61,714,624</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenue:			
Public support:			
Contributions, net	\$ 686,410	\$ 310,395	\$ 996,805
Special events, net of related direct costs of \$1,108,200	1,706,856	383,031	2,089,887
Annual campaigns, net of related direct costs of \$105,511	390,714	43,117	433,831
Bequests	391,990	-	391,990
Net assets released from restrictions	<u>2,015,084</u>	<u>(2,015,084)</u>	<u>-</u>
Total public support	5,191,054	(1,278,541)	3,912,513
Revenue:			
Fees and grants from governmental agencies and others, net	66,160,439	-	66,160,439
Other grants	25,376,374	-	25,376,374
Dividend and interest income	606,815	15,749	622,564
Rental income	32,170	-	32,170
Other	<u>212,238</u>	<u>-</u>	<u>212,238</u>
Total revenue	<u>92,388,036</u>	<u>15,749</u>	<u>92,403,785</u>
Total public support and revenue	97,579,090	(1,262,792)	96,316,298
Operating expenses:			
Program services:			
Public health education	252,472	-	252,472
Professional education	74,330	-	74,330
Direct services	<u>84,245,017</u>	<u>-</u>	<u>84,245,017</u>
Total program services	84,571,819	-	84,571,819
Supporting services:			
Management and general	9,047,284	-	9,047,284
Fundraising	<u>923,527</u>	<u>-</u>	<u>923,527</u>
Total supporting services	<u>9,970,811</u>	<u>-</u>	<u>9,970,811</u>
Total functional expenses	94,542,630	-	94,542,630
Support of National programs	<u>103,125</u>	<u>-</u>	<u>103,125</u>
Total operating expenses	<u>94,645,755</u>	<u>-</u>	<u>94,645,755</u>
Increase (decrease) in net assets from operations	2,933,335	(1,262,792)	1,670,543

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Other non-operating expenses, gains and losses:			
Change in fair value of interest rate swaps	\$ (882,409)	\$ —	\$ (882,409)
Net unrealized and realized gains (losses) on investments, net	(228,319)	17,047	(211,272)
Decrease in fair value of beneficial interest in trust held by others	—	(4,273)	(4,273)
Loss on sales and disposals of fixed assets	(119,135)	—	(119,135)
Contribution of assets from affiliation – see note 16	1,014,679	—	1,014,679
Other non-operating gains	<u>42,711</u>	<u>—</u>	<u>42,711</u>
	<u>(172,473)</u>	<u>12,774</u>	<u>(159,699)</u>
Total increase (decrease) in net assets	2,760,862	(1,250,018)	1,510,844
Net assets at beginning of year	<u>19,284,594</u>	<u>7,333,061</u>	<u>26,617,655</u>
Net assets at end of year	<u>\$22,045,456</u>	<u>\$ 6,083,043</u>	<u>\$28,128,499</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Public support and revenue:			
Public support:			
Contributions, net	\$ 1,342,659	\$ 682,437	\$ 2,025,096
Special events, net of related direct costs of \$1,027,034	—	1,954,318	1,954,318
Annual campaigns, net of related direct costs of \$117,055	324,504	56,838	381,342
Bequests	138,000	—	138,000
Net assets released from restrictions	<u>3,157,024</u>	<u>(3,157,024)</u>	<u>—</u>
Total public support	4,962,187	(463,431)	4,498,756
Revenue:			
Fees and grants from governmental agencies and others, net	63,635,700	—	63,635,700
Other grants	22,473,591	—	22,473,591
Dividend and interest income	575,571	15,711	591,282
Rental income	27,050	—	27,050
Other	<u>122,688</u>	<u>—</u>	<u>122,688</u>
Total revenue	<u>86,834,600</u>	<u>15,711</u>	<u>86,850,311</u>
Total public support and revenue	91,796,787	(447,720)	91,349,067
Operating expenses:			
Program services:			
Public health education	254,896	—	254,896
Professional education	23,007	—	23,007
Direct services	<u>79,618,852</u>	<u>—</u>	<u>79,618,852</u>
Total program services	79,896,755	—	79,896,755
Supporting services:			
Management and general	8,566,845	—	8,566,845
Fundraising	<u>1,142,077</u>	<u>—</u>	<u>1,142,077</u>
Total supporting services	<u>9,708,922</u>	<u>—</u>	<u>9,708,922</u>
Total functional expenses	89,605,677	—	89,605,677
Support of National programs	<u>39,036</u>	<u>—</u>	<u>39,036</u>
Total operating expenses	<u>89,644,713</u>	<u>—</u>	<u>89,644,713</u>
Increase (decrease) in net assets from operations	2,152,074	(447,720)	1,704,354

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)

Year Ended August 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Other non-operating expenses, gains and losses:			
Change in fair value of interest rate swaps	\$ 869,089	\$ -	\$ 869,089
Net unrealized and realized gains on investments, net	477,782	75,633	553,415
Increase in fair value of beneficial interest in trust held by others	-	7,606	7,606
Loss on sales and disposals of fixed assets	(9,100)	-	(9,100)
Other non-operating losses	<u>(31,893)</u>	<u>(569)</u>	<u>(32,462)</u>
	<u>1,305,878</u>	<u>82,670</u>	<u>1,388,548</u>
Increase (decrease) in net assets before effects of discontinued operations	3,457,952	(365,050)	3,092,902
Loss from discontinued operations – see note 15	<u>(8,280)</u>	<u>-</u>	<u>(8,280)</u>
Total increase (decrease) in net assets	3,449,672	(365,050)	3,084,622
Net assets at beginning of year	<u>15,834,922</u>	<u>7,698,111</u>	<u>23,533,033</u>
Net assets at end of year	<u>\$19,284,594</u>	<u>\$ 7,333,061</u>	<u>\$26,617,655</u>

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2019

	Program Services				Supporting Services			Total Program and Supporting Services Expenses	
	Public Health Education	Professional Education	Direct Services	Total	Management and General	Fund-Raising	Total	2019	2018
Salaries and related expenses	\$156,831	\$ -	\$65,487,300	\$65,644,131	\$5,801,139	\$ 669,977	\$ 6,471,116	\$72,115,247	\$67,908,410
Professional fees	23,792	17,889	6,836,726	6,878,407	2,038,327	77,780	2,116,107	8,994,514	8,797,056
Supplies	2,609	-	2,372,246	2,374,855	52,264	28,509	80,773	2,455,628	2,417,883
Telephone	556	-	432,634	433,190	207,120	3,675	210,795	643,985	626,432
Postage and shipping	1,467	-	21,875	23,342	22,010	9,801	31,811	55,153	54,773
Occupancy	-	-	2,438,934	2,438,934	350,501	64,594	415,095	2,854,029	2,531,788
Outside printing, artwork and media	20,404	-	7,849	28,253	4,648	18,835	23,483	51,736	50,694
Travel	34	-	2,339,847	2,339,881	24,149	3,395	27,544	2,367,425	2,392,563
Conventions and meetings	21,344	56,441	169,957	247,742	67,148	25,277	92,425	340,167	258,677
Specific assistance to individuals	-	-	1,133,753	1,133,753	52	-	52	1,133,805	1,130,193
Dues and subscriptions	178	-	35,704	35,882	10,706	529	11,235	47,117	65,488
Minor equipment purchases and equipment rental	775	-	214,435	215,210	116,762	5,605	122,367	337,577	364,846
Ads, fees and miscellaneous	24,482	-	172,435	196,917	27,405	10,502	37,907	234,824	193,188
Interest	-	-	797,750	797,750	201,242	-	201,242	998,992	1,024,622
Depreciation and amortization	-	-	1,749,390	1,749,390	123,811	5,048	128,859	1,878,249	1,789,064
Miscellaneous business tax	-	-	34,182	34,182	-	-	-	34,182	-
	<u>\$252,472</u>	<u>\$74,330</u>	<u>\$84,245,017</u>	<u>\$84,571,819</u>	<u>\$9,047,284</u>	<u>\$ 923,527</u>	<u>\$ 9,970,811</u>	<u>\$94,542,630</u>	<u>\$89,605,677</u>
	0.27%	0.07%	89.11%	89.45%	9.57%	0.98%	10.55%	100.00%	100.00%

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2018

	Program Services ⁽¹⁾				Supporting Services ⁽¹⁾			Total Program ⁽¹⁾ and Supporting Services Expenses
	Public Health Education	Profes- sional Education	Direct Services	Total	Manage- ment and General	Fund- Raising	Total	2018
Salaries and related expenses	\$154,060	\$ -	\$61,302,135	\$61,456,195	\$5,657,065	\$ 795,150	\$6,452,215	\$67,908,410
Professional fees	24,294	-	6,839,875	6,864,169	1,753,842	179,045	1,932,887	8,797,056
Supplies	5,740	-	2,317,739	2,323,479	59,977	34,427	94,404	2,417,883
Telephone	322	-	407,755	408,077	214,817	3,538	218,355	626,432
Postage and shipping	4,155	-	21,036	25,191	20,934	8,648	29,582	54,773
Occupancy	-	-	2,143,852	2,143,852	326,771	61,165	387,936	2,531,788
Outside printing, artwork and media	13,131	-	16,639	29,770	3,206	17,718	20,924	50,694
Travel	377	-	2,364,814	2,365,191	21,669	5,703	27,372	2,392,563
Conventions and meetings	25,854	23,007	170,684	219,545	17,123	22,009	39,132	258,677
Specific assistance to individuals	-	-	1,121,594	1,121,594	8,599	-	8,599	1,130,193
Dues and subscriptions	-	-	18,734	18,734	43,834	2,920	46,754	65,488
Minor equipment purchases and equipment rental	835	-	266,961	267,796	93,482	3,568	97,050	364,846
Ads, fees and miscellaneous	26,128	-	125,526	151,654	37,253	4,281	41,534	193,188
Interest	-	-	829,763	829,763	194,859	-	194,859	1,024,622
Depreciation and amortization	-	-	1,671,745	1,671,745	113,414	3,905	117,319	1,789,064
	<u>\$254,896</u>	<u>\$23,007</u>	<u>\$79,618,852</u>	<u>\$79,896,755</u>	<u>\$8,566,845</u>	<u>\$1,142,077</u>	<u>\$9,708,922</u>	<u>\$89,605,677</u>
	0.28%	0.03%	88.85%	89.16%	9.56%	1.28%	10.84%	100.00%

⁽¹⁾ Excludes expenses related to discontinued operations – see note 15.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years Ended August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase in net assets	\$ 1,510,844	\$ 3,084,622
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,878,249	1,789,064
Bad debt provision	1,444,413	1,640,474
Bond issuance costs amortization	6,109	6,109
Decrease (increase) in fair value of beneficial interest in trust held by others	4,273	(7,606)
Net loss on sales and disposals of fixed assets	119,135	9,100
Change in fair value of interest rate swaps	882,409	(869,089)
Net unrealized and realized losses (gains) on investments, net	211,272	(553,415)
Donor restricted contributions	(310,395)	(682,437)
Contribution of assets from affiliation	(1,014,679)	-
Changes in operating assets and liabilities:		
Program and other accounts receivable	(1,620,411)	(3,417,878)
Contributions receivable	(3,259)	86,551
Prepaid expenses and other current assets	(90,656)	1,076
Other assets	62,409	259,908
Accounts payable and accrued expenses	839,088	866,572
Deferred revenue	(321,362)	(979,155)
Other liabilities	<u>146,860</u>	<u>242,867</u>
Net cash provided by operating activities	3,744,299	1,476,763
Cash flows from investing activities:		
Purchases of fixed assets	(1,583,861)	(2,145,609)
Proceeds from sale of fixed assets	28,503	-
Change in investments, net	(319,542)	(382,689)
Change in assets limited as to use	343,746	535,158
Cash acquired from assets of affiliation	<u>119,865</u>	<u>-</u>
Net cash used by investing activities	(1,411,289)	(1,993,140)
Cash flows from financing activities:		
Repayment of long-term debt and capital lease obligation	(1,279,595)	(2,029,914)
Proceeds from long-term debt	222,756	-
Borrowings on lines of credit	(610,319)	610,319
Donor restricted contributions	<u>310,395</u>	<u>682,437</u>
Net cash used by financing activities	<u>(1,356,763)</u>	<u>(737,158)</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended August 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Increase (decrease) in cash and cash equivalents	\$ 976,247	\$(1,253,535)
Cash and cash equivalents, beginning of year	<u>2,365,508</u>	<u>3,619,043</u>
Cash and cash equivalents, end of year	<u>\$ 3,341,755</u>	<u>\$ 2,365,508</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 1,009,000</u>	<u>\$ 1,023,000</u>

Certain assets and liabilities were acquired and recorded at their estimated fair values on September 1, 2018 as a result of the affiliation described in note 16.

See accompanying notes.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

1. Corporate Organization and Purpose

Easter Seals New Hampshire, Inc. and Subsidiaries (Easter Seals NH) consists of various separate nonprofit entities: Easter Seals New Hampshire, Inc. (parent and service corporation); Easter Seals Maine, Inc. (Easter Seals ME); The Harbor Schools Incorporated (Harbor Schools) through August 31, 2018 (see note 15); Manchester Alcoholism Rehabilitation Center; and Easter Seals Vermont, Inc. (Easter Seals VT). Easter Seals New Hampshire, Inc. is the sole member of each subsidiary. Easter Seals NH is affiliated with Easter Seals, Inc. (the national headquarters for the organization).

Easter Seals NH's purpose is to provide (1) programs and services for people with disabilities and other special needs, (2) assistance to people with disabilities and their families, (3) assistance to communities in identifying and developing needed services for residents, and (4) a climate of acceptance for people with disabilities and other special needs which will enable them to contribute to the well-being of the community. Easter Seals NH operates programs throughout New Hampshire, Maine, and Vermont.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Easter Seals New Hampshire, Inc. and the subsidiaries of which it is the sole member as described in note 1. Significant intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

Easter Seals NH considers all highly liquid securities purchased with an original maturity of 90 days or less to be cash equivalents. Cash equivalents consist of cash, overnight repurchase agreements and money market funds, excluding assets limited as to use.

Easter Seals NH maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed amounts guaranteed by the Federal Deposit Insurance Corporation. Financial instruments which subject Easter Seals to credit risk consist primarily of cash equivalents and investments. Easter Seals NH's investment portfolio consists of diversified investments, which are subject to market risk. Investments that exceeded 10% of investments include the Lord Abbett Short Duration Income A Fund with a balance of \$3,094,539 and \$2,847,749 as of August 31, 2019 and 2018, respectively.

Assets Limited as to Use and Investments

Assets limited as to use consists of cash and cash equivalents, short-term certificates of deposit with original maturities greater than 90 days, but less than one year, and investments. Investments are stated at fair value. Realized gains and losses on investments are computed on a specific identification basis. The changes in net unrealized and realized gains and losses on investments are recorded in other non-operating expenses, gains and losses in the accompanying consolidated statements of activities and changes in net assets. Donated securities are stated at fair value determined at the date of donation.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Beneficial Interest in Trust

Easter Seals NH is the beneficiary of a trust held by others. Easter Seals NH has recorded as an asset the fair value of its interest in the trust and such amount is included in net assets with donor restrictions, based on the underlying donor stipulations. The change in the interest due to fair value change is recorded within other non-operating expenses, gains and losses as activity with donor restrictions.

Fixed Assets

Fixed assets are recorded at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense as incurred, and expenditures for major renovations are capitalized. Depreciation is computed on the straight-line method over the estimated useful lives of the underlying assets. Leasehold improvements and the carrying value of equipment financed by capital leases are amortized using the straight-line method over the shorter of the lease term or the estimated useful life of the asset.

Fixed assets obtained by Easter Seals NH as a result of acquisitions on or after September 1, 2011 are recorded at estimated fair value as of the date of the acquisition in accordance with generally accepted accounting principles guidance for acquisitions by a not-for-profit entity.

Donated property and equipment not subject to donor stipulated conditions is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support or, if significant uncertainties exist, as deferred revenue pending resolution of the uncertainties. In the absence of such stipulations, contributions of property and equipment are recorded as support without donor restrictions. See also note 8.

Long-Lived Assets

When there is an indication of impairment, management considers whether long-lived assets are impaired by comparing gross future undiscounted cash flows expected to be generated from utilizing the assets to their carrying amounts. If cash flows are not sufficient to recover the carrying amount of the assets, impairment has occurred and the assets are written down to their fair value. Significant estimates and assumptions are required to be made by management in order to evaluate possible impairment.

No long-lived assets were deemed impaired at August 31, 2019 and 2018.

Bond Issuance Costs

Bond issuance costs are being amortized to interest expense using the straight-line method over the repayment period of the related bonds, or the expected time until the next refinancing, whichever is shorter. Interest expense recognized on the amortization of bond issuance costs during 2019 and 2018 was \$6,109. The bond issuance costs are presented as a component of long-term debt on the accompanying consolidated statement of financial position.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Revenue generated from services provided to the public is reported at the estimated net realizable amounts from clients, third-party payors and others based upon approved rates as services are rendered. A significant portion of Easter Seals NH's revenues are derived through arrangements with third-party payors. As such, Easter Seals NH is dependent on these payors in order to carry out its operating activities. There is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. Differences between amounts previously estimated and amounts subsequently determined to be recoverable or payable are included in other fees and grants in the year that such amounts become known.

Revenues are recognized as earned, or attributable to the period in which specific terms of the funding agreement are satisfied, and to the extent that expenses have been incurred for the purposes specified by the funding source. Revenue balances in excess of the foregoing amounts are accounted for as deferred revenue until any restrictions are met or allowable expenditures are incurred.

The allowance for doubtful accounts is provided based on an analysis by management of the collectability of outstanding balances. Management considers the age of outstanding balances and past collection efforts in determining the allowance for doubtful accounts. Accounts are charged against the allowance for doubtful accounts when deemed uncollectible. The bad debt provision in 2019 and 2018 totaled \$1,444,413 and \$1,640,474 respectively, and is recorded against fees and grants from governmental agencies and others and contributions. The decrease in bad debt provision in 2019 is due to a shift in payors for services provided. See also note 6.

Easter Seals NH has agreements with third-party payors that provide for payment at amounts different from its established rates. Payment arrangements include discounted charges and prospectively determined payments. Contractual allowances for program and other accounts receivable at August 31, 2019 and 2018 were \$9,657,800 and \$12,719,900, respectively. The total contractual adjustments provided in 2019 and 2018 totaled \$59,363,700 and \$50,711,300, respectively, and are recorded against fees and grants from governmental agencies and others. The increase in contractual adjustments in 2019 is primarily due to a funding change that took place on January 1, 2019 resulting in the discontinuation of the New Hampshire Health Protection expansion funding (NHHPP). The increase in contractual adjustments in 2018 was primarily due to growth in services provided by Manchester Alcoholism Rehabilitation Center and an increase in services being covered by third-party payors.

Unconditional contributions are recognized when pledged.

Advertising

Easter Seals NH's policy is to expense advertising costs as incurred.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services based mainly on time records and estimates made by Easter Seals NH's management.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

Charity Care (Unaudited)

Easter Seals NH has a formal charity care policy under which program fees are subsidized as determined by the Board of Directors. Free and subsidized services are rendered in accordance with decisions made by the Board of Directors and, at established charges, amounted to approximately \$7,348,000 and \$8,642,000 for the years ended August 31, 2019 and 2018, respectively.

Income Taxes

Easter Seals New Hampshire, Inc., Easter Seals ME, Easter Seals VT, Harbor Schools (through the date of its dissolution) and Manchester Alcoholism Rehabilitation Center are exempt from both federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, with the exception of certain federal taxes applicable to not for profit entities.

Tax-exempt organizations could be required to record an obligation for income taxes as the result of a tax position historically taken on various tax exposure items including unrelated business income or tax status. In accordance with accounting principles generally accepted in the United States of America, assets and liabilities are established for uncertain tax positions taken or positions expected to be taken in income tax returns when such positions are judged to not meet the "more-likely-than-not" threshold, based upon the technical merits of the position.

Management has evaluated tax positions taken by Easter Seals New Hampshire, Inc. and its subsidiaries on their respective filed tax returns and concluded that the organizations have maintained their tax-exempt status, do not have any significant unrelated business income, and have taken no uncertain tax positions that require adjustment to or disclosure in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the 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 revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used in accounting for the allowance for doubtful accounts, contractual allowances, workers' compensation liabilities and contingencies.

Derivatives and Hedging Activities

Accounting guidance requires that Easter Seals NH record as an asset or liability the fair value of the interest rate swap agreement described in note 11. Easter Seals NH is exposed to repayment loss equal to the net amounts receivable under the swap agreement (not the notional amount) in the event of nonperformance of the other party to the swap agreement. However, Easter Seals NH does not anticipate nonperformance and does not obtain collateral from the other party.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

As of August 31, 2019 and 2018, Easter Seals NH had recognized a liability of \$2,654,993 and \$1,772,584, respectively, as a result of the interest rate swap agreements discussed in note 11. As a result of changes in the fair value of these derivative financial instruments, Easter Seals NH recognized a decrease in net assets of \$882,409 and an increase of \$869,089 for the years ended August 31, 2019 and 2018, respectively, in the accompanying consolidated statements of activity and changes in net assets.

Increase (Decrease) in Net Assets from Operations

For purposes of display, transactions deemed by management to be ongoing, major or central to the provision of services are reported as revenue and expenses that comprise the increase (decrease) in net assets from operations. The primary transactions reported as other non-operating expenses, gains and losses include the adjustment to fair value of interest rate swaps, the change in the fair value of beneficial interest in trust held by others, gains and losses on sales and disposals of fixed assets, the contribution of assets from affiliation (see note 16) and net realized and unrealized gains and losses on investments.

Reclassifications

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

Recent Accounting Pronouncements

In May 2014, the FASB issued No. 2014-09, *Revenue from Contracts with Customers* (ASU 2014-09), which requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which Easter Seals NH expects to be entitled in exchange for those goods and services. ASU 2014-09 will replace most existing revenue recognition guidance when it becomes effective. ASU 2014-09 is effective for Easter Seals NH on September 1, 2019. ASU 2014-09 permits the use of either the retrospective or cumulative effect transition method. Management continues to evaluate the impact that ASU 2014-09 will have on Easter Seals NH's consolidated financial statements. The adoption is not expected to have a material impact on Easter Seals NH's revenue recognition policies.

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (Topic 842). Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. Guidance was recently issued that extended the effective date for Easter Seals NH to September 1, 2021, with early adoption permitted. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements, with certain practical expedients available. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, which seeks to clarify ASU 2016-02 with respect to certain aspects of the update and ASU 2018-11, *Leases (Topic 842) – Targeted Improvements*, which provides transition relief on comparative reporting upon adoption of the ASU. Management is currently evaluating the impact of the pending adoption of ASU 2016-02 on Easter Seals NH's consolidated financial statements.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

2. Summary of Significant Accounting Policies (Continued)

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* (ASU 2016-14). The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. Easter Seals NH implemented ASU 2016-14, as it is effective for Easter Seals NH for the year ended August 31, 2019, and has adjusted the presentation in these consolidated financial statements accordingly. The most significant effects relate to the change in net asset classification from unrestricted, temporarily restricted and permanently restricted to net assets with and without donor restrictions, as well as the addition of liquidity disclosures (see note 4). The ASU has been applied retrospectively to all periods presented, and had no impact on previously reported net assets.

In June 2018, the FASB issued ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Due to diversity in practice, ASU 2018-08 clarifies the definition of an exchange transaction as well as the criteria for evaluating whether contributions are unconditional or conditional. ASU 2018-08 is effective for Easter Seals NH on September 1, 2019 as the resource provider and on September 1, 2020 as the resource recipient, with early adoption permitted. Easter Seals NH is currently evaluating the impact that ASU 2018-08 will have on its consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820) – Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The objective of this update is to improve the effectiveness of disclosures in the notes to the financial statements by facilitating clear communication of the information required by generally accepted accounting principles (GAAP) that is most important to users of each entity's financial statements. The amendments in this update modify certain disclosure requirements on fair value measurements in Topic 820, *Fair Value Measurement*. The amendments in this update are effective for Easter Seals NH beginning September 1, 2020. Early adoption is permitted for removal or modifications of disclosures upon issuance of this update and delayed adoption of the additional disclosures until their effective date. The adoption of this ASU is not expected to have a material effect on Easter Seals NH's consolidated financial statements.

Subsequent Events

Events occurring after the statement of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the consolidated financial statements. Management has evaluated events occurring between the end of Easter Seals NH's fiscal year end and December 9, 2019, the date these consolidated financial statements were available to be issued.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets

The following provides a description of the net asset classifications represented in the Easter Seals NH consolidated statements of financial position:

In accordance with *Uniform Prudent Management of Institutional Funds Act* (UPMIFA), net assets are classified and reported based on the existence or absence of donor-imposed restrictions. Net assets with donor restrictions include contributions and endowment investment earnings subject to donor-imposed restrictions, as well as irrevocable trusts and contributions receivable. Some donor-imposed restrictions are temporary in nature with restrictions that are expected to be met either by actions of Easter Seals NH and/or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources are to be maintained in perpetuity, the income from which is expendable to support all activities of the organization, or as stipulated by the donor.

Donor-restricted contributions whose restrictions are met within the same year as received are reported as support without donor restrictions in the accompanying consolidated financial statements.

In accordance with UPMIFA, Easter Seals NH considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (a) the duration and preservation of the fund; (b) the purpose of the organization and the donor-restricted endowment fund; (c) general economic conditions; (d) the possible effect of inflation and deflation; (e) the expected total return from income and the appreciation of investments; (f) other resources of the organization; and (g) the investment policies of the organization.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Endowment Net Asset Composition by Type of Fund

The major categories of endowment funds included in net assets with donor restrictions at August 31, 2019 and 2018 are as follows:

	Original Donor Restricted Gift Maintained in Perpetuity	Accumulated Investment Gains	Total
<u>2019</u>			
Other initiatives	\$1,366,235	\$81,468	\$1,447,703
Operations	<u>3,622,108</u>	<u>—</u>	<u>3,622,108</u>
Total endowment net assets	<u>\$4,988,343</u>	<u>\$81,468</u>	<u>\$5,069,811</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

	Original Donor Restricted Gift <u>Maintained in Perpetuity</u>	Accumulated Investment <u>Gains</u>	<u>Total</u>
<u>2018</u>			
Other initiatives	\$1,298,621	\$65,826	\$1,364,447
Operations	<u>3,587,059</u>	<u>—</u>	<u>3,587,059</u>
Total endowment net assets	<u>\$4,885,680</u>	<u>\$65,826</u>	<u>\$4,951,506</u>

Changes in Endowment Net Assets

During the years ended August 31, 2019 and 2018, Easter Seals NH had the following endowment-related activities:

Net endowment assets, August 31, 2017	\$4,847,633
Investment return:	
Investment income, net of fees	75,165
Net appreciation (realized and unrealized), net	25,632
Contributions	94,684
Appropriated for expenditure	<u>(91,608)</u>
Net endowment assets, August 31, 2018	4,951,506
Investment return:	
Investment income, net of fees	15,815
Net appreciation (realized and unrealized), net	24,356
Contributions	102,663
Appropriated for expenditure	<u>(24,529)</u>
Net endowment assets, August 31, 2019	<u>\$5,069,811</u>

Net assets were released from donor restrictions as follows for the year ended August 31:

	<u>2019</u>	<u>2018</u>
Satisfaction of donor restrictions	\$1,990,555	\$3,065,416
Release of appropriated endowment funds	<u>24,529</u>	<u>91,608</u>
	<u>\$2,015,084</u>	<u>\$3,157,024</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

In addition to endowment net assets, Easter Seals NH also maintains non-endowed funds. The major categories of non-endowment funds, at August 31, 2019 and 2018 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total Non- Endowment Net Assets</u>
<u>2019</u>			
Other initiatives	\$ 2,495,506	\$ 388,205	\$ 2,883,711
Operations	<u>19,549,950</u>	<u>625,027</u>	<u>20,174,977</u>
Total non-endowment net assets	<u>\$22,045,456</u>	<u>\$1,013,232</u>	<u>\$23,058,688</u>
<u>2018</u>			
Other initiatives	\$ 1,097,111	\$1,421,217	\$ 2,518,328
Operations	<u>18,187,483</u>	<u>960,338</u>	<u>19,147,821</u>
Total non-endowment net assets	<u>\$19,284,594</u>	<u>\$2,381,555</u>	<u>\$21,666,149</u>

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires Easter Seals NH to retain as a fund of permanent duration. Deficiencies of this nature are reported in net assets with donor restrictions. There were no deficiencies between the fair value of the investments of the endowment funds and the level required by donor stipulation at August 31, 2019 or 2018.

Net assets with donor restrictions

Net assets with donor restrictions are available for the following purposes at August 31:

	<u>2019</u>	<u>2018</u>
Purpose restriction:		
Other initiatives	\$ 388,205	\$1,421,217
Operations	<u>455,482</u>	<u>772,086</u>
	843,687	2,193,303
Perpetual in nature:		
Original donor restricted gift amount and amounts required to be maintained by donor	5,059,193	4,970,964
Investments, gains and income from which is donor restricted	81,468	65,826
Beneficial interest in perpetual trust	<u>98,695</u>	<u>102,968</u>
	<u>5,239,356</u>	<u>5,139,758</u>
Total net assets with donor restrictions	<u>\$6,083,043</u>	<u>\$7,333,061</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

3. Classification of Net Assets (Continued)

Net assets with donor restrictions are managed in accordance with donor intent and are invested in various portfolios.

Investment and Spending Policies

Easter Seals NH has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that Easter Seals NH must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of an appropriate market index while assuming a moderate level of investment risk. Easter Seals NH expects its endowment funds to provide an average rate of return over a five year period equal to the rate of 2% over the inflation rate. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate-of-return objectives, Easter Seals NH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Easter Seals NH targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Easter Seals NH may appropriate for distribution some or all of the earnings and appreciation on its endowment for funding of operations. In establishing this policy, Easter Seals NH considered the objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to, so long as it would not detract from Easter Seals NH's critical goals and initiatives, provide additional real growth through new gifts and investment return.

4. Liquidity and Availability

Financial assets available for general expenditure, such as for operating expenses, and that are without donor or other restrictions limiting their use, within one year of the consolidated statements of financial position date (August 31, 2019), comprise the following:

Cash and cash equivalents	\$ 3,341,755
Short-term investments, at fair value	3,094,539
Program and other accounts receivable, net	11,408,200
Contributions receivable, net	<u>499,216</u>
	18,343,710
Investments, at fair value	<u>12,793,877</u>
	31,137,587
Less: net assets with donor restrictions	<u>6,083,043</u>
	<u>\$25,054,544</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

4. Liquidity and Availability (Continued)

To manage liquidity, Easter Seals NH maintains sufficient cash and cash equivalent balances to support daily operations throughout the year. Cash and cash equivalents include bank deposits, money market funds, and other similar vehicles that generate a return on cash and provide daily liquidity to Easter Seals NH. In addition, Easter Seals NH has board-designated assets without donor restrictions that can be utilized at the discretion of management to help fund both operational needs and/or capital projects. As of August 31, 2019, the balance in board-designated assets was \$5,755,000.

The management of Easter Seals NH has implemented a practice to establish cash reserves on hand. As of August 31, 2019 and 2018, approximately \$2,661,000 and \$2,277,000, respectively, of cash and cash equivalents, and approximately \$3,094,000 and \$3,003,000, respectively, of investments were on-hand under this practice. Because such funds are available and may be used in current operations, they have been classified as current in the accompanying consolidated statements of financial position.

5. Contributions Receivable

Contributions receivable from donors as of August 31, 2019 and 2018 are \$540,447 and \$599,597, respectively, net of an allowance for doubtful accounts of \$63,400 and \$66,600, respectively. The long-term portion of contributions receivable are recorded in other assets in the accompanying consolidated statements of financial position. Gross contributions are due as follows at August 31, 2019:

2020	\$562,116
2021	31,500
2022	4,500
2023	1,731
2024	1,000
Thereafter	<u>3,000</u>
	<u>\$603,847</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

6. Manchester Alcoholism Rehabilitation Center Revenues

Revenues related to providing health services are recorded net of contractual adjustments, discounts and any provision for bad debts. Substantially all such adjustments in 2019 and 2018 are related to Manchester Alcoholism Rehabilitation Center. An estimated breakdown of Manchester Alcoholism Rehabilitation Center's revenue, net of contractual adjustments, discounts and provision for bad debts recorded in fees and grants from governmental agencies and others recognized in 2019 and 2018 from major payor sources, is as follows:

	<u>Gross Revenues</u>	<u>Contractual Adjustments and Discounts</u>	<u>Provision for Bad Debts</u>	<u>Revenues, net</u>
<u>2019</u>				
Private payors (includes coinsurance and deductibles)	\$18,733,885	\$(12,639,111)	\$ (737,393)	\$ 5,357,381
Medicaid	52,661,814	(43,942,859)	(237,497)	8,481,458
Medicare	65,163	(6,250)	(19,303)	39,610
Self-pay	<u>366,436</u>	<u>(262,987)</u>	<u>(26,020)</u>	<u>77,429</u>
	<u>\$71,827,298</u>	<u>\$(56,851,207)</u>	<u>\$ (1,020,213)</u>	<u>\$13,955,878</u>
<u>2018</u>				
Private payors (includes coinsurance and deductibles)	\$33,571,171	\$(20,973,855)	\$ (1,057,046)	\$11,540,270
Medicaid	31,615,594	(27,988,142)	(148,056)	3,479,396
Medicare	85,060	(8,159)	—	76,901
Self-pay	<u>275,991</u>	<u>(168,460)</u>	<u>(85,872)</u>	<u>21,659</u>
	<u>\$65,547,816</u>	<u>\$(49,138,616)</u>	<u>\$ (1,290,974)</u>	<u>\$15,118,226</u>

7. Leases

Operating

Easter Seals NH leases certain assets under various arrangements which have been classified as operating leases. Total expense under all leases (including month-to-month leases) was approximately \$1,164,000 and \$1,016,000 for the years ended August 31, 2019 and 2018, respectively. Some of these leases have terms which include renewal options, and others may be terminated at Easter Seals NH's option without substantial penalty. Future minimum payments required under the leases in effect at August 31, 2019, through the remaining contractual term of the underlying lease agreements, are as follows:

2020	\$824,691
2021	527,374
2022	432,041
2023	217,498
2024	121,937
Thereafter	4,153

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

7. Leases (Continued)

Capital

In 2015, Easter Seals NH entered into a three year lease agreement with a bank for certain computer equipment. This lease ended in 2018. Payments made under this agreement for the year ended August 31, 2018 was \$20,995. The assets were fully amortized as of August 31, 2018. Amortization expense related to the above capital lease was a component of depreciation expense in the accompanying consolidated statements of functional expenses. Interest expense recognized on the capital lease in 2018 was insignificant.

8. Fixed Assets

Fixed assets consist of the following at August 31:

	<u>2019</u>	<u>2018</u>
Buildings	\$ 31,857,044	\$ 30,906,387
Land and land improvements	4,248,474	3,331,184
Leasehold improvements	130,368	140,442
Office equipment and furniture	10,288,273	9,380,281
Vehicles	2,543,706	2,641,876
Construction in progress	<u>17,738</u>	<u>177,686</u>
	49,085,603	46,577,856
Less accumulated depreciation and amortization	<u>(19,700,961)</u>	<u>(17,782,070)</u>
	<u>\$ 29,384,642</u>	<u>\$ 28,795,786</u>

Depreciation and amortization expense related to fixed assets totaled \$1,878,249 and \$1,789,064 in 2019 and 2018, respectively.

During 2012, Easter Seals NH received a donated building with an estimated fair value of approximately \$1,100,000. Under the terms of the donation, for a period of six years, Easter Seals NH was required to continue to use the building as a child care center. Had Easter Seals NH ceased to operate the program, or sold or donated the property, Easter Seals NH would have had to provide the donor with the opportunity to purchase the property for \$1. The contribution representing the fair value of the building was recorded as deferred revenue until December 2017 when the terms of the donation were met and Easter Seals NH recognized the remaining balance of \$937,292 in unrestricted contributions in 2018.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

9. Investments and Assets Limited as to Use

Investments and assets limited as to use, at fair value, are as follows at August 31:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 819,529	\$ 1,200,834
Marketable equity securities	1,663,432	1,716,059
Mutual funds	14,367,258	14,084,488
Corporate and foreign bonds	574,444	873,487
Government and agency securities	<u>675,257</u>	<u>460,528</u>
	18,099,920	18,335,396
Less: assets limited as to use	<u>(2,211,504)</u>	<u>(2,555,250)</u>
Total investments, at fair value	<u>\$15,888,416</u>	<u>\$15,780,146</u>

The composition of assets limited as to use at August 31, 2019 and 2018 is set forth in the table shown below at fair value. The portion of assets limited as to use that is required for obligations classified as current liabilities is reported in current assets.

	<u>2019</u>	<u>2018</u>
Under a deferred compensation plan (see note 10):		
Investments	\$1,807,587	\$1,660,727
Maintained in escrow to make required payments		
on revenue bonds (see note 11):		
Cash and cash equivalents	<u>403,917</u>	<u>894,523</u>
Total assets limited as to use	<u>\$2,211,504</u>	<u>\$2,555,250</u>

10. Retirement Plans

Easter Seals NH maintains a Section 403(b) Plan (a defined contribution retirement plan), which covers substantially all employees. Eligible employees may contribute any whole percentage of their annual salary. Easter Seals NH makes a matching contribution for eligible employees equal to 100% of the participants' elective deferrals limited to 2% of the participants' allowable compensation each pay period. The combined amount of employer and employee contributions is subject by law to annual maximum amounts. The employer match was approximately \$515,000 and \$579,000 for the years ended August 31, 2019 and 2018, respectively.

Easter Seals New Hampshire, Inc. offers, to certain management personnel, the option to participate in an Internal Revenue Code Section 457 Deferred Compensation Plan to which the organization may make a discretionary contribution. The employees' accounts are not available until termination, retirement, death or an unforeseeable emergency. Easter Seals New Hampshire, Inc. contributed approximately \$108,000 and \$99,500 to this plan during the years ended August 31, 2019 and 2018, respectively. The assets and liabilities associated with this plan were \$1,807,587 and \$1,660,727 at August 31, 2019 and 2018, respectively, and are included within assets limited as to use and other liabilities in the accompanying consolidated statements of financial position.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings

Borrowings consist of the following at August 31:

	<u>2019</u>	<u>2018</u>
Revenue Bonds, Series 2016A, tax exempt, issued through the New Hampshire Health and Education Facilities Authority (NHHEFA), with an annual LIBOR-based variable rate equal to the sum of (a) 0.6501 times one-month LIBOR, plus (b) 0.6501 times 2.45% (3.04% at August 31, 2019), due in annual principal payments increasing from \$40,417 to \$62,917 with a final payment of \$6,875,413 due in May 2027, secured by a pledge of all gross revenues and negative pledge of cash, investments and real estate.	\$11,724,996	\$12,226,664
Revenue Bonds, Series 2016B, tax exempt, issued through NHHEFA, with a fixed rate at 3.47%, annual principal payments continually increasing from \$15,810 to \$21,180 with a final payment of \$5,404,249 due in May 2027, secured by a pledge of all gross revenues and negative pledge of cash, investments and real estate.	7,141,109	7,724,289
Various notes payable to a bank with fixed interest rate of 2.24%, various principal and interest payments ranging from \$113 to \$1,069 payable monthly through dates ranging from September 2019 through June 2024, secured by vehicles with a net book value of \$325,812 at August 31, 2019.	292,309	179,929
Mortgage note payable to a bank with a fixed rate of 3.25%. Principal and interest of \$12,200 payable monthly, due in February 2030, secured by an interest in certain property with a net book value of \$4,877,003 at August 31, 2019.	2,213,156	2,285,333
Note payable (through affiliation described in note 16) to the City of Rochester, New Hampshire, payable in annual payments of \$16,408, including interest at 3.35% and net of \$7,290 of principal and interest loan funding grant, through July 1, 2027, secured by an interest in certain property with a net book value of \$947,249 at August 31, 2019.	<u>113,490</u>	<u>—</u>
	21,485,060	22,416,215
Less current portion	1,243,661	1,241,671
Less net unamortized bond issuance costs	<u>118,836</u>	<u>124,946</u>
	<u>\$20,122,563</u>	<u>\$21,049,598</u>

Principal payments on long-term debt for each of the following years ending August 31 are as follows:

2020	\$ 1,243,661
2021	938,993
2022	935,503
2023	974,536
2024	987,957
Thereafter	<u>16,404,410</u>
	<u>\$21,485,060</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Lines of Credit and Other Financing Arrangements

Easter Seals New Hampshire, Inc. had an agreement with a bank for a \$500,000 nonrevolving equipment line of credit. The line of credit was used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals New Hampshire through April 2, 2014. The interest rate charged on outstanding borrowings was at a fixed rate at the then prime rate minus 0.75% for maturities up to a five-year term. Upon maturity of this agreement, the balances outstanding under the note payable at August 31, 2014 were converted to various term notes secured by vehicles, as described above. All outstanding balances were paid off in 2019. Amounts outstanding included in long-term debt at August 31, 2018 were three notes payable totaling \$7,185.

Easter Seals New Hampshire, Inc. also has an agreement with a bank for a \$500,000 revolving equipment line, which can be used to fund the purchase of New Hampshire titled vehicles for use by Easter Seals New Hampshire on demand. Advances are converted to term notes as utilized. The interest rate charged on outstanding borrowings is at a fixed rate equal to the then Business Vehicle Rate at the time of the advance for maturities up to a five year term. Included in long-term debt are twenty-three notes payable totaling \$292,309 and twenty-four notes payable totaling \$172,744 at August 31, 2019 and 2018, respectively that originated under this agreement. Availability under this agreement at August 31, 2019 and 2018 is \$207,691 and \$327,256, respectively.

On August 31, 2015, Easter Seals New Hampshire, Inc. entered into a revolving line of credit with a bank. On February 26, 2019, an amendment changed the borrowing availability from \$4 million to \$7 million (a portion of which is secured by available letters of credit of \$38,000). Outstanding advances are due on demand. The interest rate charged on outstanding borrowings was amended in May 2018 to LIBOR rounded up to the nearest one-eighth of one percent plus 1.90% (4.03% at August 31, 2019). Under an event of default, the interest rate will increase from LIBOR plus 1.90% to LIBOR plus 5.25%. The line is secured by a first priority interest in all business assets of Easter Seals New Hampshire, Inc. with guarantees from Easter Seals Vermont, Inc. and Manchester Alcoholism Rehabilitation Center. The agreement requires that collective borrowings under the line of credit be reduced to \$1,000,000 for 30 consecutive days during each calendar year. There were no amounts outstanding under this revolving line of credit agreement at August 31, 2019, and \$610,319 was outstanding at August 31, 2018.

NHHEFA 2016A and 2016B Revenue Bonds

On December 20, 2016, Easter Seals New Hampshire, Inc. issued \$13,015,000 in Series 2016A Tax Exempt Revenue Bonds. These bonds were used to refinance the Series 2004A Revenue Bonds.

Also, on December 20, 2016, Easter Seals New Hampshire, Inc. issued \$9,175,000 in Series 2016B Tax Exempt Revenue Bonds. The bonds were issued to refinance an existing mortgage and to obtain funds for certain planned capital projects.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Mortgage Notes Payable

On February 18, 2015, Easter Seals New Hampshire, Inc. and Manchester Alcoholism Rehabilitation Center entered into a \$2,480,000 mortgage note payable to finance the acquisition of certain property located in Franklin, New Hampshire. The initial interest rate charged is fixed at 3.25%. Monthly principal and interest payments are \$12,200, and all remaining outstanding principal and interest is due on February 18, 2030. The note is secured by the property.

Notes Payable

The Homemakers Health Services, Inc. (the Organization), see note 16, and the City of Rochester, New Hampshire obtained grants and other funding commitments to fund the costs associated with the design and construction of an extension of the City of Rochester, New Hampshire's public sewer mains to service the Organization's property in Rochester, New Hampshire. The costs associated with the extension of the sewer main were \$523,298, which was funded by grants of \$181,925 and a promissory note, payable to the City of Rochester, New Hampshire of \$341,373. The promissory note bears interest at 3.35% per annum. In addition, the City of Rochester, New Hampshire was approved for a loan funding grant in the amount of \$145,798, which consisted of the loan principal funding of \$105,018 and the loan interest funding of \$40,780. The Organization recorded a net principal promissory note payable of \$236,355 with an issue date of July 1, 2017. Effective September 1, 2018, Easter Seals NH has assumed responsibility of this agreement. See note 16.

Interest Rate Swap Agreement

Easter Seals New Hampshire, Inc. has an interest rate swap agreement with a bank in connection with the Series 2004A NHHEFA Revenue Bonds. On December 1, 2016, an amendment to this agreement was executed in anticipation of the refinancing of the 2004A revenue bonds to change the interest rate charged from 3.54% to 3.62% and the floating rate from LIBOR times 0.67 to LIBOR times 0.6501. The swap agreement had an outstanding notional amount of \$11,724,996 and \$12,226,664 at August 31, 2019 and 2018, respectively, which reduces in conjunction with principal reductions until the agreement is terminated in November 2034.

The fair value of the above interest rate swap agreement totaled \$2,654,993 and \$1,772,584 at August 31, 2019 and 2018, respectively, \$295,305 and \$244,261 of which was current at August 31, 2019 and 2018, respectively. During the years ended August 31, 2019 and 2018, net payments required by the agreement totaled \$250,321 and \$323,938, respectively. These payments have been included in interest expense within the accompanying consolidated statements of activities and changes in net assets. See note 14 with respect to fair value determinations.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

11. Borrowings (Continued)

Debt Covenants

In connection with the bonds, lines of credit and various other notes payable described above, Easter Seals New Hampshire, Inc. is required to comply with certain financial covenants including, but not limited to, minimum liquidity and debt service coverage ratios. At August 31, 2019, Easter Seals New Hampshire, Inc. was in compliance with restrictive covenants specified under the NHHEFA bonds and other debt obligations.

12. Donated Services

A number of volunteers have donated their time in connection with Easter Seals NH's program services and fundraising campaigns. However, no amounts have been reflected in the accompanying consolidated financial statements for such donated services, as no objective basis is available to measure the value.

13. Related Party Transactions

Easter Seals NH is a member of Easter Seals, Inc. Membership fees to Easter Seals, Inc. were \$103,125 and \$39,036 for the years ended August 31, 2019 and 2018, respectively, and are reflected as support of National programs on the accompanying consolidated statements of activities and changes in net assets.

14. Fair Value of Financial Instruments

Fair value of a financial instrument is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at their measurement date. In determining fair value, Easter Seals NH uses various methods including market, income and cost approaches, and utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in factors used in the valuation. These factors may be readily observable, market corroborated, or generally unobservable. Easter Seals NH utilizes valuation techniques that maximize the use of observable factors and minimizes the use of unobservable factors.

Certain of Easter Seals NH's financial instruments are reported at fair value, which include beneficial interest held in trust, investments and the interest rate swap, and are classified by levels that rank the quality and reliability of the information used to determine fair value:

Level 1 – Valuations for financial instruments traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical instruments.

Level 2 – Valuations for financial instruments traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar instruments.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

Level 3 – Valuations for financial instruments derived from other methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining fair value.

The following describes the valuation methodologies used to measure financial assets and liabilities at fair value. The levels relate to valuation only and do not necessarily indicate a measure of investment risk. There have been no changes in the methodologies used by Easter Seals NH at August 31, 2019 and 2018.

Investments and Assets Limited as to Use

Cash and cash equivalents are deemed to be Level 1. The fair values of marketable equity securities, and mutual funds that are based upon quoted prices in active markets for identical assets are reflected as Level 1. Investments in certain government and agency securities and corporate and foreign bonds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Beneficial Interest in Trust Held by Others

The beneficial interest in trust held by others has been assigned fair value levels based on the fair value levels of the underlying investments within the trust. The fair values of marketable equity securities, money market and mutual funds are based upon quoted prices in active markets for identical assets and are reflected as Level 1. Investments in marketable equity securities and mutual funds where securities are transparent and generally are based upon quoted prices in active markets are valued by the investment managers and reflected as Level 2.

Interest Rate Swap Agreement

The fair value for the interest rate swap liability is included in Level 3 and is estimated by the counterparty using industry standard valuation models. These models project future cash flows and discount the future amounts to present value using market-based observable inputs, including interest rates.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

At August 31, 2019 and 2018, Easter Seals NH's assets and liabilities measured at fair value on a recurring basis were classified as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2019</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 819,529	\$ —	\$ —	\$ 819,529
Marketable equity securities:				
Large-cap	1,176,478	—	—	1,176,478
International	486,954	—	—	486,954
Mutual funds, open-ended:				
Short-term fixed income	4,519,233	—	—	4,519,233
Intermediate-term bond fund	1,390,096	—	—	1,390,096
High yield bond fund	93,530	—	—	93,530
Foreign bond	34,567	—	—	34,567
Government securities	386,222	—	—	386,222
Emerging markets bond	138,203	—	—	138,203
International equities	1,093,081	—	—	1,093,081
Domestic, large-cap	1,042,116	—	—	1,042,116
Domestic, small-cap	159,064	—	—	159,064
Domestic, multi alt	724,756	—	—	724,756
Real estate fund	194,694	—	—	194,694
Mutual funds, closed-ended:				
Domestic, large-cap	3,636,935	—	—	3,636,935
Domestic, mid-cap	493,194	—	—	493,194
Domestic, small-cap	461,567	—	—	461,567
Corporate and foreign bonds	—	574,444	—	574,444
Government and agency securities	—	675,257	—	675,257
	<u>\$16,850,219</u>	<u>\$1,249,701</u>	<u>\$ —</u>	<u>\$18,099,920</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 6,300	\$ —	\$ —	\$ 6,300
Marketable equity securities:				
Large-cap	70,450	—	—	70,450
Mutual funds:				
Domestic fixed income	—	21,945	—	21,945
	<u>\$ 76,750</u>	<u>\$ 21,945</u>	<u>\$ —</u>	<u>\$ 98,695</u>
Liabilities:				
Interest rate swap agreement	\$ —	\$ —	\$2,654,993	\$ 2,654,993

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2018</u>				
Assets:				
Assets limited as to use and investments at fair value:				
Cash and cash equivalents	\$ 1,200,834	\$ —	\$ —	\$ 1,200,834
Marketable equity securities:				
Large-cap	1,182,262	—	—	1,182,262
International	533,797	—	—	533,797
Mutual funds, open-ended:				
Short-term fixed income	4,387,471	—	—	4,387,471
Intermediate-term bond fund	1,037,110	—	—	1,037,110
High yield bond fund	81,169	—	—	81,169
Foreign bond	30,620	—	—	30,620
Government securities	377,563	—	—	377,563
Emerging markets bond	56,094	—	—	56,094
International equities	1,091,145	—	—	1,091,145
Domestic, large-cap	1,113,968	—	—	1,113,968
Domestic, small-cap	269,615	—	—	269,615
Domestic, multi alt	736,276	—	—	736,276
Real estate fund	197,057	—	—	197,057
Mutual funds, closed-ended:				
Domestic, large-cap	3,172,644	—	—	3,172,644
Domestic, mid-cap	588,528	—	—	588,528
Domestic, small-cap	428,019	—	—	428,019
International equity	517,209	—	—	517,209
Corporate and foreign bonds	—	873,487	—	873,487
Government and agency securities	—	460,528	—	460,528
	<u>\$17,001,381</u>	<u>\$1,334,015</u>	<u>\$ —</u>	<u>\$18,335,396</u>
Beneficial interest in trust held by others:				
Money market funds	\$ 7,096	\$ —	\$ —	\$ 7,096
Marketable equity securities:				
Large-cap	71,948	—	—	71,948
Mutual funds:				
Domestic fixed income	—	23,924	—	23,924
	<u>\$ 79,044</u>	<u>\$ 23,924</u>	<u>\$ —</u>	<u>\$ 102,968</u>
Liabilities:				
Interest rate swap agreement	<u>\$ —</u>	<u>\$ —</u>	<u>\$1,772,584</u>	<u>\$ 1,772,584</u>

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

14. Fair Value of Financial Instruments (Continued)

The table below sets forth a summary of changes in the fair value of Easter Seals NH's Level 3 liabilities for the years ended August 31, 2019 and 2018:

	<u>Interest Rate Swap</u>
Ending balance, August 31, 2017	\$ (2,641,673)
Unrealized gain, net	<u>869,089</u>
Ending balance, August 31, 2018	(1,772,584)
Unrealized loss, net	<u>(882,409)</u>
Ending balance, August 31, 2019	<u>\$ (2,654,993)</u>

15. Discontinued Operations

The accompanying consolidated financial statements include various programs and entities that are reported as discontinued operations. On January 25, 2012, the Board of Directors of Easter Seals NH voted to close Harbor Schools and cease all operations of this subsidiary. Effective August 31, 2018 the dissolution of Harbor Schools was finalized.

The management of Easter Seals NH has determined that the closure of each of these programs/entities met the criteria for classification as discontinued operations. The decisions to close the programs/entities were based on performance factors.

There were no remaining balances as of August 31, 2018 for Harbor Schools noted above for purposes of summary statement of financial position presentation. There are no programs or entities that are reported as discontinued operations in 2019. The accompanying 2018 consolidated statement of activities included a loss from discontinued operations of \$568 for Harbor Schools, and losses from various other discontinued operations totaling \$7,712.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

August 31, 2019 and 2018

16. Acquisition of The Homemakers Health Services, Inc.

On May 4, 2018, Easter Seals NH entered into a letter of intent to affiliate with The Homemakers Health Services, Inc. (the Organization). On September 1, 2018, Easter Seals NH acquired the Organization for no consideration. The Organization was not controlled by Easter Seals NH prior to this agreement. This affiliation was accounted for in accordance with generally accepted accounting principles guidance on acquisitions by a not-for-profit entity. Upon affiliation, the Organization was dissolved and is a program of Easter Seals NH. The Organization had total net operating revenue of approximately \$289,000 (unaudited) for the two months ended August 31, 2018, and \$2,330,000 for the year ended June 30, 2018. The financial position of the Organization recorded at fair value upon affiliation as of September 1, 2018, was as follows:

Assets:

Cash and cash equivalents	\$ 119,865
Other current assets	148,613
Fixed assets, net	<u>1,030,882</u>

Total assets \$1,299,360

Liabilities:

Accounts payable	\$ 51,250
Accrued expenses and other liabilities	107,746
Debt	<u>125,685</u>

Total liabilities 284,681

Net assets:

Unrestricted net assets	<u>1,014,679</u>
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Total liabilities and net assets \$1,299,360

OTHER FINANCIAL INFORMATION

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2019

ASSETS

	* New Hampshire	Vermont	Maine	Elimin- ations	Total
Current assets:					
Cash and cash equivalents	\$ 3,305,116	\$ 16,962	\$ 19,677	\$ —	\$ 3,341,755
Short-term investments, at fair value	3,094,539	—	—	—	3,094,539
Accounts receivable from affiliates	3,595,504	370,426	—	(3,965,930)	—
Program and other accounts receivable, net	10,118,637	1,192,292	97,271	—	11,408,200
Contributions receivable, net	494,589	1,373	3,254	—	499,216
Current portion of assets limited as to use	403,917	—	—	—	403,917
Prepaid expenses and other current assets	<u>479,159</u>	<u>11,496</u>	<u>31,781</u>	<u>—</u>	<u>522,436</u>
Total current assets	21,491,461	1,592,549	151,983	(3,965,930)	19,270,063
Assets limited as to use, net of current portion	1,783,033	24,554	—	—	1,807,587
Investments, at fair value	12,793,877	—	—	—	12,793,877
Beneficial interest in trust held by others and other assets	139,926	—	—	—	139,926
Fixed assets, net	<u>29,266,492</u>	<u>111,550</u>	<u>6,600</u>	<u>—</u>	<u>29,384,642</u>
	<u>\$65,474,789</u>	<u>\$1,728,653</u>	<u>\$ 158,583</u>	<u>\$ (3,965,930)</u>	<u>\$63,396,095</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Elimin- ations	Total
Current liabilities:					
Accounts payable	\$ 2,626,880	\$ 26,036	\$ 2,436	\$ —	\$ 2,655,352
Accrued expenses	6,380,059	8,764	11,329	—	6,400,152
Accounts payable to affiliates	—	—	3,965,930	(3,965,930)	—
Deferred revenue	370,338	6,010	6,940	—	383,288
Current portion of interest rate swap agreements	295,305	—	—	—	295,305
Current portion of long-term debt	<u>1,243,661</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,243,661</u>
Total current liabilities	10,916,243	40,810	3,986,635	(3,965,930)	10,977,758
Other liabilities	1,783,033	24,554	—	—	1,807,587
Interest rate swap agreements, less current portion	2,359,688	—	—	—	2,359,688
Long-term debt, less current portion, net	<u>20,122,563</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>20,122,563</u>
Total liabilities	35,181,527	65,364	3,986,635	(3,965,930)	35,267,596
Net assets (deficit):					
Without donor restrictions	24,240,352	1,631,656	(3,826,552)	—	22,045,456
With donor restrictions	<u>6,052,910</u>	<u>31,633</u>	<u>(1,500)</u>	<u>—</u>	<u>6,083,043</u>
Total net assets (deficit)	<u>30,293,262</u>	<u>1,663,289</u>	<u>(3,828,052)</u>	<u>—</u>	<u>28,128,499</u>
	<u>\$65,474,789</u>	<u>\$1,728,653</u>	<u>\$ 158,583</u>	<u>\$(3,965,930)</u>	<u>\$63,396,095</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

August 31, 2018

ASSETS

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Harbor Schools, Inc.</u>	<u>Elimin- ations</u>	<u>Total</u>
Current assets:						
Cash and cash equivalents	\$ 2,327,419	\$ 29,169	\$ 8,920	\$ —	\$ —	\$ 2,365,508
Short-term investments, at fair value	3,002,574	—	—	—	—	3,002,574
Accounts receivable from affiliates	2,335,205	1,450,563	—	—	(3,785,768)	—
Program and other accounts receivable, net	10,427,498	566,808	89,283	—	—	11,083,589
Contributions receivable, net	492,283	1,020	2,654	—	—	495,957
Current portion of assets limited as to use	894,523	—	—	—	—	894,523
Prepaid expenses and other current assets	<u>389,913</u>	<u>13,440</u>	<u>28,427</u>	<u>—</u>	<u>—</u>	<u>431,780</u>
Total current assets	19,869,415	2,061,000	129,284	—	(3,785,768)	18,273,931
Assets limited as to use, net of current portion	1,641,337	19,390	—	—	—	1,660,727
Investments, at fair value	12,777,572	—	—	—	—	12,777,572
Beneficial interest in trust held by others and other assets	206,608	—	—	—	—	206,608
Fixed assets, net	<u>28,725,627</u>	<u>51,923</u>	<u>18,236</u>	<u>—</u>	<u>—</u>	<u>28,795,786</u>
	<u>\$63,220,559</u>	<u>\$2,132,313</u>	<u>\$ 147,520</u>	<u>\$ —</u>	<u>\$(3,785,768)</u>	<u>\$61,714,624</u>

LIABILITIES AND NET ASSETS

	* New Hampshire	Vermont	Maine	Harbor Schools, Inc.	Elimin- ations	Total
Current liabilities:						
Line of credit	\$ 610,319	\$ -	\$ -	\$ -	\$ -	\$ 610,319
Accounts payable	2,709,560	12,816	187	-	-	2,722,563
Accrued expenses	5,295,718	8,054	31,085	-	-	5,334,857
Accounts payable to affiliates	-	-	3,785,768	-	(3,785,768)	-
Deferred revenue	685,999	11,540	7,111	-	-	704,650
Current portion of interest rate swap agreements	244,261	-	-	-	-	244,261
Current portion of long-term debt	<u>1,241,671</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,241,671</u>
Total current liabilities	10,787,528	32,410	3,824,151	-	(3,785,768)	10,858,321
Other liabilities	1,641,337	19,390	-	-	-	1,660,727
Interest rate swap agreements, less current portion	1,528,323	-	-	-	-	1,528,323
Long-term debt, less current portion, net	<u>21,049,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,049,598</u>
Total liabilities	35,006,786	51,800	3,824,151	-	(3,785,768)	35,096,969
Net assets (deficit):						
Without donor restrictions	20,883,776	2,075,949	(3,675,131)	-	-	19,284,594
With donor restrictions	<u>7,329,997</u>	<u>4,564</u>	<u>(1,500)</u>	<u>-</u>	<u>-</u>	<u>7,333,061</u>
Total net assets (deficit)	<u>28,213,773</u>	<u>2,080,513</u>	<u>(3,676,631)</u>	<u>-</u>	<u>-</u>	<u>26,617,655</u>
	<u>\$63,220,559</u>	<u>\$2,132,313</u>	<u>\$ 147,520</u>	<u>\$ -</u>	<u>\$(3,785,768)</u>	<u>\$61,714,624</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2019

	* New Hampshire	Vermont	Maine	Elimin- ations	Total
Public support and revenue:					
Public support:					
Contributions, net	\$ 910,465	\$ 19,996	\$ 66,344	\$ —	\$ 996,805
Special events, net	1,998,632	88,917	2,338	—	2,089,887
Annual campaigns, net	422,964	3,803	7,064	—	433,831
Bequests	<u>391,990</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>391,990</u>
Total public support	3,724,051	112,716	75,746	—	3,912,513
Revenue:					
Fees and grants from governmental agencies and others, net	58,874,158	6,854,565	431,856	(140)	66,160,439
Other grants	24,785,404	293,891	297,079	—	25,376,374
Dividend and interest income	622,562	2	—	—	622,564
Rental income	32,170	—	—	—	32,170
Intercompany revenue	796,921	—	—	(796,921)	—
Other	<u>200,793</u>	<u>11,445</u>	<u>—</u>	<u>—</u>	<u>212,238</u>
Total revenue	<u>85,312,008</u>	<u>7,159,903</u>	<u>728,935</u>	<u>(797,061)</u>	<u>92,403,785</u>
Total public support and revenue	89,036,059	7,272,619	804,681	(797,061)	96,316,298
Operating expenses:					
Program services:					
Public health education	243,810	7,280	1,382	—	252,472
Professional education	74,330	—	—	—	74,330
Direct services	<u>76,571,433</u>	<u>6,939,921</u>	<u>761,937</u>	<u>(28,274)</u>	<u>84,245,017</u>
Total program services	76,889,573	6,947,201	763,319	(28,274)	84,571,819

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Elimin- ations</u>	<u>Total</u>
Supporting services:					
Management and general	\$ 9,015,278	\$ 705,476	\$ 95,317	\$(768,787)	\$ 9,047,284
Fundraising	<u>791,631</u>	<u>38,366</u>	<u>93,530</u>	<u>—</u>	<u>923,527</u>
Total supporting services	<u>9,806,909</u>	<u>743,842</u>	<u>188,847</u>	<u>(768,787)</u>	<u>9,970,811</u>
Total functional expenses	86,696,482	7,691,043	952,166	(797,061)	94,542,630
Support of National programs	<u>103,125</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>103,125</u>
Total operating expenses	<u>86,799,607</u>	<u>7,691,043</u>	<u>952,166</u>	<u>(797,061)</u>	<u>94,645,755</u>
Increase (decrease) in net assets from operations	2,236,452	(418,424)	(147,485)	—	1,670,543
Other non-operating expenses, gains and losses:					
Change in fair value of interest rate swaps	(882,409)	—	—	—	(882,409)
Net unrealized and realized losses on investments, net	(211,272)	—	—	—	(211,272)
Decrease in fair value of beneficial interest in trust held by others	(4,273)	—	—	—	(4,273)
Gain (loss) on sales and disposals of fixed assets	(116,399)	1,200	(3,936)	—	(119,135)
Contribution of assets from affiliation	1,014,679	—	—	—	1,014,679
Other non-operating gains	<u>42,711</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>42,711</u>
	<u>(156,963)</u>	<u>1,200</u>	<u>(3,936)</u>	<u>—</u>	<u>(159,699)</u>
Total increase (decrease) in net assets	2,079,489	(417,224)	(151,421)	—	1,510,844
Net assets (deficit) at beginning of year	<u>28,213,773</u>	<u>2,080,513</u>	<u>(3,676,631)</u>	<u>—</u>	<u>26,617,655</u>
Net assets (deficit) at end of year	<u>\$30,293,262</u>	<u>\$1,663,289</u>	<u>\$(3,828,052)</u>	<u>\$ —</u>	<u>\$28,128,499</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended August 31, 2018

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Harbor Schools, Inc.</u>	<u>Elimin- ations</u>	<u>Total</u>
Public support and revenue:						
Public support:						
Contributions, net	\$ 1,913,486	\$ 28,113	\$ 83,497	\$ —	\$ —	\$ 2,025,096
Special events, net	1,898,837	394	55,087	—	—	1,954,318
Annual campaigns, net	371,433	4,761	5,148	—	—	381,342
Bequests	<u>138,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>138,000</u>
Total public support	4,321,756	33,268	143,732	—	—	4,498,756
Revenue:						
Fees and grants from governmental agencies and others, net	58,082,135	5,261,341	292,224	—	—	63,635,700
Other grants	21,165,950	1,060,871	246,770	—	—	22,473,591
Dividend and interest income	591,280	2	—	—	—	591,282
Rental income	27,050	—	—	—	—	27,050
Intercompany revenue	741,597	—	—	—	(741,597)	—
Other	<u>110,189</u>	<u>12,475</u>	<u>24</u>	<u>—</u>	<u>—</u>	<u>122,688</u>
Total revenue	<u>80,718,201</u>	<u>6,334,689</u>	<u>539,018</u>	<u>—</u>	<u>(741,597)</u>	<u>86,850,311</u>
Total public support and revenue	85,039,957	6,367,957	682,750	—	(741,597)	91,349,067
Operating expenses:						
Program services:						
Public health education	246,678	7,099	1,119	—	—	254,896
Professional education	23,007	—	—	—	—	23,007
Direct services	<u>72,888,726</u>	<u>6,001,327</u>	<u>761,733</u>	<u>—</u>	<u>(32,934)</u>	<u>79,618,852</u>
Total program services	73,158,411	6,008,426	762,852	—	(32,934)	79,896,755

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Harbor Schools, Inc.</u>	<u>Elimin- ations</u>	<u>Total</u>
Supporting services:						
Management and general	\$ 8,536,262	\$ 614,425	\$ 124,821	\$ -	\$ (708,663)	\$ 8,566,845
Fundraising	<u>869,629</u>	<u>73,295</u>	<u>199,153</u>	<u>-</u>	<u>-</u>	<u>1,142,077</u>
Total supporting services	<u>9,405,891</u>	<u>687,720</u>	<u>323,974</u>	<u>-</u>	<u>(708,663)</u>	<u>9,708,922</u>
Total functional expenses	82,564,302	6,696,146	1,086,826	-	(741,597)	89,605,677
Support of National programs	<u>39,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,036</u>
Total operating expenses	<u>82,603,338</u>	<u>6,696,146</u>	<u>1,086,826</u>	<u>-</u>	<u>(741,597)</u>	<u>89,644,713</u>
Increase (decrease) in net assets from operations	2,436,619	(328,189)	(404,076)	-	-	1,704,354
Other non-operating expenses, gains and losses:						
Change in fair value of interest rate swaps	869,089	-	-	-	-	869,089
Net unrealized and realized gains on investments, net	553,415	-	-	-	-	553,415
Increase in fair value of beneficial interest in trust held by others	7,606	-	-	-	-	7,606
Loss on sales and disposals of fixed assets	(9,100)	-	-	-	-	(9,100)
Other non-operating expenses	<u>(32,462)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,462)</u>
	1,388,548	-	-	-	-	1,388,548
Loss from discontinued operations	<u>-</u>	<u>-</u>	<u>(7,712)</u>	<u>(568)</u>	<u>-</u>	<u>(8,280)</u>
Increase (decrease) in net assets before effects of dissolution of an affiliate	3,825,167	(328,189)	(411,788)	(568)	-	3,084,622
Dissolution of an affiliate	<u>201,218</u>	<u>-</u>	<u>-</u>	<u>(201,218)</u>	<u>-</u>	<u>-</u>
Total increase (decrease) in net assets	4,026,385	(328,189)	(411,788)	(201,786)	-	3,084,622
Net assets (deficit) at beginning of year	<u>24,187,388</u>	<u>2,408,702</u>	<u>(3,264,843)</u>	<u>201,786</u>	<u>-</u>	<u>23,533,033</u>
Net assets (deficit) at end of year	<u>\$28,213,773</u>	<u>\$2,080,513</u>	<u>\$ (3,676,631)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$26,617,655</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2019

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Elimin- ations</u>	<u>Total</u>
Salaries and related expenses	\$65,435,133	\$6,093,712	\$586,402	\$ —	\$72,115,247
Professional fees	8,882,815	787,372	121,247	(796,920)	8,994,514
Supplies	2,408,019	44,005	3,604	—	2,455,628
Telephone	577,341	53,983	12,661	—	643,985
Postage and shipping	52,613	1,911	629	—	55,153
Occupancy	2,537,013	250,741	66,275	—	2,854,029
Outside printing, artwork and media	47,553	1,070	3,113	—	51,736
Travel	2,012,248	327,336	27,841	—	2,367,425
Conventions and meetings	307,951	30,527	1,689	—	340,167
Specific assistance to individuals	984,177	33,265	116,504	(141)	1,133,805
Dues and subscriptions	46,477	—	640	—	47,117
Minor equipment purchases and equipment rental	325,296	11,437	844	—	337,577
Ads, fees and miscellaneous	215,496	18,051	1,277	—	234,824
Interest	998,992	—	—	—	998,992
Depreciation and amortization	1,833,006	37,542	7,701	—	1,878,249
Miscellaneous business tax	<u>32,352</u>	<u>91</u>	<u>1,739</u>	<u>—</u>	<u>34,182</u>
	<u>\$86,696,482</u>	<u>\$7,691,043</u>	<u>\$952,166</u>	<u>\$ (797,061)</u>	<u>\$94,542,630</u>

* Includes Manchester Alcoholism Rehabilitation Center.

EASTER SEALS NEW HAMPSHIRE, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSES

Year Ended August 31, 2018

	<u>* New Hampshire</u>	<u>Vermont</u>	<u>Maine</u>	<u>Harbor Schools, Inc.</u>	<u>Elimin- ations</u>	<u>Total</u>
Salaries and related expenses	\$61,838,983	\$5,345,519	\$ 723,908	\$ —	\$ —	\$67,908,410
Professional fees	8,697,979	669,966	170,708	—	(741,597)	8,797,056
Supplies	2,372,988	33,136	11,759	—	—	2,417,883
Telephone	575,097	35,251	16,084	—	—	626,432
Postage and shipping	52,292	1,689	792	—	—	54,773
Occupancy	2,297,757	170,645	63,386	—	—	2,531,788
Outside printing, artwork and media	42,146	4,051	4,497	—	—	50,694
Travel	2,061,630	306,760	24,173	—	—	2,392,563
Conventions and meetings	239,712	15,397	3,568	—	—	258,677
Specific assistance to individuals	1,053,536	41,070	35,587	—	—	1,130,193
Dues and subscriptions	64,350	—	1,138	—	—	65,488
Minor equipment purchases and equipment rental	348,425	14,929	1,492	—	—	364,846
Ads, fees and miscellaneous	146,008	22,997	24,183	—	—	193,188
Interest	1,024,622	—	—	—	—	1,024,622
Depreciation and amortization	<u>1,748,777</u>	<u>34,736</u>	<u>5,551</u>	<u>—</u>	<u>—</u>	<u>1,789,064</u>
	<u>\$82,564,302</u>	<u>\$6,696,146</u>	<u>\$1,086,826</u>	<u>\$ —</u>	<u>\$(741,597)</u>	<u>\$89,605,677</u>

* Includes Manchester Alcoholism Rehabilitation Center.



2020 Board of Directors

Chairman

Matthew Boucher

Past Chairman

Andrew MacWilliam

Vice Chairman

Thomas Sullivan

Vice Chairman

Charles Goodwin

Treasurer

Bryan Bouchard

Assistant Treasurer

Charles Panasis

Secretary

Mary Flowers

Past Chairman – Farnum Center

Ian MacDermott

General Counsel & Assistant Secretary

Bradford Cook (non-voting)

Assistant Secretary

Cynthia Ross (non-voting)

Gregory Baxter, MD

Dennis Beaulieu

James Bee

Wendell Butcher

Rick Courtemanche

Doris Labbe

William Lambrukos

Elizabeth Lamontagne

Lucy Lange

Bob Litterst

Tracey Pelton

Richard Rawlings

Linda Roth

Mark Sandler

Rob Wieczorek

Christine Williams

MAUREEN ANN BEAUREGARD
President & CEO
Easterseals New Hampshire, Inc.

[REDACTED]

EDUCATION: B.S. University of New Hampshire

PROFESSIONAL EXPERIENCE:

2019 – Present	Easterseals New Hampshire, Inc., Manchester, NH https://www.eastersealsnh.org/ President/CEO
1991 – 2019	Families in Transition – New Horizons, Manchester, NH https://www.fitnh.org/ President (2018-2019) President and Founder (1991-2017)
1987 – 1991	State of New Hampshire, Division for Children and Youth Services, Portsmouth, NH https://www.dhhs.nh.gov/dcyf/ Child Protective Service Worker II

Maureen Ann Beauregard

Professional Expertise

Visionary/Tenacious	Strong Financial Acumen
Strategic Planning	Entrepreneur/Builder
Community Relationships	Experienced Communicator
Organizational Capacity Building	Team Building & Leadership

Professional Experience

November 1991 – ²⁰¹⁹ ~~Present~~ Families in Transition

January 2018 – ~~Present~~ ²⁰¹⁹
President, Families in Transition – New Horizons Manchester NH

Key Accomplishments

- Merged Families in Transition with the State's largest shelter and food pantry.
- Successfully led board strategy for combined organization.
- Developed and led public awareness and acceptance of combined organization.
- Merger resulted in being the State's largest organization in the provision of shelter, housing, food and services for homeless families and individuals.

December 2017 – June 2018
Receiver of Serenity Place Manchester, NH

Key Accomplishments

- Successfully navigated complex negotiations with the dissolution and replacement of critical substance use disorder program with the NH Charitable Trust office.
- Brought together key political leaders, businesses and NH's not-for-profit sector.

November 1991 – December 2017
President & Founder Manchester, NH

Key Accomplishments:

- Began as a program providing housing and services to 5 women and their children.
- Currently, providing housing to 1,328 families and individuals and 138,000 meals annually.
- Developed housing and services programs in four geographic regions: Manchester, Concord, and Dover & Wolfeboro.
- Developed \$38M in Assets and a \$14M Annual Budget. Facilities developed with alternative financing structures that include varied layering structures resulting in affordability for the organization and those it serves.

Contact

Community Service

- NH Charitable Foundation – Member Board of Directors (Current)
- NH Interagency Council to End Homelessness – Past Chairperson Board of Directors 2015
- Leadership New Hampshire 2010
- Housing Action New Hampshire – Past Council Member 2009
- Greater Manchester Chamber of Commerce – Past Member Board of Directors 2009

Awards and Honors

- Greater Manchester Chamber of Commerce's Citizen of the Year 2018
- Southern New Hampshire University Loeffler Award 2018
- University of New Hampshire Granite State Award 2018
- Business NH Magazine's Nonprofit of the Year 2013

- Personally Authored and awarded +\$20M in HUD funding from 1995 – 2008.
- Developed 272 housing units and 199 shelter beds.
- Specialty Programs developed:
 1. Willows Substance Use Treatment Center – Outpatient and Intensive Outpatient services. Use of 3rd party insurance and state billing. Negotiations with State of NH.
 2. Two Transitional Living Programs; one for men and one for women. Use of 3rd party insurance and state billing. Negotiations with the State of NH.
 3. Recovery Housing - Safe housing for Moms with Children who are recovering from substance use disorder. Negotiated with State of NH.
 4. Open Doors – In-home substance use disorder services for parent(s) and therapeutic services for children.
 5. Connections to Recovery – 4 Geographic area outreach to homeless with substance use disorder. SAMSHA \$1.5M.
- Acquired Organizations Include:
 1. Manchester Emergency Housing, 2012. Developed and expanded new family shelter that also includes a Resource Center in 2015.
 2. New Hampshire Coalition to End Homelessness, 2014. Elevated organization as a leader in advocacy, research and training on behalf of homeless families and individuals.
- Organization developed to assist Families in Transition – New Horizons with double bottom line of assisting with financial sustainability and deeper mission impact include:
 1. Housing Benefits, 2009. A not for profit organization and federally designated Community Housing Development Organization that is prioritized in receiving 10% of federal funds for housing related activities. Acts as the property management company and housing development arm of Families in Transition – New Horizons. Both the property management and developer fees assist with the organization's sustainability.
 2. OutFITters Thrift Store, 2003. An LLC entrepreneurial business venture that provides profits and management fees to provide unrestricted resources for Families in Transition's mission. Assists in the sustainability of the organization and is the entry point for in-kind donors who become volunteers and eventually provide financial support the organization through financial donations.
 3. Wilson Street Condo Association, 2018. Development of housing and commercial real estate, \$3.9M. A project that houses a collaborative effort amongst four not-for profit organizations with a focus on a substance use disorder. Provides property management and developer fees to assist

- New Hampshire Business Review's Outstanding Women in Business, 2011
- Key to the City of Manchester by Mayor Robert Baines, 2005
- National Association of Social Workers Citizen of the Year, 2005
- NH Business Review's Business Excellence Award, 2004
- Walter J. Dunfey Award for Excellence in Management, Organizational Award, 2004
- NH Commission on the Status of Women – Women's Recognition Award, 2003
- New Hampshire Housing Finance Authority, Best Practices in Housing Development, 2003

in organization's sustainability.

4. Antoinette Hill Condo Association, 2019. Purchase of housing units, \$1.6M. Provides property management and developer fees to assist in organization's sustainability.
5. Hope House, 2018. With a majority of gifts from two individuals, developed and implemented first shelter for families in the lakes region. The facility includes a commercial rental component of cell antennae and business rental income utilized to assist with the organizations sustainability.

November 1987 – March 1991

Child Protective Service Worker II

Portsmouth, NH

State of New Hampshire, Division for Children and Youth Services

Professional Expertise

Bachelor of Science University of New Hampshire, 1987

Masters of Arts Community Development Policy and Practice, University of New Hampshire, Student, 2019

References

Available Upon Request

Elin Treanor

CAREER SUMMARY:

Leadership, management and teamwork involving all business related functions and administration. Major emphasis on providing high quality and cost effective services to customers.

SKILLS & EXPERIENCE:

- Accounting, financial reporting, budgeting, internal controls, auditing, cost reporting, variance analysis, accounts payable, purchasing and payroll
- Cash management, investments, borrowing, banking relationships
- Billing, receivables, collections, funding sources, third party reimbursement
- Insurances, contracts, grants, legal issues
- Policies and procedures development, problem solving
- Financial training and consultation
- Strategic and business planning
- Liaison with Board of Directors and Committees

WORK HISTORY:

- | | |
|----------------|--|
| 1994 – Present | Easter Seals New Hampshire, Inc., Manchester, NH
<u>Senior Vice President & Chief Financial Officer</u>
Oversee fiscal management for 100 million-dollar budget size, multi-corporate, multi-state entity. Also, responsible for reception, maintenance, customer service functions. |
| 1988 – 1994 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Vice President of Finance</u>
Responsible for finance functions and information systems agency wide. Instrumental in major financial turnaround from \$600,000 deficit in 1988 to \$100,000 surplus in 1989 and surpluses every year thereafter. |
| 1984 – 1988 | Easter Seal Society of NH, Inc., Manchester, NH
<u>Controller</u>
Promoted to position with added responsibilities of managing billing function and staff. Converted financial applications to integrated automated systems. Involved in corporate reorganizations to multiple entities and external corporate mergers and acquisitions. |

Elin Treanor
work history cont'd

1982 – 1984	<p>Easter Seal Society of NH, Inc., Manchester, NH</p> <p><u>Chief Accountant</u></p> <p>Promoted to supervisory position to manage accounting, payroll, payables, purchasing. Revised budget process, audit work, procedures and monitoring systems.</p>
1981 – 1982	<p>Easter Seal Society of NH, Inc., Manchester, NH</p> <p><u>Accountant</u></p> <p>Promoted to take charge of general ledger, reconciliations and financial reporting. Established chart of accounts, fund accounting system and internal controls.</p>
1980 – 1981	<p>Easter Seal Society of NH, Inc., Manchester, NH</p> <p><u>Internal Auditor</u></p> <p>Handled accounts payable, cash flow, grant billing and review of general ledger accounts.</p>
1974 – 1980	<p>Marshalls, Peabody, MA</p> <p><u>Senior Clerk</u></p> <p>Worked as cashier, customer service representative and bookkeeper, while attending college.</p>

EDUCATION:

1989	<p>New Hampshire College, Hooksett, NH</p> <p><u>Masters in Business Administration</u></p>
1980	<p>Bentley College, Waltham, MA</p> <p><u>Bachelor of Science, Accounting Major</u></p>
1977	<p>North Shore Community College, Beverly, MA</p> <p><u>Associates Degree, Accounting Major</u></p>

JOSEPH T. EMMONS

WORK EXPERIENCE

Easterseals NH

Sr. Vice President of Development

Sept. 2017 - present

Manage day to day operations of Easterseals Development and Communications office (14 person staff in NH, ME and VT)

- Analyze information compiled by Development Coordinators and Managers regarding current donors and prospects to identify major gift prospects and extend the number of targeted prospects by making personal visits.
- Assist other staff and volunteers in developing strategy and contacts for those donors and prospects for which others may have a primary contact.
- Work with the Accounting Department to develop a comprehensive gift policy and procedure guideline.
- Work with Board to enhance relationships and create greater fundraising and outreach possibilities.
- Hiring and supervision of grant, development and events staff.
- Develop and manage budgets relating to special events and grants as well as oversee cash management at the events.
- Develop long-term strategies for cultivation of new donors.
- Assist in strategic departmental planning in conjunction with the Vice President of Development and the development staff.
- Plan, implement, promote and evaluate assigned public relations, events or activities and other fundraising vehicles conducted by and for the Agency.
- Manage all aspects of special events, including recruitment, retention, and logistics.
- Organize, coordinate and supervise volunteers at special events.
- Oversee database manager who is responsible for the creation and management of potential participants and companies for events and provide reports as required.
- Work with and coordinate the activities of the National and Regional Corporate Sponsors to maintain a friendly and cooperative relationship, acquaint them with Easterseals' programs and services and advise and assist them in their fundraising activities.

Senior Director of Development

Nov. 2014 – Sept. 2017

Manage day-to-day operations of annual giving (4 staff members) and advancement services (6 staff members) for Saint Anselm College.

- Work with chapter members to enhance relationships and create greater fundraising and outreach possibilities.
- Develop and manage budgets relating to special events as well as oversee cash management at the events.
- Develop long term strategies for cultivation of new donors.
- Assist in strategic departmental planning in conjunction with the Vice President of Development and the development staff.
- Plan, implement, promote and evaluate assigned public relations, events or activities and other fundraising vehicles conducted by and for the Agency.
- Manage all aspects of special events, including recruitment, retention, logistics and new program development.
- Organize, coordinate and supervise volunteers at special events.
- Create and manage database of potential participants and companies for events and provide reports as required.

Saint Anselm College, Manchester, NH

Executive Director, Development and Advancement Services

Oct. 2013 – Nov. 2014

Manage day to day operations of annual giving (4 staff members) and advancement services (6 staff members) for Saint Anselm College

- Supervision of annual giving, stewardship, research and advancement services teams in College Advancement
- Oversee and implement all direct mail, e-mail and social media communication – including content, segmentation, timing, etc. – resulting in a 3.7 million dollars raised in annual giving for fiscal year 2014
- Manage all gift entry and database coordination
- Supervise campaign communications and stewardship programs - developing a stewardship plan resulting in 95% of donors receiving donor stewardship packages
- Act as liaison between College Advancement and Athletics resulting in increased athletic participation and dollars raised each of the last 3 years
- Provide and report on fundraising financials to Trustees

Director, Annual Giving

December 2010 – October 2013

Manage \$3 million annual giving program for Saint Anselm College

- Supervision of five person annual giving staff
- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly ranging from \$1,000 to \$10,000
- Established new reunion giving program and young alumni giving program
- Increased alumni participation from 17% in 2010 to 21% projected in 2013
- Create and implement annual appeal schedule and mailings

Associate Director, Annual Giving

July 2009 – December 2010

Support, implement and enhance the Saint Anselm Fund

- Engage and personally solicit annual fund gifts from 100 – 120 alumni yearly
- Create annual fund marketing pieces and solicitation letters for fundraising purposes
- Manage and support Reunion Giving programs for 4-5 classes yearly
- Support Office of Alumni Relations at college programs and events

Assistant Director, Annual Giving/ Director, Saint Anselm Phone-a-thon

June 2005 – June 2009

Support and enhance the Saint Anselm Fund as well as being responsible for all day-to-day activities of Saint Anselm

College Phone-a-thon program

- Lead and facilitated Senior Class Gift Program, increasing student participation three consecutive years
- Manage and supervised staff of 60-65 students in requesting donations from all college alumni
- Implemented a new training program for all callers resulting in higher overall alumni participation
- Assisted the Manager of Advancement Services in creating a new database to streamline the input and updating of alumni records
- Increased dollars raised by the phone-a-thon from \$95,000 to \$170,000

Assistant Director, Alumni Relations

September 2004 – June 2005

Work with Vice President of Alumni Relations in planning, implementation and follow-up on all college events

- Created and designed invitations and brochures for college alumni events
- Recruited and managed volunteers to work various college events including Reunion Weekend, Homecoming, and others
- Effectively responded to and communicated with alumni regarding general alumni inquiries

SnapDragon Associates, Bedford, NH**Recruiter**

April 2004 – September 2004

Worked with the President and Vice President of company in all day-to-day activities of the company

- Contacted possible clients (businesses) to provide recruiting services resulting in 2-3 new leads per week
- Searched for, contacted and interviewed top quality professionals for client positions

EDUCATION***Masters in Business Administration***

January 2008

Southern New Hampshire University, Manchester, NH

Bachelor of Arts in Business

May 2004

Saint Anselm College, Manchester, NH

OTHER RELATED EXPERIENCE

Moore Center Services Development Board

Sept. 2010 – Sept. 2016

Diocesan School Board – New Hampshire

June 2014 – present

Goffstown Junior Baseball Board

January 2016 - present

Tina M. Sharby, PHR
Easter Seals New Hampshire, Inc.

Human Resources Professional with multi-state experience working as a strategic partner in all aspects of Human Resources Management.

Areas of expertise include:

Strong analytical and organizational skills
Ability to manage multiple tasks simultaneously
Employment Law and Regulation Compliance
Strategic management, mergers and acquisitions

Problem solving and complaint resolution
Policy development and implementation
Compensation and benefits administration

PROFESSIONAL EXPERIENCE

Chief Human Resources Officer 2012-Present

Senior Vice President Human Resources
Easter Seals, NH, VT, NY, ME, RI, Harbor Schools & Farnum Center
1998- 2012

Reporting directly to the President with total human resources and administration. Responsible for employee relations, recruitment and retention, compensation, benefits, risk management, health and safety, staff development for over 2100 employees in a six state not-for-profit organization. Developed and implemented human resources policies to meet all organizational, state and federal requirements. Research and implemented an organizational wide benefits plan that is supportive of on-boarding and retention needs.

Developed and implemented a due diligence research and analysis system for assessing merger and acquisition opportunities. Partnered with senior staff team in preparation of strategic planning initiatives.

Member of the organizations Compliance Committee, Wellness Committee and Risk Management Committee. Attended various board meetings as part of the senior management team, and sit on the investment committee of the Board of Directors for Easter Seals NH, Inc.

Human Resources Director
Moore Center Services, Inc., Manchester, NH
1986-1998

Held progressively responsible positions in this not-for-profit organization of 450 employees. Responsible for the development and administration of all Human Resources

activities. Implemented key regulatory compliance programs and developed innovative employee relations initiatives in a rapidly changing business environment. Lead the expansion of the Human Resources department from basic benefit administration to becoming a key advisor to the senior management.

Key responsibilities included benefit design, implementation and administration; workers compensation administration; wage and salary administration, new employee orientation and training; policy development and communication; retirement plan administration; budgetary development; and recruitment.


EDUCATION

Bachelor of Science Degree, Keene State College, 1986
Minor in Human Resources and Safety Management
MS Organizational Leadership, Southern NH University (in process)

ORGANIZATIONS

Manchester Area Human Resource Association
Diversity Chair 2010
Society for Human Resource Management
BIA Human Resources
Health Care & Workforce Development Committee 2009, 2010

NANCY L. ROLLINS, M.S.W.
EASTERSEALS NH, VT, ME and FARNUM
555 Auburn Street, Manchester, NH 03103



EXPERIENCE

Easterseals, NH, VT, ME and Farnum
555 Auburn Street
Manchester, NH 03103

Chief Operating Officer

November 2016 –Present

Responsible for strategic development across all organizational services and supports. Provide intergovernmental relations working with the senior management team to develop and implement a corporate and legislative strategy. Improve visibility across the three states, specifically in the areas of Health and Human Services, Foundations and State Government. Collaborates with the management team to develop and implement plans for the operational infrastructure of systems, processes and personnel design to accommodate growth and rapid response to needs within the community. Seek growth opportunities through partnerships, mergers and acquisitions of compatible organizations to meet the needs of individuals and their families across the lifespan who have disabilities or special needs. Leads quality initiative to include reviews of program service, analyzes data and develops and implements strategies to move towards quality performance measurement in all services and supports.

Serves as a member of the Executive Leadership Team, reporting directly to the President/ Chief Executive Officer.

Goodwill Industries of Northern New England
38 Locke Road, #2
Concord, NH 03301

New Hampshire State Director for Strategic Development and Public Policy January, 2014 – October 25, 2016

Responsible for collaboration with existing state and local networks to identify, develop or create potential businesses and programs serving the state of New Hampshire. Assuring such activities are consistent with Goodwill of Northern New England's (Goodwill NNE) strategic plan and vision of creating sustainable communities that thrive through the fullest participation of their diverse residents. Acquire knowledge about current trends and emerging issues in public policy, as well as New Hampshire business practices and relates them to existing and potential Goodwill NNE business and program development. Works in conjunction with Goodwill NNE senior management team, New Hampshire Goodwill NNE retail staff, and Agency program managers to fulfill goals in New Hampshire and the agency in general. Represents Goodwill NNE in all state and local activities consistent with the agency's mission to enable persons with diverse challenges achieve personal stability and community engagement.

Serves as a member of the Senior Management Team, reporting directly to the President/ Chief Executive Officer.

State of New Hampshire
Department of Health and Human Services
Division of Community Based Care Services
129 Pleasant Street
Concord, New Hampshire 03301

Associate Commissioner

March, 2006 – January, 2014

Responsible for the Division of Community Based Care Services (DCBCS) which provides a wide range of supports and services in partnership with community providers for individuals with developmental disabilities and acquired brain disorders; individuals with serious mental illness or emotional disturbance; adults aged 18-60 who have a chronic illness or disability; individuals age 60 or older; adult protective services ages 18-and up; individuals with substance abuse and alcohol abuse disorders; persons who are homeless or at –risk of homelessness; and children age 0-18 with physical disabilities, chronic illnesses and special health care needs. DCBCS focuses on the development and implementation of long-term care systems that can support an individual's choice to remain in community and out of long-term institutional settings.

Served as a member of the Commissioner's Senior Management and Policy Team. This senior level position was a direct report to the Commissioner

State of New Hampshire
Department of Health and Human Services
Office of Medicaid Business & Policy
And
Division of Community Based Care Services
129 Pleasant Street
Concord, NH 03301

January, 2006 – March, 2006

Interim Director

At the request of the Commissioner of the Department of Health and Human Services agreed to serve as Interim Director of the Office of Medicaid Business & Policy (OMBP), which has functional responsibility for health planning, reporting, data and research, and the Medical Assistance program (Medicaid).

In addition, serves as Interim Director for the Division of Community Based Care Services (DCBCS). This Division provides a wide range of supports and services in partnership with community systems for individuals with developmental disabilities and acquired brain disorders, individuals with serious mental illness or emotional disturbance, adults aged 18-60 who have a chronic illness or disability and individuals age 60 or older, and children age 0-18 with physical disabilities, chronic illnesses and special health care needs.

State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
129 Pleasant Street
Concord, NH 03301

July 1995 – January 2, 2006

Director

Assigned as Acting Director in July 1995, during a reorganization of the Department of Health and Human Services. On November 27, 1995 assumed the position of Director of the Division for Children, Youth

and Families (DCYF) responsible for state leadership of the agency that has statutory authority for child protection, children in need of services (CHINS) and community-based juvenile justice, juvenile probations and parole services. In addition DCYF has administrative responsibility for statewide domestic violence funds and provides state funded childcare/child development services that are employment related, protective or preventative. Administer an annual budget of \$124 million dollars. The Division maintains fifteen service sites statewide with a staff of 370. In addition the Division contracts or vendors services to over 1,600 community-based providers or residential care facilities. On September 16, 2001 the juvenile probation responsibility transferred from DCYF to a newly created Division for Juvenile Justice Services (DJJS). DCYF retains responsibility for child protection, child development/childcare, domestic violence and child welfare prevention services. Administratively DCYF oversees the use of Federal child welfare and Medicaid funds for DJJS. The Director position is a direct report to the Commissioner of the Department of Health and Human Services. Serve as a member of the Department's management team. Provide leadership regarding children, youth and family issues in a wide variety of areas on the community, state and national levels.

State of New Hampshire
Department of Health and Human Services
Division for Children, Youth, and Families
6 Hazen Drive
Concord, NH 03301

August 1994 - July 1995

Deputy Director

Direct responsibility for planning and oversight of operational areas of the Bureau of Administrative Services. This includes oversight of the agency budget, personnel, provider relations, and payment of services. Oversees the Bureau of Children and Families which is responsible for all field operations including twelve district offices providing child welfare, children in need of services (CHINS) and juvenile justice services; and the Bureau of Residential Services that is responsible for the operations of the Youth Detention facility, a long-term juvenile detention facility; the Youth Services Unit, a short-term, pre-adjudication unit; and the Tobey School, a state operated residential facility for seriously emotionally disturbed children and youth. Serve as a liaison to various local, state, and federal agencies relative to child welfare, juvenile justice, and children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

February 1993 - July 1994

Administrator of Children's Mental Health Services

Coordinate planning efforts for development of Community Mental Health Services and programs for children and adolescents; directed contract negotiations with provider agencies; developed and directed initiatives to recommend and implement policies and standards for the enhancement of community-based services and supports for children and their families; provided technical assistance to mental health organizations to resolve operational problems in the care and training of families and child/adolescent consumers; serve as a liaison to various local, state, and federal agencies relative to children's mental health services.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1990 - July 1994

Director of New Hampshire - Child and Adolescent Service System Project

Director of a statewide systems change project funded by the National Institute of Mental Health. Responsible for writing and acquiring two consecutive, three-year, statewide development grants to enhance children's mental health services in New Hampshire. The project involved coordinating state-level interagency planning teams; facilitating a systems change process with state and local interagency planning teams; coordinating, parent support effort, minority outreach, and training initiatives; and instituting new services-delivery for children and adolescents who have a serious emotional disturbance.

State of New Hampshire
Department of Health and Human Services
Division of Mental Health and Developmental Services
105 Pleasant Street
Concord, NH 03301

March 1989 - March 1990

Program Planning and Review Specialist

Mental Health Program Administrator for statewide community mental health services. Regional responsibility for The Mental Health Center of Greater Manchester and Center for Life Management, Salem, NH community mental health services; shelters for homeless, and the Consumer Support Program (CSP) Consumer Demonstration Grant. Administer, manage, and monitor federal and state grants; oversee development and implementation of all program services. Clinical Consultant, Child and Adolescent Service System Project, a statewide capacity building project for the development of a statewide comprehensive system of care for seriously emotionally disturbed children and youth.

River Valley Counseling Center, Inc.
Chicopee Adolescent Program
Chicopee, Massachusetts

May 1978 – February 1989

Director, Child/Adolescent Outpatient Mental Health Services

Administrative:

Responsible for development and implementation of all program services, including, individual, group, and family therapy; Adventure-Based Treatment Program; Home Supports Outreach Program; Community Agency Consultation; Court Advocacy. Supervision of fourteen staff. Developed, negotiated, and maintained contract services with the Massachusetts's Department of Public Health; Department of Mental Health; Department of Social Services; Department of Youth Services; Chicopee Community Development; Pioneer Valley United Way; and the United Way of Holyoke, Granby, and South Hadley. Developed, negotiated, and monitored contract services with seven area community school systems. Responsible for an \$850,000 Program budget. Co-developed and co-founded the Holyoke Teen Clinic in partnership with Holyoke pediatrics Association, Holyoke Health Clinic, and Providence Hospital Alcohol and Substance Abuse Treatment Services, a comprehensive school-based health clinic serving senior and junior high-school students and their families. Formed partnerships with area human service networks.

Provided in-service training workshops to local schools and community agencies. Developed and implemented mental health and substance abuse treatment services on site at the Westover Job Corps Healthcare Facility in Chicopee, Mass. The Westover Job Corps serves a large multicultural population from throughout the greater Northeast.

Clinical:

Provide individual, group, and family therapy to low and moderate-income families. Focus on substance abuse, family systems, and general child/adolescent mental health services. Developed and co-lead Adventure-based treatment groups with adolescents who have serious emotional disturbances, developmental delays and /or special medical needs. Provided clinical supervision to nine therapists. Provided clinical consultation to Holyoke Girls Club/Boys Club; Holyoke High School Teen Clinic, Inc.; Chicopee District Court, Holyoke District Court, and the Department of Social Services, Holyoke District Office; facilitated staff case disposition, in-service training and utilization review of children's mental health cases.

Hartford Neighborhood Centers

Mitchell House

Hartford, Connecticut

September 1974 - May 1975

Youth Counselor

Full-time undergraduate student internship. Developed and implemented human service programs for inner-city Hispanic and African-American youth. Provided counseling, therapeutic recreation, advocacy, and crisis intervention services. Served as a member of City-Wide Youth Board. Provided staff support to other Center programs serving pre-schoolers, school-aged youth and elderly.

Springfield Girls Club/ Family Center

Springfield, Massachusetts

September 1973 - May 1974

Child Care Worker

Provided a multi-cultural, after school recreational program for preschoolers.

EDUCATION

Master of Social Work

University of Connecticut

School of Social Work

West Hartford, Connecticut

Degree conferred, May 1985

Concentration in Public Policy and Administration-Minor in Group Work

Bachelor of Science, Cum Laude

Springfield College

Springfield, Massachusetts

Degree conferred, May 1985

Concentration in Community, Leadership and Organizational Development

Primary Focus on Human Services Administration

TEACHING EXPERIENCE

Dartmouth College Medical School
Department of Psychiatry
Dartmouth-Hitchcock Medical Center
Lebanon, New Hampshire
Adjunct Faculty

January 2001- Dec. 2005

Springfield College
School of Human Services
Manchester, New Hampshire
Adjunct Faculty

May 1999 – August 2005

New Hampshire Public Manager Program
NH Division of Personnel
Bureau of Education and Training
Professional Mentor for a middle management employee

December 1997 – December 1999

University of New Hampshire
School of Health and Human Services
Department of Social Work
Adjunct Faculty

September 1996 - 1999

PROFESSIONAL ASSOCIATIONS

New Hampshire Medicaid Medical Care Advisory Committee January 2018 – Present

Oversight Commission on Children's Services (RSA 170-G:19, HB517, Laws of 2017 , appointed by Senate President Chuck Morse, July 6, 2017 to Present

Brain Injury Association of NH – Employment Advisory Committee September 2015 – 2016

Governor's Interagency Council on Homelessness (ICH) Employment Workgroup
February 2015 -Present

Center on Aging and Community Living Advisory Board September 2014 - Present

Legislative Task Force on Work and Family, Governor Appointment September 2014- Present

NH Center for Non-profits Policy and Leadership Task Force May 2014 – Present

New Hampshire State Rehabilitation Advisory Council, Governor Appointment February 2014 – Present
Chair Oct. 2016 - Present

National Advisory Committee, *Positioning Public Child Welfare Initiative: Strengthening Families*

For the 21st Century this initiative is co-sponsored by the National Association of Public Child Welfare Administrators (NAPCWA) and Casey Family Programs February 2008 - 2009

New Hampshire State Mental Health Council January 2006 – 2011

New Hampshire Children's Behavioral Health Collaborative, Member Leadership Committee 2010-August 2013

New Hampshire Interagency Coordinating Council for Women Offenders January 2006 – December 2013

National Association of State Mental Policy Directors (NASMHPD) January 2006- December 2013
NASMHPD representative to the Children's Mental Health Subcommittee
Chair, NASMHPD President's Task Force on Returning Veteran's
Board Member Member-at-Large 2011-2013
Board Member NASMHPD Research Institute, Inc. (NRI) 2011-Present
NASMHPD Research Institute, Inc. (NRI), Board Vice-President 2011-2013
NASMHPD Representative to the 27th Annual Rosalyn Carter Symposium on Mental Health Policy, "*Building Bridges and Support for Children Exposed to Domestic Violence, Child Welfare and Juvenile Justice*", Atlanta, Georgia, Oct. 26 and 27, 2011.
NASMHPD Board Vice-President 2012 - 2013

National Association of Public Child Welfare Administrators (NAPCWA), an Affiliate of the American Public Human Services Association
SMHRCY Representative to Children's Mental Health Subcommittee and
NAPCWA Executive Committee, 1991 - 1994
NH State Child Welfare Representative, 1995- Present
NAPCWA Executive Committee, Member-at-Large, Vice-President, January 2002- Dec 2004
NAPCWA State Representative to the APHSA –sponsored re-writes of the Interstate Compact for The Placement of Children, Dec. 2004 – Nov. 2005
NAPCWA President, January 2005 – January 2006

New England Association of Child Welfare Commissioners and Directors
Judge Baker Children's Center, Boston, Mass.
Committee Member, 1995 – January 2006
Vice-President, 2001- January 2006

NH Chapter of the National Association of Social Workers September 1999 - 2003
25 Walker Street
Concord, New Hampshire
State Advisory Board - Member- at-large

University of New Hampshire
School of Health and Human Services
Department of Social Work September 1998 – September 2002
Community Advisory Board Member

National Technical Assistance Center for Children's Mental Health 1995 - 1998

Georgetown University Child Development Center
Advisory Committee Member

State Mental Health Representative for Children and Youth (SMHRCY)
NH State Representative, 1989 - 1994
Executive Committee, 1992 - 1994

Community 2000: Pioneer Valley United Way
Member, Substance Abuse Subcommittee
Children and Adolescents Subcommittee, 1988 - 1989

Western MA. AIDS Service Providers Coalition, 1987 - 1989

Massachusetts Council for Children 1988 -1989
Board of Directors Regional Member, Holyoke, MA

Massachusetts Association of Substance Abuse Service Providers (MASASP)
Member of Statewide Board of Directors, 1985 - 1987

CIVIC ASSOCIATIONS

Upper Valley Lake Sunapee Regional Planning Commission, Commissioner Representative for the Town
of New London appointed by Town Board of Selectmen. 2012 – 2016
Vice Chair of the Commission, Serve on the Executive Committee 2014 - 2016

New London Zoning Board of Adjustments, appointed by the Town Board of Selectman
2013- 2014

At Home New Hampshire, helping seniors 'age in place' in New London, Newbury, Springfield,
Sunapee, Sutton and Wilmot, Board of Directors. 2012 – 2014

Member of Saint Andrew's Episcopal Church, New London, NH
Appointed to the Vestry, January 2014 -2017

New London, Board of Selectmen Elected, May 2014- Present Second Term
Chair, May 2015 -2016
Board Representative to the Budget Committee 2014- Present

New Hampshire Municipal Association, Board of Directors 2015 - Present

Awards

Awarded the "New Hampshire National Guard Distinguished Service Medal" for providing
leadership while at the Department of Health and Human Services for developing services,

supports and special military / civilian partnerships for the purposes of better meeting the needs of New Hampshire service members both active duty, deployed and reserves, their families, and veterans. Presented by William N. Reddel III, Major General , New Hampshire National Guard, The Adjutant General and Governor Margaret Wood Hassan , 20 November 2014.

Awarded the "*Commander's Award for Civilian Service*" for organizing and implementing 'Operation Welcome Home' a military / civilian partnership to support hundreds of New Hampshire Guard service members returning from Iraq and Afghanistan. Presented by Kenneth Clark, Major General, New Hampshire National Guard, The Adjutant General, 24 May 2005.

Awarded the "*Commissioner's Award*" which recognizes those who, through their hard work and dedication, have made outstanding contributions toward the prevention, intervention, and treatment of child abuse and neglect. Individuals who receive this award have demonstrated a strong personal commitment to ensuring the safety and well being of children and to supporting and strengthening our nation's families. Presented at the 2005 15th National Conference on Child Abuse and Neglect, by Joan E. Ohl, Commissioner, Children's Bureau, Administration for Children, Youth and Families, U.S. Department of Health and Human Services, Washington, D.C., 21 April 2005.

John D. Soucy, MSW, LICSW



EDUCATION

May 1994 **Master of Social Work**
Boston College Graduate School of Social Work
Clinical Concentration

May 1991 **B. A. University of New Hampshire**
Major: Psychology
Minor: Judicial Studies

EMPLOYMENT

May 1990- **Odyssey House of New Hampshire**
Present

April 2001- **Director of Operations/Clinical Director**

- Monitoring the daily operations of direct service programs
- Supervision of all program directors
- Assure that all clinical services are provided in accordance with agencies therapeutic policies and procedures
- Training of program staff in agency's clinical philosophy, policies and procedures
- Assure all clinical records are consistent with licensing, certification and accreditation requirements
- Represent the agency with presentations to community groups and other organizations
- Assist in development of new programs and services
- Member of Executive Management Team

October 1999- **Program Director**
July 2003 Odyssey House Adolescent Therapeutic Center
facility) (30 bed long term residential treatment program, psychiatric

- Responsible for all internal operations
- Administrative and Clinical supervision/oversight for 60 staff
- Budget management
- Human resources responsibilities
- Responsible for maintaining all licenses and certifications

June 1997-
Present

Program Director

Odyssey Blue Heron Inn
(8 bed independent/transitional living program for 16 -21 years)

- Responsible for all internal operations
- Administrative and Clinical supervision of staff
- Treatment planning
- Budget management
- Human resources responsibilities
- Responsible for maintaining all licenses and certifications

September 1995-
December 1999

Program Director

Odyssey PACE Program
(14 bed diagnostic program, adolescents)

- Responsible for all internal operations
- Administrative and Clinical supervision of staff
- Treatment planning
- Budget management
- Human resources responsibilities
- Responsible for maintaining all licenses and certifications
- Conducted Family Assessment for the courts
- Presented clinical recommendations to the courts

June 1998-
December 1999

1999)

Program Director

Odyssey PACE Maine
(Diagnostic program for latency aged children, opened January

- Responsible for all aspects of licensing and opening new program
- Responsible for all internal operations
- Administrative and Clinical supervision of staff
- Treatment planning
- Budget management
- Human resources responsibilities
- Responsible for maintaining all licenses and certifications
- Conducted Family Assessment for the courts
- Presented clinical recommendations to the courts

March 1995- September 1995	Clinical Coordinator/ Assistant Director Odyssey PACE Program (14 bed diagnostic program, adolescents) <ul style="list-style-type: none"> • Responsible for all internal operations • Administrative and Clinical supervision of staff • Treatment planning
January 1993- March 1995	Therapist Odyssey House Adolescent Therapeutic Center (30 bed long term residential treatment program, psychiatric facility) <ul style="list-style-type: none"> • Treatment Team Leader • Provided individual, family, and group therapy • Facilitated substance abuse groups • Co-led sexual abuse victims group • Case management responsibilities
June 1991- January 1993	Primary Care Giver Odyssey House Adolescent Therapeutic Center (30 bed long term residential treatment program, psychiatric facility) Case management responsibilities Provided individual counseling Crisis management/intervention
June 1990- September 1990	Vocational Teacher's Assistant (Summer employment) Odyssey House Adolescent Therapeutic Center (30 bed long term residential treatment program, psychiatric facility) <ul style="list-style-type: none"> • Assisted in teaching vocational skills • Crisis intervention • Mediated employee/employer relations
May 1990- June 1990	Overnight Counselor (Summer employment) Odyssey Stark House (All female long term residential treatment program)
September 1992- Present	Family Assessment Consultant Conduct in-home Family Assessment for the courts

John A. Tuttle

Career Summary:

Demonstrated to be an insightful and creative counselor and teacher with the ability to adapt skills to different environments and difficult client populations.

Career Objective:

To acquire a position in the human service field which would utilize educational background and experience.

Education: Saint Michael's College, Winooski, VT
Bachelor of Science - Business Administration 5/93
High School: Trinity High School, Manchester, NH

Professional Experience:

5/24/93 - Present *Eckerd Wilderness Educational System*

A wilderness residential treatment program for youth at risk specializing in the principles of reality therapy, behavior management and client-centered counseling, with the focus on returning the youth to the community.

10/95 - Present **Master Counselor / Teacher**
Eckerd Wilderness Educational System

Responsible for the supervision and direction of staff in establishing a balanced therapeutic and educational program. Involvement of camp operations in preparation of assuming duties required to ensure successful operations of camp.

10/94 - 9/95 **Senior Counselor / Teacher**
Eckerd Wilderness Educational System

Responsible for the teaching, advising, and training of new staff. Complete management of clients and staff in the group setting, ensuring therapeutic growth in all camp activities.

5/93 - 9/94 **Counselor / Teacher**
Eckerd Wilderness Educational System

Responsible for the direct care and facilitation of a group of 10-12 adolescents with challenging behaviors. Ensured successful development of the group through the application of the therapy program using group skills, techniques, and experiential education. 5 days, 24 hours per day supervision and management of group.

5/92 - 8/92 **Easter Seals**

Responsible for the development and facilitation of the school summer lunch program at Easter Seals Jolicoeur School and the adult day care program, while teaching special needs clients how to prepare, cook and serve lunches. Additional tasks included budget preparation, food purchasing and storage, menu planning and record keeping.

Certifications: First Aid
CPR
ACA Flatwater Canoeing,
Water Safety

References: Available upon request

EASTER SEALS NH, INC.

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Maureen Beauregard	President & CEO	\$300,000	0%	\$0
Elin Treanor	CFO	\$254,616	0%	\$0
Joseph Emmons	CDO	\$144,200	0%	\$0
Tina Sharby	CHRO	\$178,500	0%	\$0
Nancy Rollins	COO	\$165,000	0%	\$0
John Soucy	Sr. VP of Education Services	\$150,987	0%	\$0
John Tuttle	VP of Education Services	\$115,856	0%	\$0

Subject: Title I Programs for the Division for Children, Youth and Families (DCYF) (SS-2020-DCYF-15-TITLE-02)

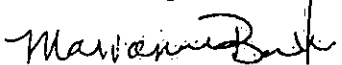
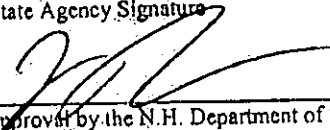
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Merrimack Valley Day Care Services		1.4 Contractor Address 19 N Fruit Street Concord, NH, 03301	
1.5 Contractor Phone Number (603) 224-1632	1.6 Account Number 05-095-042-421010-29750000	1.7 Completion Date August 31, 2021	1.8 Price Limitation \$5,969
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 4/6/2020		1.12 Name and Title of Contractor Signatory Marianne Barter, Executive Director	
1.13 State Agency Signature  Date: 4/30/2020		1.14 Name and Title of State Agency Signatory Joseph Ribsam, Director DCYF	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <i>/s/ Christen Lavers</i> On: 5/1/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

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

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

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

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

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

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

EXHIBIT A



REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:

3.3. The parties may extend the Agreement for up to two additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.

1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:

12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

MB

4/6/2020



EXHIBIT B

Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services in this agreement to abused and delinquent youth.
- 1.2. The Contractor shall ensure services are available statewide.
- 1.3. For the purposes of this agreement, all references to days shall mean business days.
- 1.4. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from 8am to 4pm, excluding state and federal holidays.
- 1.5. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.6. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.7. The Contractor shall provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth.
- 1.8. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.
- 1.9. Services shall include those described in the Contractor's Title I Part D, Subpart 1 Application submitted to the New Hampshire Department of Health and Human Services and subsequently approved for funding by the Department of Education.
- 1.10. The Contractor's Title 1 Part D, Subpart 1, Application terms are hereby incorporated by reference into this Agreement as Exhibit B-1.

2. Exhibits Incorporated

- 2.1. The Contractor shall comply with all Exhibits D through H, which are attached hereto and incorporated by reference herein.

3. Performance Measures

- 3.1. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 3.2. The Contractor may be required to provide other key data and metrics to the

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Merrimack Valley Day Care Services

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Contractor Initials

Date

MB
9/16/2020

EXHIBIT B



Department, including client-level demographic, performance, and service data.

- 3.3. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

4. Additional Terms

4.1. Impacts Resulting from Court Orders or Legislative Changes

- 4.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

4.2. Culturally and Linguistically Appropriate Services (CLAS)

- 4.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4.3. Credits and Copyright Ownership

- 4.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."
- 4.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.
- 4.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:
- 4.3.3.1. Brochures.
 - 4.3.3.2. Resource directories.
 - 4.3.3.3. Protocols or guidelines.
 - 4.3.3.4. Posters.
 - 4.3.3.5. Reports.

MB

4/6/2020

EXHIBIT B



- 4.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5. Records

- 5.1. The Contractor shall keep records that include, but are not limited to:

5.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.

5.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

- 5.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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4/6/2020

Merrimack Valley Day Care Services
Institution Name

TITLE I PART D, SUBPART 1, SECTION 2

ESEA 2018-2021

INSTITUTION LEVEL APPLICATION

1. Program Goals, Measurable Objectives and Assessments - Updates required as needed each year of the funding cycle.

Subject/Program Area	Long Term Goal By end of 2021 SY	What overall changes in academic and vocational abilities do you expect your students to achieve within the 2019-2020 SY?	What assessments will be used to assess these goals? <i>Include pre/post dates for reading and math assessments.</i>	Who is responsible for giving and analyzing student results
Academic Outcomes				
Mathematics	To offer homework assistance and support to children enrolled in our afterschool programs, specifically those children whose parents have educational or language limitations that inhibit their ability to assist their children academically.	Our children will successfully complete the work required to proceed to the next grade.	Pre-reading and math assessments will be done when the child enters the program. Post assessments will be completed at the end of each semester. The assessment tool will include the Bigance Diagnostic Comprehensive Inventory of Skills.	The academic tutor, with assistance from the special need coordinator. The academic tutor is Barbara Romanos. The special needs coordinator is Shannon Curran.
Reading	To offer homework assistance and support to children enrolled in our afterschool programs, specifically those children whose parents have	Our children will successfully complete the work required to proceed to the next grade.	Pre-reading and math assessments will be done when the child enters the program. Post assessments will be completed at the end of each semester. The assessment tool	The academic tutor, with assistance from the special need coordinator. The academic tutor is

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Contractor Initials

Date

Merrimack Valley Day Care Services

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MB
9/17/2020

Exhibit B-1, Title 1 Part D, Subpart 1, Application

	educational or language limitations that inhibit their ability to assist their children academically.		will include the Bigance Diagnostic Comprehensive Inventory of Skills.	Barbara Romanos. The special needs coordinator is Shannon Curran.
Vocational Outcomes				

UB

4/17/2020

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Title 1 Part D, Subpart 1, Section 2 – Institution
August, 2018 Page 2 of 8

Merrimack Valley Day Care Services
Institution Name

2. Scope of Project

A. Students to Be Served

Using current data as a basis, estimate the number of students who will participate in the Title 1 Part D, Subpart 1 program's instructional and support related components each SY year 2018-2021. These numbers can be updated as part of subsequent program renewals.

Ages	Reading	Mathematics		
5 – 10 years old	12	12		
11 – 15 years old				
16 – 18 years old				
19+ years old				

B. Staff Paid with Title I, Part D, Subpart 1 Funds

Using the chart below describe the staff to be paid with these funds.

Number	FTE (fulltime equivalent)	Responsibility/Job Title	Certification or other Qualification Required for Position	Each Estimated Salary
1	50%	Academic Tutor	BA in Education or related field.	14.50

C. Transition Coordinator

Designate an individual or individuals to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs.

Barbara Romanos
Name of Individual

Academic Tutor
Title of Individual

Shannon Curran
Name of Individual

Special Needs Coordinator
Title of Individual

D. Staff/Student Ratio's:

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Merrimack Valley Day Care Services

Page 3 of 8

Contractor Initials

Date

HB
4/17/2020

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Total students provided T1 D support 12, divided by Total T1 D staff FTE 0.5 = 6 to 1

Title 1 Part D, Subpart 1, Section 2 -- Institution
August, 2018 Page 3 of 8

Merrimack Valley Day Care Services
Institution Name

E. Program Description: (Use additional space as needed)

- 1) Describe the program in sufficient detail such that a teacher implementing this project and/or parents/guardians or persons visiting would know what to expect.

Merrimack Valley Day Care has an afterschool program located in a low income neighborhood in Concord. Jennings Drive serves children who live in this Concord Housing Authority apartment complex. We also provide kindergarten wrap around care at our centers. The programs run all year, and are open during school vacations and now days. Each site offers academic support, an extensive field trip program and healthy meals at no extra cost to the families. Jennings Drive apartments subsidize housing costs, so most of the children we serve live with significant poverty. 30% of these children have parents who are new Americans and do not speak English as their first language at home. 16% have a documented mental health issue that requires outside support. 25% currently have an IEP or a 504 plan, which may increase as our kindergarten students are assessed in public school.

We already have highly trained after school staff who make sure the children work on their homework every day, but with such busy programs it is hard to give the children the one on one care they need. Our academic tutor divides her time between the sites, monitoring homework and offering math and literacy support. She uses assessment tools to ensure that the children are progressing, with the goal of staying on par with their peers and successfully transitioning to the next grade.

We continue our academic support into the summer. Our academic tutor goes on educational field trips and supplies supporting items such as books, games, and curriculum items. We are still in the planning stage of our summer program, but each year we run at least 4 units.

Math: to support math learning each class will make a class store to practice using money and budgeting. We usually attend a Fisher Cats game and keep score cards to discuss rudimentary statistics and go to Lego Land to support learning about patterns.

Literacy: Each child goes to the library every week and is allowed to take out a book. At the end of the summer we go to Gibson's Book Store and every child gets to purchase a book.

Science: We plan two weeks of science experiments and go to at least one major science museum. (Either the Museum of Science or the Montshire Science Museum).

NH History: We read about the history of NH and the people who live here. We visit the State House, the Flume, and the Mariposa Cultural Museum.

- 2) Describe function of major personnel such as home/school coordinators. (Attached job descriptions are appreciated)

Special needs Coordinator: Coordinates services for children with special needs, including attending IEP and wrap around mental health meetings.

SS-2020-DCYF-15-TITLE-02

Merrimack Valley Day Care Services

Page 4 of 8

Contractor Initials

Date

11/19/2020

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Academic Tutor: Provides one on one academic support needed to help children keep up with their peers.

Health coordinator: Provides family support and links children to outside services as needed. Oversees the special needs coordinator, the title 1 tutor and the Jennings Drive Program.

- 3) *Describe any additional services, beyond instruction, for children and youth provided with these funds such as career counseling, etc.*

No other services are provided with these funds.

F. Transition Services:

- 1) *Identify (by dollar amount) the financial reserves (must be between 15-30 percent of allocated funds) which will be used to provide transitional education services for neglected or delinquent children and youth. It is required to set-aside a minimum of 15% and a maximum of 30% (each program year) of your dollars for this purpose.*

\$1000

- 2) *Describe how the above reserved funds will be used for transitional educational services (i.e. to re-enter school successfully or preparation for employment).*

A written log of all transitional services is kept and is available for review at any time. Services include:
Attending IEP and educational support meetings
Meeting with individual teachers to discuss how we can support the children.
Parent conferences and parent involvement activities
A letter to each teacher at the beginning of the school year explaining the summer program and what was worked on academically, and student strengths and weaknesses.

UP
4/17/20

Merimack Valley Day Care Services

Institution Name

G. Professional Development:

- 1) List the major **NEEDS** of the *Title I staff and Institution staff* relating to the objectives of the Title I project that can be met by in-service training programs.

We will not be providing in service training with these funds.

- 2) Describe all staff development activities to be funded by this grant. PD activities for 2018-2019 only. Activities will be updated each year with the budget summary. (How many hours of training, when, for whom, and what topics will be covered?) Include a timeline.

Both the academic tutor and the special needs coordinator will attend conferences and trainings that support early learning, children with special needs, children in the child protective services and cultural sensitivity. Each will complete at least 18 hours of training. Training is ongoing throughout the year.

H. Coordination:

Describe how the program/s will be coordinated with other appropriate State and Federal programs, such as Vocational Education, Special Education, Work Force Investment Act and local dropout prevention programs. If applicable grade levels, describe how the institution will endeavor to coordinate with local businesses for training and mentoring opportunities for participating youth.

Our Health Coordinator and Special Needs Coordinator work closely with other schools, mental health facilities, and other public and private agencies that are providing services to our children. We also provide referrals as needed. Our Special Needs Coordinator and Academic tutor attend IEP and mental health wrap around meetings. We have MOU agreements with several local agencies, including Waypoint (formally Child and Family Services) Riverbend Community Mental Health, Community Bridges, and the Concord School District.

We encourage and appreciate community involvement at all our centers. Concord Housing Authority offers tuition scholarships for children to attend the afterschool program at Jennings Drive so all children can attend at no cost to their families. The public school has a tutor who comes to work with the children who are developing English language skills. We also accept teenage volunteers from the Diversion Program who need to perform community service.

MB
8/17/2018

Exhibit B-1, Title I Part D, Subpart 1, Application

Title I Part D, Subpart 1, Section 2 – Institution
August, 2018 Page 5 of 8

Merrimack Valley Day Care Services
Institution Name

I. Budget Narrative

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2018-2021. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	Title 1 tutor \$14.50 X 10 hours X 20 weeks + 15% taxes and benefits \$14.50 X 8 hours X 10 weeks + 15% taxes	\$3,335.00 school year \$1,334.00 summer.
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>		
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	Curriculum support materials, including puzzles, games, journals. 12 children X \$40 per child	\$480
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>	Each child will go to the bookstore and purchase a book of their choosing \$10 x 12 books	\$120
Equipment <i>Attach a justification for each item to be purchased.</i>		
Professional Development Activities	Conference fees for Title 1 teacher and special needs coordinator	\$200
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>	Educational field trips for the children. At least 5 field trips	\$500

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Merrimack Valley Day Care Services

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Contractor Initials

Date

MB
9/17/2020

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Administration		
Total Costs		\$5,969

KB
4/7/2020



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Other funds (Department of Education).
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.0. et seq.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to kali.giovanditto@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
Division for Children, Youth and Families
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, and Exhibit B-1, Institutional Level Application, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to



EXHIBIT C

the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

11. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if **any** of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F. of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

UB
4/16/2020

**Exhibit C-1, Budget Sheet
DCYF Title I Program
2019-2020 School Year
(SFY20) Budget**

MV daycare

Line Item	Amount
Salaries	\$3,335
Contracted Services - Curriculum consultant for math and reading	\$0
Professional Development Activities	\$200
Supplies and Materials	\$480
Travel	\$500
Books	\$120
Other (Administration)	
Total	\$4,635

Contractor Initials MB

Date 4/6/2020

**Exhibit C-2, Budget Sheet
DCYF Title I Program
2019-2020 Summer School
(SFY21) Budget**

Line Item	Amount
Salaries	\$1,334
Contracted Services - Curriculum consultant for math and reading	
Professional Development Activities	
Travel	
Books	
Other (Administration)	
Total	\$1,334



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name:

4/16/2020
Date

Marianne Butler
Name: Marianne Butler
Title: Executive Director



CERTIFICATION REGARDING LOBBYING

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

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

Programs (Indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

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

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

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

Vendor Name:

Date: 4/6/2020

Mariann Barker
Name: Mariann Barker
Title: Executive Director

Exhibit E - Certification Regarding Lobbying

Vendor Initials MB

Date 4/6/2020



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

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

MB
4/6/2020

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

4/6/2020
Date

Marianne Barker
Name: Marianne Barker
Title: Executive Director

Vendor Initials

Date

NB
4/6/2020



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials

MB

4/6/2020

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

4/6/2020
Date

Mariann Byer
Name: Mariann Byer
Title: Executive Director

Exhibit G

Vendor Initials MB

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

6/27/14
Rev. 10/21/14

Page 2 of 2

Date 4/6/2020



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

4/6/2020
Date

Marianne Barry
Name: Marianne Barry
Title: Executive Director

State of New Hampshire

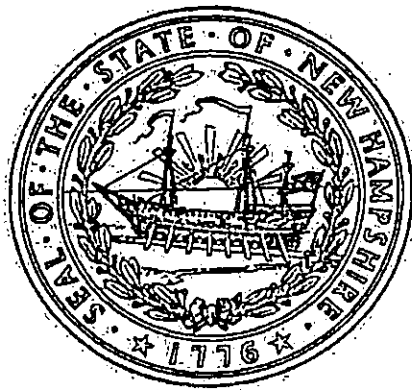
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MERRIMACK VALLEY DAY CARE SERVICE is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on October 30, 1967. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 62837

Certificate Number: 0004893234



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 15th day of April A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Christine Dolat Bartlett, hereby certify that:

1. I am a duly elected Clerk/Secretary/Officer of Merrimack Valley Day Care Service.

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on April 6, 2020, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Marianne Barter, Executive Director

is duly authorized on behalf of Merrimack Valley Day Care Service to enter into contracts or agreements with the State

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

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

Dated: 4/6/20

Christine Dolat Bartlett
Signature of Elected Officer
Name: Christine Dolat Bartlett
Title: Board President

Client#: 494330

MERRIVAL2

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/15/2020

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

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

PRODUCER
USI Insurance Services LLC
333 Glen Street, Suite 302
Glens Falls, NY 12801
855 874-0123

CONTACT NAME: Chris Smith

PHONE (A/C, No, Ext):

FAX (A/C, No): 877-775-0110

E-MAIL ADDRESS: Christine.Smith@usi.com

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Great American Assurance Co

26344

INSURER B: Technology Insurance Co, Inc.

42376

INSURER C:

INSURER D:

INSURER E:

INSURER F:

INSURED
Merrimack Valley Day Care Service, Inc.
dba Blueberry Express Day Care Center
19 North Fruit Street
Concord, NH 03301

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		MAC505166114	10/01/2019	10/01/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPIOP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/>		CAP505179514	10/01/2019	10/01/2020	COMBINED SINGLE LIMIT (EA ACCIDENT) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$					\$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	TWC3767014	01/24/2020	01/24/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$100,000 E.L. DISEASE - EA EMPLOYEE \$100,000 E.L. DISEASE - POLICY LIMIT \$500,000

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

CERTIFICATE HOLDER

State Of New Hampshire DHHS
129 Pleasant St.
Concord, NH 03301

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

TODD R

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Merrimack Valley Day Care Service Mission statement

To provide child care in a safe and nurturing environment which fosters the social, emotional, intellectual and physical development of children.

To enhance parent's and caretaker's ability to nurture each child through support, modeling and information. To collaborate with other agencies to further these efforts.

To provide opportunities for individuals and community organizations to contribute to Merrimack Valley Day Care Service in ways which they, the children and Merrimack Valley Day Care Service will benefit.

Merrimack Valley Day Care Service remains dedicated to the philosophy of providing for those with the greatest need; children at risk of abuse and neglect, low income families and children with special needs.

MERRIMACK VALLEY DAY CARE SERVICE

AUDITED FINANCIAL STATEMENTS

December 31, 2018 and 2017

SINGLE AUDIT REPORTS

December 31, 2018

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ROWLEY & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
46 N. STATE STREET
CONCORD, NEW HAMPSHIRE 03301
TELEPHONE (603) 228-5400
FAX # (603) 226-3532

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE PRIVATE
COMPANIES PRACTICE SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Merrimack Valley Day Care Service
Concord, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of Merrimack Valley Day Care Service (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018 and the related statement of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Merrimack Valley Day Care Service's of December 31, 2018 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Merrimack Valley Day Care Service's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 9, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Other information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2019, on our consideration of Merrimack Valley Day Care Service's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Merrimack Valley Day Care Service's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Merrimack Valley Day Care Service's internal control over financial reporting and compliance.

Rowley & Associates, PC

Rowley & Associates, P.C.
Concord, New Hampshire
May 31, 2019

Merrimack Valley Day Care Service
Statements of Financial Position
December 31, 2018 with Comparative Totals for December 31, 2017
See Independent Auditors' Report

ASSETS	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	2018	2017
<u>CURRENT ASSETS</u>				
Cash and cash equivalents	\$ 285,676	\$ 21,046	\$ 306,722	\$ 294,794
Accounts receivable	32,750	-	32,750	45,130
Pledge receivables	31,667	-	31,667	30,000
Prepaid Expenses	1,159	-	1,159	1,124
Total Current Assets	351,252	21,046	372,298	371,048
<u>PROPERTY AND EQUIPMENT</u>				
Land	105,000	-	105,000	105,000
Buildings and improvements	1,226,872	-	1,226,872	1,211,939
Equipment	251,074	-	251,074	259,759
	1,582,946	-	1,582,946	1,576,698
Less Accumulated Depreciation	(830,917)	-	(830,917)	(808,278)
Total Property and Equipment, Net	752,029	-	752,029	768,420
Total Assets	\$ 1,103,281	\$ 21,046	\$ 1,124,327	\$ 1,139,468
LIABILITIES AND NET ASSETS				
<u>CURRENT LIABILITIES</u>				
Current Portion of Long-Term Debt	\$ 4,839	\$ -	\$ 4,839	\$ 4,719
Accounts Payable	25,943	-	25,943	13,130
Accrued Expenses	122,643	-	122,643	123,352
Total Current Liabilities	153,425	-	153,425	141,201
<u>LONG-TERM LIABILITIES</u>				
Long-Term Debt, Net of Current Portion	108,348	-	108,348	113,386
<u>NET ASSETS</u>				
Without Donor Restriction	841,508	-	841,508	862,830
With Donor Restriction	-	21,046	21,046	22,051
Total Net Assets	841,508	21,046	862,554	884,881
Total Liabilities and Net Assets	\$ 1,103,281	\$ 21,046	\$ 1,124,327	\$ 1,139,468

Notes to Financial Statements

Merrimack Valley Day Care Service
Statements of Activities
Year Ended December 31, 2018
With Comparative Totals for the Year Ended December 31, 2017
See Independent Auditors' Report

	Net Assets Without Donor Restriction	Net Assets With Donor Restriction	Total 2018	Total 2017
Revenue and Support				
Program service fees	\$ 1,527,070	\$ -	\$ 1,527,070	\$ 1,557,426
Grants and contributions, cash	175,311	14,049	189,360	203,152
Grants and contributions, non-cash	-	-	-	199,996
Other revenue	23,208	-	23,208	48,159
Interest income	780	-	780	357
Total Revenue and Support	<u>1,726,369</u>	<u>14,049</u>	<u>1,740,418</u>	<u>2,009,090</u>
Release from donor imposed restrictions	<u>15,054</u>	<u>(15,054)</u>	<u>-</u>	<u>-</u>
Expenses				
Program	1,519,573	-	1,519,573	1,456,111
Administrative	235,015	-	235,015	243,237
Fundraising	8,157	-	8,157	8,165
Total Expense	<u>1,762,745</u>	<u>-</u>	<u>1,762,745</u>	<u>1,707,513</u>
Increase (decrease) in net assets	(21,322)	(1,005)	(22,327)	301,577
Net assets, beginning of year	<u>862,830</u>	<u>22,051</u>	<u>884,881</u>	<u>583,304</u>
Net assets, end of year	<u>\$ 841,508</u>	<u>\$ 21,046</u>	<u>\$ 862,554</u>	<u>\$ 884,881</u>

Notes to Financial Statements

Merrimack Valley Day Care Service
Statements of Cash Flows
Years Ended December 31, 2018 and 2017
See Independent Auditors' Report

	<u>2018</u>	<u>2017</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Increase (Decrease) in Net Assets	\$ (22,327)	\$ 301,577
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Non-cash contribution of property and equipment	-	(199,996)
Depreciation	34,109	28,179
(Increase) Decrease in Operating Assets:		
Accounts Receivable	12,380	(14,155)
Pledge Receivables	(1,667)	-
Prepaid Expenses	(35)	1,731
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	12,813	(784)
Accrued Expenses	(709)	(29,203)
Other Liabilities	-	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>34,564</u>	<u>87,349</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Cash Paid for Acquisition of Property and Equipment	<u>(17,718)</u>	<u>(297,509)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(17,718)</u>	<u>(297,509)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Net Proceeds (Repayment) of Long-Term Debt	<u>(4,918)</u>	<u>114,870</u>
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	<u>(4,918)</u>	<u>114,870</u>
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 11,928	 (95,290)
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 <u>294,794</u>	 <u>390,084</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 306,722</u></u>	<u><u>\$ 294,794</u></u>
 <u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the year for:		
Interest	<u>\$ 2,712</u>	<u>\$ 1,315</u>
Total cost of property and equipment	17,718	497,505
Non-cash contribution of property and equipment	-	(199,996)
Cash paid for property and equipment	<u><u>\$ 17,718</u></u>	<u><u>\$ 297,509</u></u>

Merrimack Valley Day Care Service
Statement of Functional Expenses
Year Ended December 31, 2018
With Comparative Totals for Year Ended December 31, 2017
See Independent Auditors' Report

	<u>Program Services</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total 2018</u>	<u>Total 2017</u>
Salaries and wages	\$ 855,766	\$ 148,683	\$ 7,500	\$ 1,011,949	\$ 955,929
Payroll taxes	64,925	11,302	569	76,796	73,984
Pension expense	-	8,049	63	8,112	8,066
Other employee benefits	2,123	976	25	3,124	3,215
Insurance	3,728	29,481	-	33,209	37,799
Repairs and maintenance	43,547	753	-	44,300	43,006
Utilities	18,972	889	-	19,861	20,086
Office and classroom supplies	41,546	11,527	-	53,073	40,713
Advertising and publicity	-	-	-	-	4,617
Food	442,408	-	-	442,408	459,487
Interest expense	2,712	-	-	2,712	1,315
Educational programs	575	2,348	-	2,923	4,851
Staff training and meetings	4,953	2,110	-	7,063	3,776
Memberships and subscriptions	-	1,684	-	1,684	1,284
Professional services	365	12,941	-	13,306	8,472
Travel and vehicle	2,442	562	-	3,004	2,649
Miscellaneous	1,402	3,710	-	5,112	10,085
Depreciation expense	34,109	-	-	34,109	28,179
Total Expenses	\$ 1,519,573	\$ 235,015	\$ 8,157	\$ 1,762,745	\$ 1,707,513

Notes to Financial Statements

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Financial Statements
Years Ended December 31, 2018 and 2017

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Merrimack Valley Day Care Service, "the Organization", is a non-stock, non-profit corporation organized in New Hampshire. The Agency is exempt from federal income taxes under the Internal Revenue Code Section 501(c)(3). The Agency's primary purpose is to provide day care services for a variety of ages in the local community and surrounding towns.

Significant Accounting Policies

The financial statements of the Organization have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to not-for-profits. The Financial Accounting Standards Board (FASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for not-for-profits. The more significant of the FASB's generally accepted accounting principles applicable to the Organization, and the Organization's conformity with such principles, are described below. These disclosures are an integral part of the Organization's financial statements.

Basis of Presentation

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

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

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

Pledges Receivable

Pledges are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional pledges are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Estimates

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

Compensated Absences

Employees of the Organization are entitled to paid vacation depending on job classification, length of services, and other factors. The statement of financial position reflects accrued vacation earned, but unpaid as of December 31, 2018 and 2017 in the amounts of \$83,984 and \$85,806, respectively.

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Financial Statements
Years Ended December 31, 2018 and 2017

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Functional Allocation of Expenses

The Organization allocates expenses among program services, management and general, and fundraising based on direct costs and other factors, including space utilization and time.

Property and Equipment

It is the Organization's policy to capitalize property and equipment over \$2,500 and all expenditures for repairs, maintenance, renewals and betterments that prolong the useful lives of assets. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expiration of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property and equipment are depreciated using the straight-line method. The ranges of useful lives are as follows:

Building and Improvements	39 Years
Equipment	3-7 Years

Depreciation expense recorded by the Organization for the years ended December 31, 2018 and 2017 was \$34,109 and \$28,179, respectively.

Advertising costs

The Organization records advertising as incurred. Advertising costs for the years ended December 31, 2018 and 2017 were \$-0- and \$4,617 respectively.

Concentration of Credit Risk

The Organization maintains cash balances in several accounts at a local bank. These accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2018 and 2017 the Organization had no uninsured cash balances, respectively. Management considers this a normal business risk.

Subsequent Event

Management has evaluated subsequent events through May 31, 2019, the date on which the financial statements were available to be issued to determine if any are of such significance to require disclosure. It has been determined that no subsequent events matching this criterion occurred during this period.

Income Taxes

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

MERRIMACK VALLEY DAY CARE SERVICE

Notes to Financial Statements

Years Ended December 31, 2018 and 2017

NOTE A-NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Organization considers all highly liquid investments (short-term investments such as certificates of deposits and money market accounts) with an initial maturity of three months or less to be cash equivalents. There were no cash equivalents as of December 31, 2018 and 2017.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2017, from which the summarized information was derived.

Financial Instruments

The carrying value of cash and cash equivalents, accounts receivable, pledges receivable, accounts payable and accrued expenses are stated at carrying cost at December 31, 2018 and 2017, which approximates fair value due to the relatively short maturity of these instruments. Other financial instruments held at year-end are long-term debt, which is stated at fair value.

New Accounting Pronouncement

During the year ended December 31, 2018, the Organization adopted the requirements of the Financial Accounting Standards Board's Accounting Standards Update No. 2016- 14—Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities (ASU 2016- 14). This Update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 is the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets are now reported as net assets with donor restrictions.

The accompanying summarized information from the 2017 financial statements has been restated to conform to the 2018 presentation and disclosure requirements of ASU 2016-14.

Reclassifications

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

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Financial Statements
Years Ended December 31, 2018 and 2017

NOTE B – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restriction consist of funds received by the Organization, restricted as to use or time. The restrictions are considered to expire when payments are made. As of December 31, 2018 and 2017 respectively, the net assets with donor restriction are available for the following purpose:

	<u>2018</u>	<u>2017</u>
Concord Hospital Grant	\$ 4,869	\$ -
Citizens Bank	5,999	-
Building Fund	9,464	18,289
MJW Blueberry Gift	-	2,000
Refugee Sports Project	714	1,762
Total	<u>\$ 21,046</u>	<u>\$ 22,051</u>

NOTE C – PROGRAM SERVICE FEES

Net Service fees provided for the years ended December 31 were as follows:

	<u>2018</u>	<u>2017</u>
Child Day Care Services	\$ 411,768	\$ 404,075
USDA	513,112	559,180
Division of Children and Youth Services	88,272	88,341
Private Pay	<u>513,918</u>	<u>505,830</u>
Total	<u>\$1,527,070</u>	<u>\$1,557,426</u>

NOTE D – LONG-TERM NOTES

As of December 31, 2018 and 2017, long-term debt consists of the following:

	<u>2018</u>	<u>2017</u>
Note payable to the City of Concord, in monthly installments of \$408 including interest at 2.5% through August 2037, collateralized by all Organization assets.	<u>113,187</u>	<u>118,105</u>
Total	113,187	118,105
Less Current Portion	<u>4,839</u>	<u>4,719</u>
Total Long Term Debt	<u>\$108,348</u>	<u>\$113,386</u>

Future scheduled maturities of long-term debt are as follows:

Years ending December 31:

2019	4,839
2020	4,961
2021	5,086
2022	5,215
2023	5,356
Thereafter	<u>87,730</u>
Total	<u>\$ 113,187</u>

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Financial Statements
Years Ended December 31, 2018 and 2017

NOTE E – PENSION PLAN

The Organization has a defined contribution retirement income plan. Employees are eligible to participate upon reaching age 21 and completing three years of service, at which time the employees are 100% vested. Contributions are determined annually by the Board of Directors. The contributions made during the years ended December 31, 2018 and 2017 were \$8,112 and \$8,066, respectively.

NOTE F – PLEDGES RECEIVABLE

The Organization's pledge receivables are made up of short-term and long-term pledges. As of December 31, 2018 and 2017 pledges and grants are collectable as of December 31:

Pledges
2019: \$ 32,750

NOTE G - FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Organization is required to disclose certain information about its financial assets and liabilities. Fair values of assets measured on a recurring basis at December 31 were as follows:

	<u>Fair Value</u>	Significant Other Observable Inputs (Level 2)
<u>2018</u>		
Accounts and Other Receivables	<u>\$ 64,417</u>	<u>\$ 64,417</u>
<u>2017</u>		
Accounts and Other Receivables	<u>\$ 75,130</u>	<u>\$ 75,130</u>

The fair value of accounts and other receivables are estimated at the present value of expected future cash flows.

NOTE H – CONTINGENT LIABILITIES

Grants often require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. Although the return of the funds is a possibility, the Board of Directors deems the contingency unlikely, since by accepting the grants and their terms, it has made a commitment to fulfill the provisions of the grant.

NOTE I – LEASE OBLIGATION

The Organization maintains three programs located at the facilities of other organizations. There is no rental agreement with the other organizations nor is there any rent paid. The programs are maintained for the benefit of the employees located at those sites.

NOTE J – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Organization's primary sources of support are program service fees, grants and contributions. Most of that support is held for the purpose of supporting the Organization's budget. The Organization has \$285,676 in cash without donor restriction which it could draw upon in the event of an anticipated liquidity need.

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Financial Statements
Years Ended December 31, 2018 and 2017

NOTE K – BOARD DESIGNATED NET ASSETS

The Organization has net assets designated for various future needs. These funds are held in cash and comprised of the following as of December 31, 2018:

Letter drive revenue	\$ 46,915
Other revenue	<u>46,348</u>
Total	<u>\$ 93,263</u>

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MEMBER OF THE PRIVATE
COMPANIES PRACTICE SECTION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Merrimack Valley Day Care Service
Concord, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Merrimack Valley Day Care Service (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 31, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Rowley & Associates, PC

Rowley & Associates, P.C.
Concord, New Hampshire
May 31, 2019

ROWLEY & ASSOCIATES, P.C.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Merrimack Valley Day Care Service
Concord, New Hampshire

Report on Compliance for Each Major Federal Award Program

We have audited Merrimack Valley Day Care Service's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Merrimack Valley Day Care Service's major federal programs for the year ended December 31, 2018. Merrimack Valley Day Care Service's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Merrimack Valley Day Care Service's compliance.

Opinion on Each Major Federal Program

In our opinion, Merrimack Valley Day Care Service complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Report on Internal Control over Compliance

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

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

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

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

Rowley & Associates, PC

Rowley & Associates, P.C.
Concord, New Hampshire
May 31, 2019

MERRIMACK VALLEY DAY CARE SERVICE
Schedule of Findings and Question Costs
Year Ended December 31, 2018

SECTION I – SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of the Merrimack Valley Day Care Service were prepared in accordance with GAAP.
2. No reportable conditions relating to the audit of the financial statements are reported in the Independent Auditor's Report. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of New Hampshire Organization Against Domestic and Sexual Violence, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance. No Material weaknesses are reported.
5. The auditor's report on compliance for the major federal award programs for Merrimack Valley Day Care Service expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. There were no programs tested as major programs.
8. The threshold for distinguishing Types A and B Programs was: \$750,000.
9. The Merrimack Valley Day Care Service was determined to be a low-risk auditee.

SECTION II – FINDINGS: FINANCIAL STATEMENT AUDIT

No matters were reported.

SECTION III – FINDINGS AND QUESTIONED COSTS: FEDERAL AWARD PROGRAMS AUDIT

No matters were reported.

Merrimack Valley Day Care Service
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<u>U.S. Department of Agriculture</u>				
<i>Pass-Through Programs from State of New Hampshire</i>				
<i>Department of Education</i>				
USDA Food and Nutrition Services	10.558		<u>380,548</u>	<u>440,263</u>
<u>U.S. Department of Health and Human Services</u>				
<i>Pass-Through Programs from State of New Hampshire</i>				
<i>Division of Human Services Social Service Block Grant</i>				
Title I, DCYF Program	84.010			26,102
Title XX, Child Day Care Services	93.596			263,674
Title XX, DCYF Protective Services	93.667			<u>92,026</u>
				<u>381,802</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 380,548</u>	<u>\$ 822,065</u>

MERRIMACK VALLEY DAY CARE SERVICE
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2018

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Merrimack Valley Day Care Service under programs of the federal government for the year ended December 31, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Merrimack Valley Day Care Service, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Merrimack Valley Day Care Service.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, *Cost Principles for Non-profit Organizations*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

2. Pass-through entity identifying numbers are presented where available.

NOTE C – SUBRECIPIENTS

The Merrimack Valley Day Care Service provides federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA #</u>	<u>Amount Provided</u>
USDA Food & Nutrition Services	10.558	\$ 380,548

NOTE D – INDIRECT COST RATE

The Merrimack Valley Day Care Service has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Board of Directors
2020

President: Christy Dolat Bartlett

Secretary: Amy Goldstein

Lisa Burton

Catrina Watson,

Donna Raycraft,

Esther Dickinson

Patty Fahey

Safiya Wazir

Mary Jane Wallner,

Executive Director: Marianne Barter

Shannon Curran

Objective

- To continue my education in the field of education and special education

Education

SECOND START CONCORD, NH | AUG. 22, 2007

- GED

NHTI CONCORD'S COMMUNITY COLLEGE CONCORD, NH | FALL 2009- 2017

- Early Childhood Education Certificate
- Young Children with Autism and Exceptionalities Certificate
- Early Care and Education of Young Children With Disabilities Associates Degree

Experience

FAMILY CHILDCARE | MAY 1993- JUNE 2012

- Provide care for my nieces and nephews
- Transported them to school

LEAD TEACHER | MERRIMACK VALLEY DAYCARE | NOV. 2006-DEC. 2016

- Key Holder
- Provide homework assistance
- Communicate with families
- Help families find resources they might need

AFTERSCHOOL PROGRAM CO-DIRECTOR | MERRIMACK VALLEY DAYCARE | JAN.2017 – SEPT. 1, 2018

- Key Holder
- Provide homework assistance
- Communicate with families
- Help families find resources they might need
- Plan activities
- Plan menu
- Complete paperwork
- Organize and maintain files

PRESCHOOL TEACHER | MERRIMACK VALLEY DAYCARE| SEPT. 8, 2017 – Sept 1, 2018

- Key Holder
- Plan and implement curriculum
- Communicate with families
- Help families find resources they might need
- Assist other teachers when needed

INSTRUCTIONAL ASSISTANT | CONCORD SCHOOL DISTRICT | Feb 2016-June 2016

- . One on one for children with special needs
- . Assist teachers when needed

AFTERSCHOOL PROGRAM DIRECTOR/ SPECIAL NEEDS COORDINATOR |MERRIMACK VALLEY DAYCARE | Sept 1, 2018 - PRESENT

- . Key Holder
- . Plan and implement curriculum
- . Communicate with families
- . Help families find resources they might need
- . Assist other teachers when needed
- . Work one on one with children
- . Assess children's developmental needs
- . Transport to developmental assessments
- . Homework Help
- . Plan field trips/transport children on fieldtrips

Barbara Romanos

Education

Girls Latin High School graduate

Granite State College, Associates Degree In Early Childhood Education

Granite State College, Bachelors Degree In Early Childhood Education

Work History

July 2009-present

Merrimack Valley Day Care Service

- Implement Title 1 grant
- Work one on one with students who are part of the state DCYF system to ensure academic support
- Work closely with the public school system and individual teachers to best meet the needs of title 1 students
- Attend IEP meetings of title 1 students in caseload
- Communicate with parents on the progress of title 1 students
- Substitute in the infant and toddler rooms as needed
- Create curriculum ideas for infant and toddler classrooms as needed

1989-2009

State of New Hampshire

- Case technician for Social Security

Marianne Barter

Education

University of New Hampshire, BA in English 1991

New Hampshire Technical Institute, Early Child Education Certificate 2001

Certifications

Early Childhood Master Professional Credential

Early Childhood Administrator Credential

American Red Cross Instructor 2003 to present

Certified Nutrition and Physical Activity Self- Assessment for Child Care Consultant

Professional Experience

Executive Director, Merrimack Valley Day Care Service June 2017-present

Health and Nutrition Coordinator, Merrimack Valley Day Care Service February 2002-June 2017

- Oversee the daily operations of a large non-profit child care agency
- Oversee 50 staff members, including teachers, cooks, assistants and volunteers
- Monitor the Child and Adult Care Food Program in collaboration with the NH Department of Education for child care centers, family day care homes and afterschool programs statewide
- Work closely with families whose children are enrolled in Merrimack Valley Day Care Service to offer support and referrals as needed
- Work closely with children who are at risk of abuse and neglect and those with special needs
- Have extensive knowledge of mental health and support agencies in the Concord area
- Offer training and support to child care staff
- Serve on committees including Concord Connections, Early Learning NH Strengthening Families, CACFP Sponsors Group, State Scholarship Policy Advisory committee, Spark NH Workforce and Professional Development Committee
- Currently in the second term on the Executive Council of the New Hampshire Child Care Advisory Council
- Currently on the Executive Council of Spark NH

Program Coordinator, Girls Incorporated May 2000-January 2002

Owner, Annie's Book Stop book store June 1994-April 2000

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Shannon Curran	Special Education coordinator	14.50/hr	11%	\$3335.00
Barbara Romanos	Title 1 teacher	14.50/hr	5%	\$1334.00
Marianne Barter	Executive Director		0	

Subject: Title I Programs for the Division for Children, Youth and Families (DCYF) (SS-2020-DCYF-15-TITLE-03)

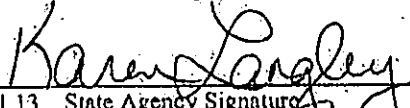
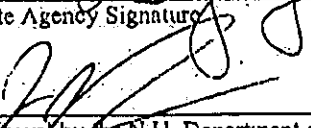
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Mount Prospect Academy, Inc.		1.4 Contractor Address 350 Main Street Plymouth, NH, 03264	
1.5 Contractor Phone Number (603) 726-4950	1.6 Account Number 05-095-042-421010-29750000	1.7 Completion Date August 31, 2021	1.8 Price Limitation \$472,296
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 4/9/20		1.12 Name and Title of Contractor Signatory Karen Langley Director of Academics	
1.13 State Agency Signature  Date: 4/30/2020		1.14 Name and Title of State Agency Signatory Joseph Ribsam, Director DCYF	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: /s/Christen Lavers On: 5/1/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

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

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

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

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

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

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

EXHIBIT A



REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

EXHIBIT B



Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services in this agreement to abused and delinquent youth.
- 1.2. The Contractor shall ensure services are available statewide.
- 1.3. For the purposes of this agreement, all references to days shall mean business days.
- 1.4. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from 8am to 4pm, excluding state and federal holidays.
- 1.5. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.6. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.7. The Contractor shall provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth.
- 1.8. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.
- 1.9. Services shall include those described in the Contractor's Title I Part D, Subpart 1 Application submitted to the New Hampshire Department of Health and Human Services and subsequently approved for funding by the Department of Education.
- 1.10. The Contractor's Title 1 Part D, Subpart 1, Application terms are hereby incorporated by reference into this Agreement as Exhibit B-1.

2. Exhibits Incorporated

- 2.1. The Contractor shall comply with all Exhibits D through H, which are attached hereto and incorporated by reference herein.

3. Performance Measures

- 3.1. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 3.2. The Contractor may be required to provide other key data and metrics to the

EXHIBIT B



Department, including client-level demographic, performance, and service data.

- 3.3. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

4. Additional Terms

4.1. Impacts Resulting from Court Orders or Legislative Changes

- 4.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

4.2. Culturally and Linguistically Appropriate Services (CLAS)

- 4.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4.3. Credits and Copyright Ownership

- 4.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."
- 4.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.
- 4.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:
- 4.3.3.1. Brochures.
 - 4.3.3.2. Resource directories.
 - 4.3.3.3. Protocols or guidelines.
 - 4.3.3.4. Posters.
 - 4.3.3.5. Reports.

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Title I Programs for the Division for Children, Youth and Families (DCYF)
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- 4.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5. Records

- 5.1. The Contractor shall keep records that include, but are not limited to:
- 5.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 5.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 5.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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Mount Prospect Academy
Institution Name

TITLE I PART D, SUBPART 1, SECTION 2

ESEA 2018-2021

INSTITUTION LEVEL APPLICATION**1. Program Goals, Measurable Objectives and Assessments - Updates required as needed each year of the funding cycle.**

Subject/Program Area	Long Term Goal By end of 2021 SY	What overall changes in academic and vocational abilities do you expect your students to achieve within the 2019-2020 SY?	What assessments will be used to assess these goals? <i>Include pre/post dates for reading and math assessments.</i>	Who is responsible for giving and analyzing student results
Academic Outcomes				Karen Langley; Director of Academics, Teachers at Mount Prospect Academy
Mathematics	By June 2021, Mount Prospect Academy(MPA) will develop and implement a comprehensive mathematics intervention that will enable students to improve their math skills and use them to solve to real world applications	Students will improve their overall math skills; including remediation of skill gaps and demonstrate their new skills using performance-based measurements	Curriculum based assessments Review of student work and classroom assessments (including observations). Exact Path assessment through Edmentum administered to students within the first 30 days and again 30 days prior to exit	Karen Langley; Director of Academics, Teachers at Mount Prospect Academy

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Reading	By June 2021, Mount Prospect Academy will develop and implement a balanced literacy interventions that will enable students to improve their reading and writing skills.	<p>Student will improve their total reading skills as measured by an increase in the reading score on the NWEA</p> <p>Students will increase their reading vocabulary as measured by an increase in the reading score on the Exact Path Reading Assessment.</p> <p>Students will improve their reading comprehension as measured by an increase in the reading score on the Exact Path Reading Assessment.</p> <p>Students will increase the written language skills by:</p> <ul style="list-style-type: none"> Improving paragraph construction Improving usage of capitalization and punctuation Improving their ability to effectively communicate an idea to the reader 	<p>Curriculum Based Measurements to measure reading fluency and comprehension</p> <p>Thorough review of intake documentation; such as previous academic achievement scores, Smarter Balanced Assessment scores, previous report cards etc.</p> <p>Voyager Reading Series placement test.</p> <p>Classroom assessments (including observations) focusing on reading and writing</p> <p>Corrective Reading assessment and instruction for students struggling with improving their reading skills. This series also has a writing component</p> <p>Exact Path Reading Assessment administered to all students within the first 30 days after intake and 30 days prior to exiting the program.</p>	Karen Langley; Director of Academics, Teachers at Mount Prospect Academy
Vocational Outcomes				
Transition	By June 2021, Mount Prospect Academy will implement the NH Trails Curriculum the Life Career Education (LCE) curriculum to increase student's	<p>Students will focus on three domains: Personal and Social Skills, Daily Living Skills and Career and Education</p> <p>Students will gain skills necessary for living on their own i.e.,</p>	<p>Pre/Post NH Trails Skills & Needs Assessment</p> <p>Adult Living Plan</p> <p>CHOICES Vocational</p>	Karen Langley, Director of Academics

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

	vocational and independent living skills	<ul style="list-style-type: none"> • Renting an apartment • Grocery shopping • Maintaining a checkbook • Being on time for work • Paying bills on time • Filling out job applications • Identify community resources • Take the vocational assessment and explore possible career opportunities • Cash versus credit 	<p>Assessment</p> <p>Casey Family of Services Assessments</p>	
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Mount Prospect Academy
Institution Name**2. Scope of Project****A. Students to Be Served**

Using current data as a basis, estimate the number of students who will participate in the Title I Part D, Subpart 1 program's instructional and support related components each SY year 2018-2021. These numbers can be updated as part of subsequent program renewals.

Ages	Reading	Mathematics		
5 – 10 years old	0	0		
11 – 15 years old	90	90		
16 – 18 years old	135	135		
19+ years old	5	5		

B. Staff Paid with Title I, Part D, Subpart 1 Funds

Using the chart below describe the staff to be paid with these funds.

Number	FTE (fulltime equivalent)	Responsibility/Job Title	Certification or other Qualification Required for Position	Each Estimated Salary
1	1	Literacy Intervention Specialist	Bachelor's Degree and Teacher certification	50,000 plus benefits
1	1	School to Work Coordinator	Bachelor's Degree	50,000 plus benefits
1	1	Math Intervention Specialist	Bachelor's Degree or Teacher Certification	45,000 plus benefits
1	1	Independent Living and Transition Coordinator	Bachelor's Degree	50,000 plus benefits

C. Transition Coordinator

Designate an individual or individuals to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs.

Denise Castonguay
Name of Individual

Independent Living and Transition Coordinator
Title of Individual

Name of Individual

Title of Individual

D. Staff/Student Ratio's:

Total students provided T1 D support 235 divided by Total T1 D staff FTE 55 = 4 to 1

Mount Prospect Academy
Institution Name

E. Program Description: (Use additional space as needed)

- 1) *Describe the program in sufficient detail such that a teacher implementing this project and/or parents/guardians or persons visiting would know what to expect.*

Mount Prospect Academy is a year-round approved special education non-public school. Our student population includes both students who are identified as having an educational disability and students who are not identified as having an educational disability. Mount Prospect believes in an approach that focuses on the student's overall growth and development, with the assumption that, across the board, growth and development will positively influence the student's ability to address specific issues in his life. For this reason, we have developed an array of services that encompass the broad psychological, behavioral, academic, social, and vocational needs of our students. These services include behavior modification and behavior management, crisis intervention, mindfulness education, regular and special education, vocational and pre-vocational education, experiential education and transitional living and life skills development.

In addition to academic and special education needs, a typical Mount Prospect Academy student profile is likely to include many of the following:

- Adjudication – court placement
- Crimes against persons; including sexual offending, fire setting and physical aggression
- History of severe abuse/neglect, often resulting in abuse-reactive behavior
- History of significant trauma
- Oppositional Defiant Disorder, Conduct Disorder, Attention Deficit Hyperactivity Disorder
- Other psychiatric disorders including anxiety, post-traumatic stress disorder, bipolar, and depression
- Self-mutilation
- History of suicide attempts/thoughts
- History of alcohol and drug abuse
- Enuresis/Encopresis
- Dysfunctional, disrupted families
- Chronic runaway
- Crimes against property including theft and vandalism

The uniqueness of Mount Prospect Academy resides in the nature of its student population and in its attempt to address their maladaptive behaviors and skill deficits through personalized learning that includes a standards-based academic program, special education and a comprehensive career and technical preparation experience.

All of these strands are woven together to help each student become a healthy and productive citizen. The importance of what we attempt to accomplish with the individual and for the community at large cannot be overemphasized. Our residential facilities are a few of the limited number of facilities in the United States, which attempts to treat behaviors that are recognized by society as perhaps the most destructive of all. Our hope for success lies in the balance of these approaches and in the recognition that there are many ways in which to connect with a student and to help him develop the empathy necessary to alter the course of his life.

How do we measure success with our student? What are desirable outcomes? Due to the complex nature of the student population, and the multiple needs of each student, measuring success has many components. What do we need to do to return students to their families and communities so that everyone is safe, and students live productive lives? Effective skill development, both academic and

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

social, are a major emphasis at Mount Prospect Academy. Through the many strands of our program, we attempt to reach our students, to help them develop empathy, to help them recognize the triggers for their behavior and their reaction to those triggers, to manage their anger and to help them build genuine self-esteem along with increasing their academic skills. For our students who are identified as having an educational disability, academic achievement is measured in terms of accomplishing the goals and objectives identified on their Individual Education Plan as well as their progress in mastering the competencies identified in the curriculum standards. The success of our students who are not identified as having an educational disability is measured in the amount of growth shown in demonstrating competency in meeting the Curriculum Standards.

Mount Prospect Academy students are provided with a curriculum that integrates the NH State Standards and the Common Core standards. Students undergo assessments for basic skills shortly after their intake at Mount Prospect. Teachers quickly observe and record a student's ability to read, comprehend, write and perform basic mathematical functions. Then the teachers focus on the areas in which the student needs help, individualizing to meet both IEP objectives and observed deficiencies in core subject areas.

To an at-risk student, regaining the educational ground they have lost over the years can seem an insurmountable task. Without options to regain lost credits—effective options that keep them from having to retake class with much younger students—they may see dropping out of school as their only recourse. Many of the students we currently serve move throughout the system and often cannot earn the credits necessary to obtain their high school diploma.

Mount Prospect Academy has implemented the use of Edmentum PLATO Courseware and more recently, VLACS, as part of our credit recovery program. PLATO Learning Environment and VLACS are effective credit recovery solutions. PLATO and VLACS curriculum gives students a needed alternative and second chance to learn online and be challenged by rigorous, standards-driven content.

PLATO Learning Environment is self-paced and put in real-world context and coupled with offline activities and Internet resources that reinforce learning in areas of greatest weakness. VLACS is a state-approved Charter Public school that offers students an opportunity to participate in an online educational experience. Both of these options allows students to complete course requirements more rapidly, recover credits, regain self-confidence, and graduate on time.

We recently began to administer Exact Path, a computerized assessment program offered through Edmentum that assesses a student's Reading, Math and Language skills. We will use this data, along with the curriculum-based assessments data to monitor student progress and determine which students would benefit from the additional supports offered through Title I.

Title I will enhance and supplement the services already being provided at Mount Prospect Academy by providing intensive small group and one-on-one instruction that is necessary to bring students with deficits in literacy and mathematics closer to grade level. The Reading and Math Intervention Specialists will provide assistance both in and out of the classroom to our Tier 2 and Tier 3 students to support their understanding of the material being presented.

2) Describe function of major personnel such as home/school coordinators. (Attached job descriptions are appreciated)

Mount Prospect Academy's Independent Living and Transition coordinator provides oversight and guidance to the Independent Living support faculty and to the treatment teams to ensure assessments are being done in a timely manner and the curriculum is being delivered as intended. This individual also oversees the development of Extended Learning Opportunities (ELO's) and is fostering relationships with

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

many businesses and organizations within our community to enhance student opportunities for educational and work opportunities.

The School-to-Work Coordinator's primary responsibility will be to oversee internship and employment sites within the community. The internship sites will be Department of Labor approved non-paid sites to use as an assessment site to determine if a student can consistently demonstrate the skills necessary to be successful in a paid job. Another responsibility of the School to Work Coordinator will be to find paid employment in the community for students whose team has determined they have met the expectations necessary to be employed at a community-based site. We have had more and more students enter our program who will turn 18 and need to live on their own. They need to obtain employment so they can save money to be able to afford a place to live when they are no longer in our program. We have had students obtain employment at the Common Man restaurant, Owl's Nest, Loon Mountain, Subway, McDonald's, Burger King, Walmart and Dunkin Donuts. The School-to-Work Coordinator monitors the student's progress, communicates with the employer and the student's team or assist in opening and managing the student's bank accounts to ensure they will have adequate funds upon their exiting from the program.

- 3) *Describe any additional services, beyond instruction, for children and youth provided with these funds such as career counseling; etc.*

Beginning last year our program is supporting the inclusion of a faculty person in each classroom who works with the core teachers, the academic case manager and behavioral support personnel. These individuals administer comprehensive assessments and provide instruction in three major domains; Personal and Social Skills, Education and Career Skills and Daily Living Skills to all students enrolled in our program. Students have gone on tours of Job Corps, not only in Manchester but also Devens, MA and Vergennes, VT. Students have gone on tours of several colleges including UNH, SNHU, NHTI, Colby Sawyer and Plymouth University. Each student also completes a career assessment.

F. Transition Services:

- 1) *Identify (by dollar amount) the financial reserves (must be between 15-30 percent of allocated funds) which will be used to provide transitional education services for neglected or delinquent children and youth. It is required to set-aside a minimum of 15% and a maximum of 30% (each program year) of your dollars for this purpose.*

\$55,383.60 will be in reserve to provide transitional educational services.

- 2) *Describe how the above reserved funds will be used for transitional educational services (i.e. to re-enter school successfully or preparation for employment).*

These funds are used for transition in the following ways: onsite transition planning, course materials, software, and assessment to provide classroom activities on pre-employment aptitude and interest building; workplace social and behavioral skill-building; guidance services, GED/HiSet preparation, and assessments; developing transition plans; assisting with transfer from the institution; providing referrals; teaching money management skills; teaching how to access community and agency resources; and assisting with college and career information.

Mount Prospect Academy
Institution Name

G. Professional Development:

- 1) List the major **NEEDS** of the *Title I staff and institution staff* relating to the objectives of the Title I project that can be met by in-service training programs.

The primary focus of our professional development for the 2020-2021 academic year is improved student learning, engagement and assessment. Mount Prospect Academy teachers are developing unit plans that concentrate on key concepts and integrate literacy into their content areas. This year we will focus on the data that we are using in making our decisions regarding student learning. The teachers need to be able to answer the questions, using the data they are gathering, "How do you know the students learned the information? How are they demonstrating that they have learned the information being taught?" We are also looking at the brain, brain development and how students learn, particularly the population of students that we serve. Over 90% of the students who attend Mount Prospect Academy have experienced some type of trauma in their lives. Another focus of the professional development training will be looking at student behavior and the data that we are collecting around student behavior and school culture.

- 2) Describe all staff development activities to be funded by this grant. PD activities for 2019-2020 only. Activities will be updated each year with the budget summary. (How many hours of training, when, for whom, and what topics will be covered?) Include a timeline.

No funds are being requested for Professional Development through this grant. Mount Prospect Academy provides the Professional Development training throughout the calendar year.

H. Coordination:

Describe how the program/s will be coordinated with other appropriate State and Federal programs, such as Vocational Education, Special Education, Work Force Investment Act and local dropout prevention programs. If applicable grade levels, describe how the institution will endeavor to coordinate with local businesses for training and mentoring opportunities for participating youth.

Mount Prospect Academy has an extensive vocational training and applied learning program that involves not only on-site but off-site job training. This is the result of coordinated effort with many local businesses. Career development and awareness, emphasizing transition back to the community, are integrated through the NH Trails and LCE curriculum, classroom work, on-campus work, and off-campus work experiences in local businesses. The current Transition and Independent Living Coordinator position will be expanded to include a focus on transition incorporating the independent living skills that the students are learning within the classroom. This person, along with the treatment teams, will assist in the creation of individualized transition plans for each student.

The Automotive, Wood Technology and Culinary Arts experiential classes at Mount Prospect Academy are completely funded by Mount Prospect Academy, not through federal grants. Mount Prospect Academy also funds the positions of Executive Directors, Milieu Clinicians and Permanency Coordinators, who do extensive work with transition: individually, in groups, and with family systems. Mount Prospect Academy also funds seven special education case managers who work with students on their learning needs and also work on the educational transition of our students.

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Mount Prospect Academy, Inc.

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

We believe that by combining special education services with the information the teachers can gain through the professional development that is offered throughout the calendar year, that all of our students will make considerable gains; academically and behaviorally.

Mount Prospect Academy- Academic Year
Institution Name**I. Budget Narrative**

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2019-2021. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	Independent Living and Transition Coordinator salary - \$50,000/year plus \$16,325 for benefits- payroll taxes (7.65%), workmen's comp (20%), medical & dental (5%)	\$41,667 academic year salary plus \$13,604.16 benefits
Academic Year Budget	Literacy Intervention Specialist salary-\$50,000 plus \$16,325 for benefits: plus benefits (\$1) payroll taxes (7.65%), workmen's comp (20%), medical & dental (5%)	\$41,667 academic year salary plus \$ 13,604.16 benefits
	School to Work Coordinator salary- \$50,000/year plus \$16,325 for benefits payroll taxes (7.65%), workmen's comp (20%), medical & dental (5%)	\$41,667 academic year salary plus \$ 13,604.16 benefits
	Math Intervention Specialist- \$45,000 plus \$14,693 for benefits payroll taxes (7.65%), workmen's comp (20%), medical & dental (5%)	\$37,500 academic year salary plus \$12,244.16 benefits
		Total Salaries and Benefits: \$215,557.64
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>		
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	Edmentum PLATO courses and Exact Path Assessments	\$8500
	Life Centered Education- 10 licenses and up to 200 students.	\$2340

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

Books <i>Detail purchases (ex. #@&). Explain the connection between purchases and the activities in the application.</i>	Books for the Library	\$1500
Equipment <i>Attach a justification for each item to be purchased.</i>	Twenty Chromebooks to support alternative course options for students- \$350 each 5 charging carts @ \$250 each	\$8250
Professional Development Activities		
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>		
Administration		
Total Costs		\$236,147.64

Mount Prospect Academy- Summer 2020
Institution Name**I. Budget Narrative**

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2019-2021. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i> Summer Budget	Independent Living and Transition Coordinator salary - \$50,000/year plus \$16,325 for benefits- payroll taxes (7.65%), workmen's comp (20%), medical\$ dental (5%) Literacy Intervention Specialist salary-\$50,000 plus \$16,325 for benefits: plus benefits (\$1) payroll taxes (7.65%), workmen's comp (20%), medical & dental (5%) School to Work Coordinator salary- \$50,000/year plus \$16,325 for benefits payroll taxes (7.65%), workmen's comp (20%), medical\$ dental (5%) Math Intervention Specialist- \$45,000 plus \$14,693 for benefits payroll taxes (7.65%), workmen's comp (20%), medical\$ dental (5%)	\$8333 summer salary plus \$2720.84 benefits \$8333 summer salary plus \$2720.84 benefits \$8333 summer salary plus \$2720.84 benefits \$7500 summer salary plus \$2448.84 benefits Total Salaries and Benefits: \$43,110.36
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>		

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>		
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>		
Equipment <i>Attach a justification for each item to be purchased.</i>		
Professional Development Activities		
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>		
Administration		
Total Costs		\$43,110.36

Total Amount for Academic Year and Summer: \$279,258

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New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT C



Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Other funds (Department of Education).
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.0. et seq.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to kali.giovanditto@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
Division for Children, Youth and Families
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, and Exhibit B-1, Institutional Level Application, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been

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New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)

EXHIBIT C



satisfactorily completed in accordance with the terms and conditions of this agreement.

11. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if **any** of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

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**Exhibit C-1, Budget Sheet
DCYF Title I Program
2019-2020 School Year
(SFY20) Budget**

MPA

Line Item	Amount
Salaries	\$215,558
Contracted Services - Curriculum consultant for math and reading	
Professional Development Activities	
Books	\$1,500
supplies and materials	\$10,840
Other (Administration)	
Total	\$236,148

**Exhibit C-2, Budget Sheet
DCYF Title I Program
2019-2020 Summer School
(SFY21) Budget**

MPA

Line Item	Amount
Salaries	\$215,558
Contracted Services - Curriculum consultant for math and reading	
Professional Development Activities	
Books	\$1,500
supplies and materials	\$10,840
Other (Administration)	
Total	\$236,148



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name:

4/9/20
Date

Karen Langley
Name: Karen Langley
Title: Director of Academics



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

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

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

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

Vendor Name:

4/9/20
Date

Karen Langley
Name: Karen Langley
Title: Director of Academics



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

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



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

4/9/20
Date

Karen Langley
Name: Karen Langley
Title: Director of Academics

KL
Date 4/9/20



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

KQ

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

4/9/20
Date

Karen Langley
Name: Karen Langley
Title: Director of Academics

Exhibit G

Vendor Initials

KR

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

4/9/20
Date

Karen Langley
Name: Karen Langley
Title: Director of Academics

State of New Hampshire

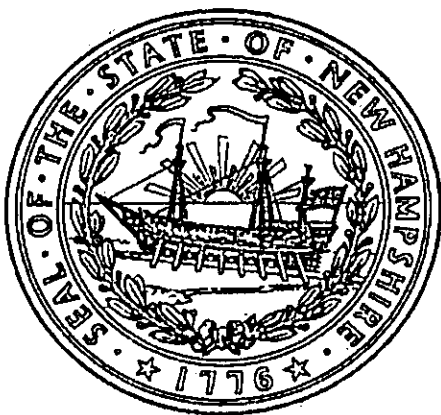
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MOUNT PROSPECT ACADEMY, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on December 24, 2002. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 423309

Certificate Number: 0004890176



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of April A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

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

1. I am a duly elected Clerk/Secretary/Officer of Mount Prospect Academy
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on MARCH 25, 2020, at which a quorum of the Directors/shareholders were present and voting.
(Date)

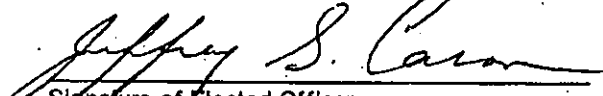
VOTED: That Karen Langley- Director of Academics or James Marshall- Head of Schools (may list more than one person)
(Name and Title of Contract Signatory)

Is duly authorized on behalf of Mount Prospect Academy to enter into contracts or agreements with the State
(Name of Corporation/LLC)

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

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

Dated: April 9 2020


Signature of Elected Officer
Name: Jeffrey Caron
Title: President



BECKFAM-01

ARUDIO

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/9/2020

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

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

PRODUCER Kinney Pike Insurance Inc. 1011 North Main Street, Suite 4 White River Junction, VT 05001	CONTACT Sandra Delisle	
	PHONE (AC, No, Ext): (800) 296-5722 3756	FAX (AC, No): (802) 296-6126
INSURED Becket Academy, Inc. PO Box 325 Orford, NH 03777	E-MAIL Address: sdelisle@kinneypike.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Philadelphia Indemn Insurance	NAIC # 18058
	INSURER B: Maine Employers Mutual	11149
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR VVO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> molest/prof 1/3 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:			PHPK2007722	7/7/2019	7/7/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2006214	7/7/2019	7/7/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB3684537	7/7/2019	7/7/2020	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ Aggregate \$ 4,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	5101800529	7/7/2019	7/7/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Workers Compensation statutory coverage applies in ME, MA, VT & NH. No excluded officers.

CERTIFICATE HOLDER

CANCELLATION

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

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

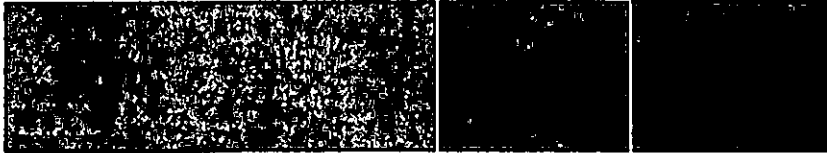
AUTHORIZED REPRESENTATIVE



MISSION STATEMENT

Our Mission

➤ MPA'S MISSION IS TO PROVIDE A CARING, SAFE THERAPEUTIC ENVIRONMENT WHERE STUDENTS HAVE THE OPPORTUNITY TO GROW AND ACQUIRE THE SKILLS THEY NEED TO REACH THEIR EDUCATIONAL AND SOCIAL POTENTIAL. WE AIM TO DEVELOP TRUSTING RELATIONSHIPS WITH STUDENTS AND FACILITATE EXPERIENCES THAT PROMOTE THEIR ABILITY TO SELF-REGULATE; MANAGE THOUGHTS AND FEELINGS; AND DEVELOP FEELINGS OF SAFETY, CONFIDENCE, AND COMPETENCY.



CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTARY INFORMATION

June 30, 2019

With Independent Auditor's Report





INDEPENDENT AUDITOR'S REPORT

Boards of Trustees
Becket Academy, Inc. and Affiliates

We have audited the accompanying consolidated financial statements of Becket Academy, Inc. and Affiliates (the Organization), which comprise the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities 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 (U.S. GAAP); this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the 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 Becket Academy, Inc. and Affiliates as of June 30, 2019, and the consolidated changes in their net assets and their cash flows for the year then ended in accordance with U.S. GAAP.

Other Matter

Change in Accounting Principle

As discussed in Note 1 to the consolidated financial statements, in 2019 the Organization adopted Financial Accounting Standards Board Accounting Standards Update No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958). Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating schedules are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual entities and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with 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
November 15, 2019

BECKET ACADEMY, INC. AND AFFILIATES
Consolidated Statement of Financial Position

June 30, 2019

ASSETS

Current assets	
Cash and cash equivalents	\$ 7,337,037
Tuition and fees receivable, net of allowance for doubtful accounts of \$120,000	8,086,336
Note receivable	23,000
Prepaid expenses	<u>384,102</u>
Total current assets	<u>15,792,475</u>
Property and equipment	
Land and land improvements	4,215,928
Buildings and building improvements	24,133,328
Leasehold improvements	5,213,787
Vehicles and equipment	5,140,735
Furniture and fixtures	2,298,023
Construction-in-progress	<u>855,606</u>
	41,857,407
Less accumulated depreciation	<u>12,120,800</u>
Net property and equipment	<u>29,736,607</u>
Other assets	
Replacement reserves	<u>15,024</u>
Total assets	<u>\$ 45,544,106</u>

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

LIABILITIES AND NET ASSETS

Current liabilities	
Current portion of long-term debt	\$ 1,212,000
Accounts payable	1,315,910
Accrued expenses	3,384,686
Prepaid tuition	222,639
Estimated third-party payor settlements	<u>194,191</u>
Total current liabilities	6,329,526
Long-term debt, net of current portion and unamortized deferred costs	<u>15,828,682</u>
Total liabilities	22,158,308
Net assets without donor restrictions	<u>23,385,798</u>

Total liabilities and net assets \$ 45,544,106

BECKET ACADEMY, INC. AND AFFILIATES

Consolidated Statement of Activities

Year Ended June 30, 2019

Changes in net assets without donor restrictions	
Revenue and support	
Tuition, fees and other support, net	\$ 78,485,814
State nutrition program	165,391
Other revenue	<u>567,948</u>
Total revenue and support	<u>77,198,953</u>
Expenses	
Program expenses	
Education and home life	63,716,728
Supporting expenses	
General administration	<u>11,593,803</u>
Total expenses	<u>75,310,531</u>
Loss on sale and disposal of property and equipment	<u>(224,639)</u>
Total change in net assets	1,663,783
Net assets, beginning of year	<u>21,722,015</u>
Net assets, end of year	<u>\$ 23,385,798</u>

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

BECKET ACADEMY, INC. AND AFFILIATES

Consolidated Statement of Cash Flows

Year Ended June 30, 2019

Cash flows from operating activities	
Change in net assets	\$ 1,883,783
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	2,047,084
Loss on sale and disposal of property and equipment	224,839
Change in allowance for doubtful accounts	(108,000)
(Increase) decrease in	
Tuition and fees receivable	(887,245)
Prepaid expenses	(183,332)
Note receivable	25,000
Increase (decrease) in	
Accounts payable	205,478
Accrued expenses	824,481
Prepaid tuition	(77,782)
Estimated third-party payor settlements	(105,363)
Net cash provided by operating activities	<u>4,244,751</u>
Cash flows from investing activities	
Increase in replacement reserve	(3,577)
Proceeds from sale of property and equipment	750,934
Purchase of property and equipment	(6,480,384)
Decrease in assets whose use is limited	<u>82,052</u>
Net cash used by investing activities	<u>(5,650,895)</u>
Cash flows from financing activities	
Proceeds from long-term borrowings	5,828,940
Principal payments on long-term borrowings	<u>(2,659,822)</u>
Net cash provided by financing activities	<u>3,169,118</u>
Net increase in cash and cash equivalents	1,762,904
Cash and cash equivalents, beginning of year	<u>6,574,133</u>
Cash and cash equivalents, end of year	<u>\$ 7,337,037</u>
<u>Supplemental disclosures</u>	
Noncash investing and financing transactions	
Acquisition of property and equipment with issuance of long-term debt to seller's financing company	<u>\$ 1,048,000</u>

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

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Nature of Business

Becket Academy, Inc. and Affiliates (the Organization) provides community-based and residential treatment and education services to children, adolescents and adults through various schools and programs. The programs provided jointly market themselves as the Becket Family of Services with the exception of Mountain Valley Treatment Center (MVTC).

Becket Academy, Inc. (Becket) is a not-for-profit corporation incorporated under provisions of the laws of the State of Maine with residential programs at locations in Gorham, Belgrade, Lewiston, Auburn and Litchfield, Maine, and Hampton, New Hampshire. Becket operates two region based special purpose schools to serve the residents at the programs and community students in need of specialized academic services. Becket also operates adult group homes in Maine, Massachusetts and New Hampshire.

MVTC is a not-for-profit corporation incorporated under provisions of the laws of the State of Maine. Becket is its sole member and they are currently governed by the same Board of Trustees. MVTC provides residential treatment for adolescents struggling with anxiety disorders at locations in Plainfield, New Hampshire.

Mount Prospect Academy (MPA) is a not-for-profit corporation incorporated under provisions of the General Statutes of the State of New Hampshire. MPA has a self-perpetuating Board of Trustees completely separate from the Board which governs Becket. MPA is licensed by the State of New Hampshire and operates a residential school in Plymouth, New Hampshire, and several affiliated group homes in Rumney, Warren, Pike and Campton, New Hampshire. MPA also provides comprehensive in-home and community support services to families in New Hampshire and northeastern Massachusetts under the name Project Connect and Solid Foundations. Effective July 1, 2019, ownership of all New Hampshire child care facilities owned by Becket or Vermont Permanency Initiative (VPI) was transferred to MPA.

VPI is a not-for-profit corporation incorporated under provisions of the General Statutes of the State of Vermont. VPI operates the New England School for Girls and Vermont School for Girls, a residential treatment program for girls operated in Bennington, Vermont. VPI also operates the Vermont Assessment Center in Newbury, Vermont, and residential homes in Pike, New Hampshire. VPI offers community based support to youth and families in Vermont through the trade name Vermont Support & Stabilization. VPI has a self-perpetuating Board of Trustees that is comprised of the same members as MPA, and completely separate from the Board which governs Becket and MVTC.

U.S. generally accepted accounting principles (U.S. GAAP) require consolidation of related organizations when common control and economic dependency exists. At June 30, 2019, common control exists between Becket and MVTC, and between MPA and VPI however, common control did not exist across all entities. Despite the division of control among these various entities, economic dependency remains. As such, consolidation of all entities in 2019 is allowed but not required.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

1. Summary of Significant Accounting Policies

Recently Adopted Accounting Pronouncement

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), which makes targeted changes to the not-for-profit financial reporting model. The ASU marks the completion of the first phase of a larger project aimed at improving not-for-profit financial reporting. Under the ASU, net asset reporting is streamlined and clarified. The previous three category classification of net assets is replaced with a simplified model that combines temporarily restricted and permanently restricted into a single category called "net assets with donor restrictions." The guidance for classifying deficiencies in endowment funds and on accounting for the lapsing of restrictions on gifts to acquire property, plant, and equipment has also been simplified and clarified. New disclosures highlight restrictions on the use of resources that make otherwise liquid assets unavailable for meeting near-term financial requirements. The ASU also imposes several new requirements related to reporting expenses, including the addition of a statement of functional expenses for the year ended June 30, 2019. The ASU was adopted by the Organization for the year ended June 30, 2019. The adoption of the ASU had no impact beginning net assets.

Principles of Consolidation

The consolidated financial statements include the activity of Becket, MPA, MVTC and VPI. All material intercompany transactions and balances have been eliminated in consolidation.

Basis of Presentation

The accompanying consolidated financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. The Organization reports its activities and net assets in two classes: net assets without donor restriction and net assets with donor restriction.

Revenues are reported as increases in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Expirations of temporary restrictions on net assets (that is, situations in which the donor-imposed stipulated purpose has been accomplished and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization had no net assets with donor restrictions as of June 30, 2019.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Use of Estimates

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

Cash and Cash Equivalents

All highly liquid investments without donor restrictions and with an original maturity of three months or less are considered to be cash equivalents.

The Organization maintains its cash and certificates of deposit in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant risk with respect to these accounts.

Tuition and Fees Receivable

Tuition and fees receivable are stated at the amount the Organization expects to collect from outstanding balances, net of discounts of \$281,752 in 2019.

The Organization provides for probable uncollectible amounts through a charge to current-year earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Organization has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Property and Equipment

Property and equipment are stated at cost or, if donated, at the fair market value at the date of donation. Expenditures for repairs and maintenance are expensed when incurred, and betterments and assets purchased in excess of \$1,000 are considered for capitalization.

Depreciation of property and equipment is charged against operations using the straight-line method over the estimated useful lives of these assets, as follows:

	<u>Years</u>
Land improvements	7 - 10
Buildings and building improvements	7 - 30
Leasehold improvements	5 - 25
Vehicles and equipment	3 - 5
Furniture and fixtures	2 - 15

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

When assets are sold or disposed of, the related cost and accumulated depreciation and amortization are removed from the respective accounts, and any resulting gain or loss is included in the consolidated statement of activities.

Replacement Reserves

Becket has a mortgage note payable to Maine State Housing Authority (MSHA). This mortgage note requires Becket to maintain a replacement reserve fund in a separate account for the purpose of providing a cash reserve for future property replacement needs. This restricted amount is classified as "replacement reserves" in the consolidated statement of financial position and is generally not available for routine operating expenses.

Deferred Costs

Certain costs related to long-term debt, such as accountants, attorneys and underwriting fees, are capitalized and amortized on a straight-line basis over the lives of the respective debt issues. As of June 30, 2019, the Organization had \$297,966 in unamortized deferred costs presented as a direct deduction from the carrying amount of the related long-term debt. In addition, the amortization of the unamortized deferred costs is included with interest expense.

Tuition, Fees and Other Changes in Net Assets

Tuition, Fees and other support are recorded as increases in net assets without donor restrictions at the time the services are provided. In some circumstances, tuition revenues are received prior to the school year and are recorded as a current liability under prepaid tuition.

Expenses are reported as decreases in net assets without donor restriction. Gains and losses on other assets and liabilities are reported as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor restriction or by law. Expirations of temporary restrictions, if any, on net assets by fulfillment of the donor-stipulated purpose or by passage of the stipulated time period are reported as reclassifications between the applicable classes of net assets.

Additionally, the Organization has contractual arrangements with the Maine Department of Health and Human Services (DHHS) to render services to qualifying residents under certain cost-based and fee-for-service reimbursement programs which may result in the Organization receiving payments for such services which differ from the standard charges. The Organization records its revenue at the net amount expected to be paid by DHHS based upon established rates.

Income Taxes

The entities comprising the Organization are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code), whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to federal income tax.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Allocation of Costs

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

Advertising

The Organization follows the policy of charging the costs of advertising to expense as incurred. Advertising expense totaled \$489,094 in 2019.

2. Availability and Liquidity of Financial Assets

As of June 30, 2019, the Organization had working capital of \$9,462,849 and average days (based on normal expenditures) cash and cash equivalents on hand of 37.

Financial assets and liquidity resources available within one year for general expenditures, such as operating expenses and scheduled principal payments on debt, were as follows as of June 30:

Cash and cash equivalents	\$ 7,337,037
Tuition and fees receivable	<u>8,066,336</u>
Financial assets available at year end for current use	<u>\$15,403,373</u>

The Organization has replacement reserves which are for restricted use and subject to MSHA approval. As a result, these replacement reserves are not considered available for general expenditure within the next year and are not reflected in the amount above.

The goal for the Organization is to maintain a balanced budget while meeting the requirements of the various financing authorities.

3. Significant Concentrations and Estimated Third-Party Payer Settlements

Approximately 20% of the revenue recorded during 2019 was from beneficiaries of the New Hampshire Medicaid program.

Approximately 17% of the revenue recorded during 2019 was from the Massachusetts Department of Mental Health and Developmental Services.

Approximately 12% of the revenue recorded during 2019 was from beneficiaries of the Maine Medicaid (MaineCare) program. Under all but one Becket program that is cost reimbursed, but currently has no MaineCare residents, the Organization is reimbursed for the care of qualified residents at specified fee for service rates during the year. The rates are established by the MaineCare program and the programs must still follow the Principles of Reimbursement (the Principles) governing the respective programs.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

The consolidated financial statements reflect estimated settlements due under the MaineCare program from prior years. Although management expects to receive the estimated amounts, different interpretations of the governing Principles by regulatory authorities could result in subsequent adjustments. Settlements do not become final until cost reports are audited and approved by DHHS. Differences between estimated and actual settlements are recorded as contractual adjustments in the year of final determination.

The estimated balance due to MaineCare was \$194,191 as of June 30, 2019, relating to balances from prior years currently under appeal.

Due to the concentration of clients who receive benefits from the various state Medicaid reimbursement programs, the Organization is highly dependent upon regulatory authorities establishing reimbursement rates that are adequate to sustain the Organization's operations.

In February 2019, the Organization was the subject of a review by one of its third-party insurance providers that involved an assessment of MVTC's medical records. The third-party insurance provider contends MVTC failed to comply with certain documentation requirements related to the services provided. The Organization is currently in negotiations with the third-party insurance provider to resolve this matter. A reserve for potential recoupments has been recorded and is included with accrued expenses on the balance sheet.

4. Note Receivable

The note receivable consists of the following:

Becket Academy, Inc.

Note receivable from an employee bearing interest of 5% annually.
Payments of \$25,000, plus accrued interest, on June 30,
annually through 2020. If the employee remains employed by
Becket on the day such payments are due, the payment amount
shall be forgiven.

\$ 25,000

5. Lines of Credit

Becket holds a line of credit agreement with Berkshire Bank under which Berkshire Bank agrees to advance up to \$250,000 to Becket upon request. Monies advanced accrue interest at the rate of *The Wall Street Journal's* prime rate plus 0.5% (6% as of June 30, 2019). The line of credit is collateralized by a security interest in all assets of Becket. There was no balance outstanding as of June 30, 2019.

VPI holds a line of credit agreement with Passumpsic Savings Bank under which Passumpsic Savings Bank agrees to advance up to \$250,000 to VPI upon request. Monies advanced accrue interest at the rate of 6.50%. There was no balance outstanding as of June 30, 2019. The line of credit is collateralized by various real estate in Bennington and Newbury, Vermont.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

6. Long-Term Debt

Long-term debt consists of the following:

Becket Academy, Inc.

Note payable to MSHA, due in monthly installments of \$2,661, including interest at 7.0%, through April 2032; collateralized by land, buildings and equipment in Litchfield, Maine.	\$ 260,068
Note payable to MSHA, due in monthly installments of \$1,830, including interest at 7.0%, through October 2029; collateralized by real estate in Lewiston, Maine.	161,847
Note payable to MSHA, due in monthly installments of \$1,830, including interest at 5.5%, through December 2030; collateralized by real estate in Lewiston, Maine.	79,255
Note payable to Berkshire Bank, due in monthly installments of \$22,891, including interest at LIBOR plus 2.50% (4.94% at June 30, 2019), through July 2025, at which time the remaining balance is due in full; collateralized by real estate in New Hampshire, Maine, and Massachusetts.	3,946,151
Note payable to Berkshire Bank, due in monthly installments of \$6,477, including interest at the adjusted LIBOR rate plus 2.5% (4.94% as of June 30, 2019), through January 2025, at which time the remaining balance is due in full; collateralized by real estate in New Hampshire, Maine, and Massachusetts.	960,647
Note payable, due in monthly installments of \$3,805, including interest at 5.0%, through June 2037; collateralized by real estate in Templeton, Massachusetts.	544,000
Construction note payable to Berkshire Bank, advance of up to \$2,000,000 upon request, monthly interest only payments through December 2018 at <i>The Wall Street Journal's</i> prime rate plus 0.5%, principal and interest payments commenced on January 2019, including interest at the adjusted LIBOR rate plus 2.5% (4.94% as of June 30, 2019), through January 2025, at which time the remaining balance is due in full; collateralized by real estate in New Hampshire and Maine.	356,858
Note payable to TD Bank, due in monthly installments of \$1,692, including interest at 5.48%, through December 2030; collateralized by real estate in Conway, New Hampshire.	241,979

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Various vehicle notes payable to financial institutions, due in monthly installments, including interest, ranging from \$325 to \$868, totaling \$19,547. Interest rates range from 0% to 9.50%. Maturities range from July 2019 through June 2023. The notes are collateralized by vehicles.

654,391

Total Becket Academy, Inc.

7,205,186

Mount Prospect Academy, Inc.

Note payable to Passumpsic Savings Bank, due in monthly installments of \$6,737, including interest at 5.25%, through February 2024 at which point monthly payments will increase to \$7,300, including interest at *The Wall Street Journal's* prime rate plus 1% (6.50% at June 30, 2019), through February 2039, at which time the remaining balance is due in full; collateralized by real estate in Campton, Rumney, and Plymouth, New Hampshire.

987,777

Note payable to Passumpsic Savings Bank, due in monthly installments of \$8,374, including interest at 5.25%, through February 2024 at which point monthly payments will increase to \$9,074, including interest at *The Wall Street Journal's* prime rate plus 1% (6.50% at June 30, 2019), through February 2039, at which time the remaining balance is due in full; collateralized by real estate in Campton, Rumney, and Plymouth, New Hampshire.

1,227,707

Note payable to Passumpsic Savings Bank, due in monthly installments of \$9,574, including interest at 5.25%, through February 2024 at which point monthly payments will increase to \$10,374, including interest at *The Wall Street Journal's* prime rate plus 1% (6.50% at June 30, 2019), through February 2039, at which time the remaining balance is due in full; collateralized by real estate in Campton, Rumney, and Plymouth, New Hampshire.

1,403,640

Note payable to Bank of New Hampshire, due in monthly installments of \$1,617, including interest at 8.50%, through December 2023; collateralized by real estate associated with the debt.

75,374

Various vehicle and equipment notes payable to financial institutions, payable in monthly installments, including interest, ranging from \$327 to \$798, totaling \$15,303. Interest rates range from 0% to 7.99%. Maturities range from July 2019 through January 2024. The notes are collateralized by vehicles and equipment.

505,667

Total Mount Prospect Academy, Inc.

4,200,165

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Mountain Valley Treatment Center

Note payable to Berkshire Bank, due in monthly installments of \$11,445, including interest at LIBOR plus 2.50% (4.94% at June 30, 2019), through July 2025, at which time the remaining balance is due in full; collateralized by real estate in New Hampshire, Maine, and Massachusetts.

1,948,031

Various vehicle and equipment notes payable to financial institutions, payable in monthly installments, including interest, ranging from \$393 to \$770, totaling \$8,923. Interest rates range from 0% to 5.79%. Maturities range from July 2019 through August 2024. The notes are collateralized by vehicles and equipment.

219,583

Total Mountain Valley Treatment Center

2,167,614

Vermont Permanency Initiative, Inc.

Construction note payable to Passumpsic Savings Bank, advance of up to \$1,905,000, due in monthly installments of \$12,572, including interest at 4.99%, through May 2038, at which time the remaining balance is due in full; collateralized by various real estate in Bennington and Newbury, Vermont.

1,657,615

Note payable to Passumpsic Savings Bank, due in monthly installments of \$6,001, including interest at 4.99%, through May 2038, at which time the remaining balance is due in full; collateralized by various real estate in Bennington and Newbury, Vermont.

878,129

Construction note payable to Passumpsic Savings Bank, advance of up to \$540,000, due in monthly installments of \$3,564, including interest at 4.99%, through May 2038, at which time the remaining balance is due in full; collateralized by various real estate in Bennington and Newbury, Vermont.

178,112

Note payable to Passumpsic Savings Bank, due in monthly installments of \$2,203, including interest at 4.99%, through May 2038, at which time the remaining balance is due in full; collateralized by various real estate in Bennington and Newbury, Vermont.

322,302

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Note payable to Passumpsic Savings Bank, due in monthly installments of \$659, including interest at 4.99%, through May 2038, at which time the remaining balance is due in full; collateralized by various real estate in Bennington and Newbury, Vermont.	96,498
Various vehicle and equipment notes payable to financial institutions, payable in monthly installments, including interest, ranging from \$303 to \$785, totaling \$21,883. Interest rates range from 0% to 6.39%. Maturities range from March 2018 through April 2022. The notes are collateralized by vehicles and equipment.	<u>633,017</u>
Total Vermont Permanency Initiative, Inc.	<u>3,785,673</u>
	17,338,648
Less: Current portion	1,212,000
Unamortized deferred costs	<u>297,986</u>
Long-term debt, net of current portion and unamortized deferred costs	<u>\$ 15,828,682</u>

Maturities of long-term debt are as follows:

2020	\$ 1,212,000
2021	1,134,000
2022	1,003,000
2023	877,000
2024	591,000
Thereafter	<u>12,521,648</u>
	<u>\$ 17,338,648</u>

Interest expense charged to operations, including amortization of deferred costs of \$16,393, was \$787,801 in 2019. Cash paid for interest approximates interest expense.

7. Commitments and Contingencies

Operating Leases

The Organization leases facilities from various parties, including related parties. All related party leases are at or below fair market value as determined by independent licensed appraisers. Certain facilities used for the operations of the Organization are owned and maintained by entities, trusts or individuals related to senior management of the Organization. Total rent for all leases was \$1,412,451 in 2019. Total rent paid to related parties was \$383,000 in 2019.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

Future minimum lease payments for all non-cancelable leases having a lease term in excess of one year are as follows:

2020	\$ 940,249
2021	463,789
2022	174,918
2023	<u>83,360</u>
Total	<u>\$ 1,662,294</u>

Self-Insurance

The Organization has a self-insured healthcare plan for substantially all of its employees. The Organization has obtained reinsurance coverage to limit its exposure associated with this plan individually of \$75,000 with an aggregate limit of \$5,492,258 of the expected claims. At June 30, 2019, the Organization has accrued \$394,215 under the self-insurance contract, for estimated unpaid claims, which is reported in the Organization's accrued expenses in the consolidated statement of financial position.

Litigation

The Organization is currently involved in other known litigation matters arising in the normal course of business. After consultation with legal counsel, management estimates these litigation matters, to be resolved without a material adverse effect on the Organization's future positions or results of operations.

8. Defined Contribution Retirement Plans

The Organization provides defined contribution retirement plans for eligible employees. All employees aged 21 or older may begin participation in the plans. Years of service requirements range from one to two years depending on the entity. Plan contributions by participants and the Organization range from three percent to five percent of regular salary.

Employer contributions were as follows in 2019:

Becket	\$ 248,303
MPA	162,955
MVTC	52,240
VPI	<u>181,673</u>
Total	<u>\$ 645,171</u>

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

9. Service Provider Tax

The Maine Legislature enacted legislation that repealed the sales tax on certain kinds of services and replaced it with a new Service Provider Tax (SPT). This law imposes a 6% SPT on the "value" (i.e., sales price) of certain services provided in the State, including Private Non-Medical Institutions services and certain clinical and outpatient services. Providers are taxed based on all revenue, regardless of source, received for the purpose of providing food, shelter and treatment. MaineCare is then reimbursing facilities for their portion of the tax by increasing their direct care per diem rate. The portion of the tax paid on revenue generated from private pay residents will not be funded by MaineCare.

Total SPT expense was \$340,703 in 2019.

10. Functional Expenses

The costs of providing the programs are summarized on a functional basis as follows for the year ended June 30, 2019:

	<u>Education and Home Life</u>	<u>General Administration</u>	<u>Total</u>
Salaries and wages	\$ 37,317,892	\$ 6,869,067	\$ 44,186,959
Employee benefits	5,524,883	1,360,777	6,885,660
Payroll taxes	3,203,953	559,529	3,763,482
Transportation and travel	1,432,652	109,898	1,542,550
Professional services	1,176,780	638,408	1,815,188
Food and supplies	3,665,368	379,299	4,044,667
Utilities	1,332,374	58,181	1,388,555
Depreciation	2,567,748	62,943	2,630,691
Interest	400,079	386,822	787,801
Insurance	734,384	12,337	746,721
Rental and repairs expense	3,075,872	137,505	3,213,377
Other	3,283,843	1,021,037	4,304,880
Total	<u>\$ 63,716,728</u>	<u>\$ 11,593,803</u>	<u>\$ 75,310,531</u>

11. Surplus Revenue Retention

The Organization is allowed to retain a portion of any surplus generated by its contracts with the Commonwealth of Massachusetts. During 2016, the Commonwealth of Massachusetts Operational Services Division amended the surplus revenue retention by eliminating the 20% cumulative limits on surplus revenue retention and increasing the annual surplus limit from 5% of current-year contract revenue to 20%. As of June 30, 2019, as a result of the amendment, the Organization did not identify a contingent liability based on the 20% contractor annual surplus revenue retention criteria.

BECKET ACADEMY, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2019

12. Subsequent Events

For purposes of the preparation of these consolidated financial statements in conformity with U.S. GAAP, management has considered transactions or events occurring through November 15, 2019, which is the date that the consolidated financial statements were available to be issued.

Asset purchase agreement with Lifeshare Management Group, LLC

Becket entered into an asset purchase agreement with Lifeshare Management Group, LLC with a closing date of August 1, 2019. Under the agreement, Becket assumes various business assets and contracts related to foster care and community day programs in Maine, New Hampshire, Rhode Island, Florida, and South Carolina. The purchase price of the agreement is \$730,000 which upon acquisition Becket paid \$230,000 in cash and agreed to a \$500,000 promissory note at 6% interest over a 24-month period. There were no liabilities assumed through the acquisition.

SUPPLEMENTARY INFORMATION

BECKET ACADEMY, INC. AND AFFILIATES
Consolidating Statement of Financial Position
June 30, 2019

ASSETS

	Becket Academy, Inc.	Mount Prospect Academy, Inc.	Mountain Valley Treatment Center	Vermont Permanency Initiative	Total	Intercompany Eliminations	Consolidated Total
Current assets							
Cash and cash equivalents	\$ 1,814,176	\$ 2,639,793	\$ 1,010,305	\$ 1,972,783	\$ 7,337,037	\$ -	\$ 7,337,037
Tuition and fees receivable, net	3,582,555	2,622,353	96,771	1,767,237	8,068,916	(2,580)	8,066,336
Current portion of note receivable	293,568	-	-	-	293,568	(268,568)	25,000
Prepaid expenses	270,900	28,042	41,810	14,135	354,102	-	354,102
Total current assets	5,959,899	5,190,088	1,148,886	3,754,135	10,053,023	(271,148)	15,782,475
Property and equipment							
Land and land improvements	1,190,838	1,109,603	813,644	1,001,843	4,215,928	-	4,215,928
Buildings and building improvements	10,290,580	4,964,137	4,028,742	4,851,669	24,133,328	-	24,133,328
Leasehold improvements	2,378,023	1,889,250	771,657	174,657	5,213,787	-	5,213,787
Vehicles and equipment	1,808,827	1,208,131	774,169	1,281,618	5,140,735	-	5,140,735
Furniture and fixtures	1,146,954	418,002	581,064	152,013	2,298,023	-	2,298,023
Construction-in-progress	85,780	414,805	49,784	305,157	855,606	-	855,606
	10,980,982	10,002,028	7,117,240	7,747,157	41,857,407	-	41,857,407
Less accumulated depreciation	3,718,844	3,487,862	2,370,064	1,544,230	12,120,800	-	12,120,800
Net property and equipment	12,272,338	6,514,166	4,747,176	6,202,927	29,736,607	-	29,736,607
Other assets							
Replacement reserves	15,024	-	-	-	15,024	-	15,024
Due from related parties	5,728,889	-	-	-	5,728,889	(5,728,889)	-
Total other assets	5,744,013	-	-	-	5,744,013	(5,728,889)	15,024
Total assets	\$ 23,896,258	\$ 11,704,654	\$ 5,896,071	\$ 9,957,062	\$ 51,644,243	\$ (5,000,137)	\$ 45,544,106

BECKET ACADEMY, INC. AND AFFILIATES
Consolidating Statement of Financial Position (Concluded)

June 30, 2019

LIABILITIES AND NET ASSETS

	Becket Academy, Inc.	Mount Prospect Academy, Inc.	Mountain Valley Treatment Center	Vermont Permanency Initiative	Total	Intercompany Eliminations	Consolidated Total
Current liabilities							
Current portion of long-term debt	\$ 399,000	\$ 291,000	\$ 142,000	\$ 380,000	\$ 1,212,000	\$ -	\$ 1,212,000
Current portion of note payable	-	-	-	268,568	268,568	(268,568)	-
Accounts payable	790,819	198,887	112,305	218,689	1,319,490	(2,680)	1,315,910
Accrued expenses	1,043,020	1,200,294	488,655	662,910	3,394,889	-	3,394,889
Prepaid tuition	-	-	222,639	-	222,639	-	222,639
Estimated third-party payor settlements	194,191	-	-	-	194,191	-	194,191
Total current liabilities	2,426,930	1,690,181	963,690	1,620,073	6,600,774	(271,148)	6,329,626
Long-term liabilities							
Long-term debt, net of current portion and unamortized deferred costs	6,639,400	3,863,613	2,020,797	3,305,863	15,828,682	-	15,828,682
Due to related parties	-	97,599	2,350,048	3,281,342	6,728,989	(5,728,989)	-
Total liabilities	9,065,239	5,640,393	5,336,535	8,107,278	28,158,445	(6,000,137)	22,158,308
Net assets without donor restrictions	14,921,017	8,055,481	559,638	1,849,784	23,385,798	-	23,385,798
 Total liabilities and net assets	 \$ 23,986,256	 \$ 11,704,854	 \$ 6,896,071	 \$ 9,957,062	 \$ 51,544,243	 \$ (6,000,137)	 \$ 45,544,106

BECKET ACADEMY, INC. AND AFFILIATES

Consolidating Statement of Activities

Year Ended June 30, 2019

	Becket Academy, Inc.	Mount Prospect Academy, Inc.	Mountain Valley Treatment Center	Vermont Paroisse Initiative	Total	Intercompany Eliminations	Consolidated Total
Changes in net assets without donor restrictions							
Revenue and support							
Tuition, fees and other support, net	\$ 32,275,935	\$ 20,356,354	\$ 7,048,001	\$ 18,786,324	\$ 78,466,614	\$ -	\$ 78,466,614
State nutrition program	82,360	103,041	-	-	185,401	-	185,401
Management fees	1,120,086	-	-	-	1,120,086	(1,120,086)	-
Other revenue	330,929	82,314	212,497	75,875	701,615	(132,884)	568,731
Total revenue and support	33,789,320	20,541,709	7,260,498	18,862,229	79,453,756	(1,252,970)	78,200,786
Expenses							
Program expenses							
Education and home life	26,838,008	16,536,186	5,962,853	14,811,945	63,149,092	(132,884)	63,016,208
Supporting expenses	5,609,022	2,907,878	1,600,730	2,202,173	12,319,803	(1,120,015)	11,199,788
General administration	32,741,630	19,444,182	7,363,853	17,014,018	76,563,683	(1,252,970)	75,310,713
Total expenses	65,188,660	38,888,246	14,927,436	34,028,136	152,032,478	(2,405,869)	149,626,609
Loss on disposal of property and equipment	(84,150)	(13,434)	(102,242)	(24,813)	(224,639)	-	(224,639)
Change in net assets	66,626	1,084,113	(269,457)	(177,532)	1,863,783	-	1,863,783
Net assets, beginning of year	13,958,358	4,971,348	784,893	2,027,316	21,742,015	-	21,742,015
Net assets, end of year	\$ 14,025,014	\$ 6,055,461	\$ 515,436	\$ 1,849,784	\$ 22,445,700	\$ -	\$ 22,445,700

BECKET ACADEMY, INC. AND AFFILIATES
Consolidating Statement of Functional Expenses

Year Ended June 30, 2019

	Education and Home Life					Gross			
	Becket Academy, Inc.	Mount Prospect Academy, Inc.	Mountain Valley Treatment Center	Vermont Permanency Initiative	Intercompany Eliminations	Total Program Expenses	Becket Academy, Inc.	Mount Prospect Academy, Inc.	Mountain Valley Treatment Center
Salaries and wages	\$ 16,434,033	\$ 10,065,406	\$ 2,219,928	\$ 8,598,435	\$ -	\$ 37,317,892	\$ 3,445,207	\$ 1,399,118	\$ 884
Employee benefits	1,798,479	1,579,030	406,679	1,741,795	-	5,524,883	589,886	321,769	147
Payroll taxes	1,401,131	779,747	181,498	859,578	-	3,203,953	305,637	107,135	70
Total personnel costs	19,633,643	12,415,273	2,807,003	11,190,809	-	48,046,728	4,320,510	1,828,022	1,081
Advertising	103,401	36,181	11,780	33,493	-	104,835	4,834	3,189	295
Athletic transport and recreation	84,016	89,833	28,335	91,874	-	294,958	-	-	-
Auto repairs and leasing	418,582	128,808	45,762	187,785	(41,664)	719,293	24,794	9	-
Bad debts, net of recoveries	(57,290)	(14,177)	104,325	10,978	-	43,834	-	-	-
Consultation	270,822	-	83,200	156,415	-	490,237	4,085	-	-
Contracted labor	-	-	8,968	-	-	8,968	-	-	-
Dues and subscriptions	2,581	8,953	5,028	2,398	-	18,958	14,256	-	5
Equipment rental and maintenance	73,932	54,134	101,793	33,785	-	263,624	35,904	3,074	-
Facilities rental expense	880,347	277,275	189,265	105,184	(91,200)	1,340,831	57,200	14,400	-
Farm	-	-	21,483	-	-	21,483	-	-	-
Food and supplies	798,439	809,994	187,828	579,748	-	2,174,007	18,414	6,149	-
Heating fuel	198,888	73,424	42,744	110,180	-	426,216	2,945	-	-
Home life supplies	285,859	103,024	68,541	115,488	-	542,920	3,040	-	-
Infirmity supplies	39,290	34,281	12,101	71,418	-	157,070	-	-	-
Insurance	373,017	168,239	83,597	121,531	-	734,384	-	-	-
Interest	94,770	14,208	117,872	174,129	-	400,970	258,587	126,370	-
Management fees	-	-	-	-	-	-	-	563,828	197
Materials and supplies	8,045	11,771	1,528	5,973	-	27,317	22,029	19,343	6
Office supplies	271,818	130,594	48,068	134,181	-	582,639	227,247	37,932	8
Other	538,874	78,281	228,220	83,796	-	906,183	235,687	48,001	111
Other occupancy costs	395,561	112,720	69,230	137,569	-	715,080	17,082	-	-
Pension contribution	233,089	155,393	10,279	18,849	-	417,410	15,214	7,682	41
Professional services	78,085	140,329	368,280	91,903	-	679,577	359,032	213,839	37
Real estate taxes	189,153	152,967	87,938	116,401	-	546,457	10,962	-	-
Repair and maintenance	285,578	177,419	147,488	141,823	-	752,104	2,124	-	-
Student clothing and personal items	35,695	80,940	3,794	58,132	-	178,561	-	-	-
Student educational supplies	18,878	129,423	7,135	25,979	-	181,415	-	-	-
Student transportation	427,935	428,188	85,804	177,052	-	1,118,759	9,330	193	-
Teacher training and development	77,043	82,286	44,289	48,468	-	252,044	14,491	11,760	7
Telephone	185,052	106,462	83,639	113,852	-	449,005	25,723	4,720	7
Travel	14,280	196	888	3,773	-	18,935	54,685	19,544	-
Utilities	186,733	125,010	62,874	93,438	-	458,153	6,617	-	-
Depreciation	858,684	637,007	458,248	615,809	-	2,567,748	82,710	233	-
Total	\$ 29,938,009	\$ 18,536,189	\$ 5,502,053	\$ 14,811,845	\$ (132,864)	\$ 63,716,728	\$ 5,803,022	\$ 2,907,876	\$ 1,800

**MPA & VPI
Board of Directors
4/3/20**

OFFICERS

Jeffrey Caron, President and Treasurer

Jeffrey Park, Secretary

TRUSTEES

Jon Bownes

Charles Wheeler

James Carey

Robert Bannon

Paul Fitzgerald

Andrew Ribolini

Michael Sullivan

Kendall Turner

****None of the listed Board Members have been recipients of the agency's services.**

KAREN L. LANGLEY

Objective: To work with children as a teacher, counselor or administrator

Education:

1993-1995 Plymouth State College
Plymouth, NH 03264

Master of Education in Administration and Supervision
NH Department of Education Certification as Principal
NH Department of Education Certification as Special Education
Administrator

1991 - 1993 PEP Program
Plymouth State College
Plymouth, NH 03264

NH Department of Education Certification in General Special
Education K-12

1987 - 1990 New Hampshire College
School of Human Services
Manchester, NH 03103

Bachelor of Science in Human Services

Work Experience:

2004 - present Granite State College
Job Title: Adjunct Professor

Taught Special Education Law – classroom and
online, Foundations of Education online,
Assessment, IEP and Collaboration, Adapting
Instruction to meet the Diverse Needs of Students,
and various Independent Learning Contracts

2008-present Becket Family of Services
Mount Prospect Academy
PO Box 58
Plymouth, NH 03264
Job Title: Director of Academics

1999 - 2008 Eckerd Family Youth Alternatives, Inc.

**Camp E-Toh-Anee
35 Eckerd Way
Stewartstown, NH 03576**

Job Title: Education Administrator

1995 – 1999

**Errol School District
SAU # 20
123 Main St.
Gorham, NH 03581**

**Job Title: Principal/ Special Ed Teacher/
Guidance Counselor/Secretary**

1990 - 1995

**Colebrook School District
SAU #7
3 Academy St.
Colebrook, NH 03576**

Job Title: Special Education Teacher

**1983 - 1988
1989 - 1990**

**Vershire Center
39 Colby St.
Colebrook, NH 03576**

Job Title: Program Director/Vocational Director

1988 - 1989

**Eckerd Family Youth Alternatives, Inc.
Camp E-Toh-Anee
35 Eckerd Way
Colebrook, NH 03576**

**Job Title: Emergency Placement Unit
Coordinator**

1982 - 1985

**Essex North Supervisory Union
Canaan, Vt.**

Job Title: Tutor

1981 - 1983

**Stratford School District
Stratford, NH 03590**

**Job Title: Title I aide/Special Education aide
Substitute teacher**

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Karen Langley	Director of Academics	\$95,000	0%	0.00

Subject: Title I Programs for the Division for Children, Youth and Families (DCYF) (SS-2020-DCYF-15-TITLE-04)

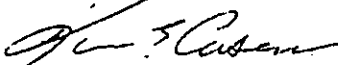
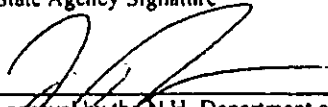
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name NFI North, Inc.		1.4 Contractor Address 40 Park Lane Contoocook, NH, 03229	
1.5 Contractor Phone Number (603) 746-7550	1.6 Account Number 05-095-042-421010-29750000	1.7 Completion Date August 31, 2021	1.8 Price Limitation \$337,274
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature  Date: 3/27/2020		1.12 Name and Title of Contractor Signatory Karen E. Cusano, Chief Operating Officer	
1.13 State Agency Signature  Date: 4/30/2020		1.14 Name and Title of State Agency Signatory Joseph Ribsam, Director DCYF	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: 1/s/Christen Lavers On: 5/1/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

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

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

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

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

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

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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NFI North, Inc. - Davenport School
Institution Name

TITLE I PART D, SUBPART 1, SECTION 2

ESEA 2018-2021

INSTITUTION LEVEL APPLICATION

1. Program Goals, Measurable Objectives and Assessments - Updates required as needed each year of the funding cycle.

Subject/Program Area	Long Term Goal By end of 2021 SY	What overall changes in academic and vocational abilities do you expect your students to achieve within the 2018-2019 SY?	What assessments that will be used to assess these goals? <i>Include pre/post dates for reading and math assessments.</i>	Who is responsible for giving and analyzing student results
Academic Outcomes				
Mathematics	Students will demonstrate a firm grounding in essential computational skills and use these skills to reason and problem solve	<ol style="list-style-type: none"> 1. Students will perform the 4 basic mathematical operations with rational numbers 2. Students will utilize computations to find solutions to real life problems 3. Students will use logical reasoning, estimation and mental computation to determine validity of solutions. 	<ol style="list-style-type: none"> 1. Neat Form A for pre testing upon entry to the program and Form B for post testing prior to discharge 2. NWEA at agency agreed upon test dates 	<ol style="list-style-type: none"> 1. Education Coordinator 2. Classroom teachers for subject specific areas
Reading	Students will demonstrate the ability to read age	<ol style="list-style-type: none"> 1. Students will form initial understanding of materials 	<ol style="list-style-type: none"> 1 Neat Form A for pre testing upon entry to the 	<ol style="list-style-type: none"> 1. Education Coordinator

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

	appropriate materials from a variety of sources with fluency and understanding	<p>read by identifying major elements presented in the text.</p> <p>2. Students will read to acquire information for different purposes i.e. prepare research projects or gain general impressions of materials presented</p> <p>3. Utilize questioning, reviewing, revising and rereading to monitor comprehension and enhance overall understanding of materials</p>	<p>program and Form B for post testing prior to discharge</p> <p>2 NWEA at agency agreed upon test dates</p>	2. Classroom teachers for subject specific areas
Science	Students will demonstrate an understanding of key concepts and principles central to the biological, physical and earth sciences while recognizing the interrelationship of all the sciences	<p>1. Students will demonstrate an understanding of the basic laws which govern the natural world.</p> <p>2. Students will design and conduct scientific investigations</p> <p>3. Students will use applied knowledge, creative thinking skills to increase their awareness of the roles they play in an increasingly technological society</p>	<p>Student Work Portfolios</p> <p>NWEA Testing administered at agency designated test intervals</p>	<p>Classroom teacher</p> <p>Education Coordinator</p>
Social Studies	Students will increase their knowledge of Geography, Historical Events, World Cultures, Operations of Government and Economic Concepts	<p>1. Students will demonstrate an understanding of U.S. and World Events and how these impact each other, as well as the roles they play as American Citizens</p>	<p>Student Work Portfolios</p> <p>NWEA Testing administered at agency designated test intervals</p>	<p>Classroom teacher</p> <p>Education Coordinator</p>
Written Language and Language Development	Students will demonstrate the ability to write effectively for a variety of purposes	<p>1. Students will demonstrate the ability to choose a form of writing appropriate for their purpose</p>	<p>NEAT Form A administered at the time of admission to program and Form B administered prior to discharge</p>	<p>Classroom teacher</p> <p>Education Coordinator</p>

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

		<ol style="list-style-type: none"> Identify a topic to be addressed in a written piece and employ organizational techniques to develop and expand on their ideas Understand that a piece of work may require multiple drafts to reflect the purpose and clarify ideas Edit for spelling, punctuation, grammar, usage and capitalization 	<p>NWEA Testing administered at agency determined intervals</p> <p>Student work portfolios</p>	
Vocational Outcomes				
	Students will develop characteristics and behaviors necessary for success in school, work, and every day settings	<ol style="list-style-type: none"> Students will demonstrate the ability to utilize peer and adult feedback Students will demonstrate behaviors necessary for maintaining physical and emotional health 	<p>Students will participate in the development of their Individual Service Plans and self- reflect on individual progress at treatment team meetings held every three months.</p> <p>Students will identify a personal goal for self- improvement each week and discuss progress on this goal in daily reflection groups</p>	<p>Classroom Teachers</p> <p>Teacher Aide(s)</p> <p>Education Coordinator</p>
	Students will take an active role in their own learning	<ol style="list-style-type: none"> Students will identify tools and resources needed to achieve learning goals Students will demonstrate an understanding of how courses of study relate to the selection of further education, training or entry into a new job market 	<p>Student course selection</p> <p>Student Work Portfolios</p>	Education Coordinator

Exhibit B-1, Title 1 Part D, Subpart 1, Application

	Students will acquire the knowledge, attitudes, and skills necessary to make a successful transition from the school setting to the world of work	<ol style="list-style-type: none"> 1. Students will demonstrate an understanding of career clusters and career ladders 2. Students will locate, evaluate and interpret career information 3. Students will explain how employment opportunities relate to education and training 	<p>Harrington-O'Shea Career Decision Making System Level 2 is administered to all students at or above the age of 14</p> <p>Students will participate in NH Trails, Student Transition Services through Vocational Rehabilitation and NFI North's Independent Living Group.</p> <p>Students will participate in and track community service hours. Whenever possible these opportunities will connect to the various career interest areas indicated by the student</p> <p>Students will create an Independent Living Binder which contains necessary information and documents required to gain employment</p>	<p>Program Staff</p> <p>Education Coordinator</p> <p>Education Team</p>
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Exhibit B-1, Title 1 Part D, Subpart 1, Application

Title 1 Part D, Subpart 1, Section 2 – Institution
August, 2019 Page 2 of 15

NFI North, Inc. - Davenport School
Institution Name

2. Scope of Project

A. Students to Be Served

Using current data as a basis, estimate the number of students who will participate in the Title I Part D, Subpart 1 program's instructional and support related components each SY year 2018-2021. These numbers can be updated as part of subsequent program renewals.

Ages	Reading	Mathematics		
5 – 10 years old				
11 – 15 years old	8	8		
16 – 18 years old	12	12		
19+ years old				

B. Staff Paid with Title I, Part D, Subpart 1 Funds

Using the chart below describe the staff to be paid with these funds.

Number	FTE (fulltime equivalent)	Responsibility/Job Title	Certification or other Qualification Required for Position	Each Estimated Salary
4	4	Instructional Aide / Paraprofessional	Bachelor's Degree or 1 to 2 years related experience or training and/or equivalent of education and experience. Per DOE, will need to hold Paraprofessional 1 certification or Paraprofessional 2 certification	\$36,586

C. Transition Coordinator

Designate an individual or individuals to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs.

Michael Eddy
Name of Individual

Educational Coordinator
Title of Individual

Angie Steady
Name of Individual

Title One Para Professional
Title of Individual

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

D. Staff/Student Ratio's:

Total students provided T1 D support 20 divided by Total T1 D staff FTE 4 = 5 to 1

Title I Part D, Subpart 1, Section 2 – Institution
August, 2019 Page 3 of 15

NFI North, Inc. - Davenport School
Institution Name

E. Program Description: (Use additional space as needed)

- 1) *Describe the program in sufficient detail such that a teacher implementing this project and/or parents/guardians or persons visiting would know what to expect.*

The Davenport School, an NFI North program, is a community based accredited special education and residential school located in Jefferson NH. The Davenport serves female students ranging from 11 to 18 years of age. Each student has a unique set of circumstances which brought her to the school. These include truancy, boundary issues, disobedience toward authority figures, sexual or physical abuse, simple assault, substance abuse as well as a variety of mental health issues. Residents may attend an on-site educational program which is staffed by an Education Coordinator, two certified teachers and four para-professionals. The education component focuses on the students' strengths and interdisciplinary work. Instruction is individualized, hands-on and strives to motivate and engage each student according to her learning style. In addition to academics, the academic program uses a variety of clinical and behavioral management techniques to assist each student to focus on her social, emotion or personal issues.

- 2) *Describe function of major personnel such as home/school coordinators. (Attached job descriptions are appreciated)*

The Davenport School consists of an Educational Coordinator, Special Ed. Teachers, Teachers, and Para-Professionals (PP). The Education Coordinator (EC) is responsible for ensuring that the school is adhering to the requirements of the DOE, ensuring that the school is delivering appropriate educational services, and overseeing the qualifications and professional development of all educational staff.

The Educational Coordinator is responsible for using initial assessment results to develop an education program for each student. In addition, the EC is responsible for obtaining the educational background of the student from the sending school. The EC is also responsible for coordinating the continuation of each student's education program which includes ensuring pencil-and-paper work is completed and sent back to the sending school, logins and passwords are used for web-based instruction (that more sending schools are utilizing to keep education programs flowing). If the student's background includes an Individual Education Plan (IEP), the EC schedules a ten-day placement meeting and that educational plans for coded students are being followed and progress is being measured and tracked in an appropriate manner. Finally, the Educational Coordinator is responsible for maintaining educational records, and sending transcripts to receiving schools.

The Special Educational Teacher is responsible for implementing the special education services for coded students. It is also their responsibility to communicate with the Teacher and Para-Professionals the specifics of each plan. This ensures all modifications and accommodations are being followed as well as ongoing assessment and progress monitoring takes place.

The Teacher, along with the Special Education Teacher, is responsible for delivery of course subject areas which include planning curriculum, developing standards-based lesson plans and utilizing instructional

Exhibit B-1, Title 1 Part D, Subpart 1, Application

materials that meet individual needs of students. In addition, teachers assess and track academic and social/emotional/behavioral process for each student.

The Para-Professionals (PP) are responsible for assisting the Special Education Teacher and the Teacher with providing tutoring to students who need extra assistance in areas of great need especially mathematics, reading and writing. In addition, PP's serve as educational counselors and mentors with the purpose of helping students improve their relationships with teachers and peers to aid in using prosocial skills.

The Davenport School accesses information from the treatment team. The Clinician administers assessments that play a role in the development of the goals for each student's education program including the following: risk/crisis, behavioral, social skills, vocational, and comprehensive assessments. Each student develops a crisis plan that staff use to counsel students in self-awareness and self-regulation to promote positive decision-making. Clinical Case Managers maintain contact with the students' parents/guardians on a weekly basis. As part of the "Treatment Team", their input is used collaboratively with that of the education team as a liaison to home/school/community resources. For those parents wishing additional information, the Education Coordinator will contact the family to provide a more detailed assessment of the student's progress. The Treatment Team may also have valuable input for transitions back to the sending school district.

- 3) *Describe any additional services, beyond instruction, for children and youth provided with these funds such as career counseling, etc.*

The Davenport Education Staff provides individualized behavior management programs that target the specific skills needed for classroom and social settings. The Education Coordinator and Teachers develop strategies as well as monitoring techniques while the Para-Professional is responsible for part of the implementation and documentation. The Para-Professional also provides supportive counseling to those students in crisis or those unable to remain in the classroom.

Career assessments are administered to all students 14 years of age or older. The information from these assessments is used to match students to various community service opportunities within the greater community. The Para-Professional assists and oversees those students participating in the various opportunities.

F. Transition Services:

- 1) *Identify (by dollar amount) the financial reserves (must be between 15-30 percent of allocated funds) which will be used to provide transitional education services for neglected or delinquent children and youth. It is required to set-aside a minimum of 15% and a maximum of 30% (each program year) of your dollars for this purpose.*

An estimated \$36,151 which is 15% of the Title 1 funds requested will be used to provide transitional services for neglected or delinquent children and youth in the following ways: mentoring for re-engagement and positive participation leading to successful experience of school; strength and interest assessments to inform school/career/job goal setting and planning for post-secondary career or college experience; teaching social and behavioral skills, teaching personal finance and independent living skills; tutoring; and high school equivalency pre-assessment guidance.

- 2) *Describe how the above reserved funds will be used for transitional educational services (i.e. to re-enter school successfully or preparation for employment).*

Exhibit B-1, Title 1 Part D, Subpart 1, Application

The Para-Professionals (PPs) will provide tutoring to those students that will transition back to their sending school by helping complete assignments and providing academic support. PPs also provide individual support in the classroom for students struggling especially with mathematics, reading and writing. PP's provide observations to the teachers about student progress and performance. In order to develop positive leaning skills, the PPs, along with all educational staff, will provide supportive counseling within the normative learning community model. In addition, students through the Normative Learning Community supporting growth in self-awareness and self-regulation. Staff model, teach, and encourage empathy and consideration for others, as well as helping students learn about how their behavior impacts others and how to use decision-making in a positive, prosocial way.

The PPs may also work with youth that avoid or do not go to school in order to encourage them to understand the reasons why they don't go to school. The PPs assist to develop strategies and resources for support at school so that students can feel positive about resuming their education. In addition, the education staff work with parents and guardians to help them identify supports and resources within the school system in order to prevent avoidance or absenteeism from re-occurring.

NFI North's service delivery is "youth driven, family guided" and includes family activities, parent meetings and questionnaires. Our primary goal is to further engage the parents with their child's education so that they can support educational accomplishments as a family.

Each family and student receives a family/student handbook, outlining school policies and procedures, course work and educational expectations. Family meetings are held once a month by the Clinical Case Manager (CCM) and education progress is part of this discussion. Meeting topics may also include transition to the sending school, vocational interest and possibly employment interests.

As part of our transition services, we found that sometimes the parents are overwhelmed in getting their child back into a normal family routine and back into the public school. We have staff that supports the student in the sending school for 2-3 days. Some services will include picking classes, choosing afterschool activities, meeting teachers, facilitating completion of paperwork and providing a family liaison for questions and answers.

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Title I Part D, Subpart 1, Section 2 – Institution
August, 2019 Page 4 of 15NFI North, Inc. - Davenport School
Institution Name**G. Professional Development:**

- 1) List the major **NEEDS** of the *Title I staff and institution staff* relating to the objectives of the Title I project that can be met by in-service training programs.

NFI North, Inc. (NFI) programs provide a welcoming and supportive environment that engages students in a positive way. A positive culture is consciously supported by program personnel and strategically by the education staff, in order to reduce negative norms by which many students have lived. Values that determine the positive norms of programs within the NFI network include respect, responsibility, acceptance, accountability and caring. Members are recognized and rewarded for their contributions to the community. The combined result of all these norms is the development of a safe, caring community in which members are willing and able to help each other and be productive community members. This breaks the cycle of rejection and failure as well as creates a heightened sense of self-worth.

The PPs will need to follow the lesson plan and teach math, language arts, socials studies and science to a wide variety of grade levels both individually and in small group settings. Teacher and PA's will need to develop a variety of creative approaches to engage learning resistant students.

- 2) Describe all staff development activities to be funded by this grant. PD activities for 2019-2020 only. Activities will be updated each year with the budget summary. (How many hours of training, when, for whom, and what topics will be covered?) Include a timeline.

The Education Coordinator will provide the initial orientation and bi-weekly supervisions thereafter. In addition, the Teachers and PPs will attend weekly educational staff meetings and focus primarily on "best practices in the classroom". Trainings on alternative assessments, paraprofessional/teacher collaboration, technology in the classroom and incorporating an experiential component to students' programs are conducted. Lesson planning is addressed during these meetings.

Hours of Training 40 hrs./year	When	For Whom	What Topics	Timeline
4	On-line	All Educational Staff	Technology	School year
8	Various as part of staff meeting	All Education Staff	NWEA Training	School year
<u>2</u> 2	Various as part of staff meeting	All Education Staff	<u>Plato Training</u> JumpRope	All year

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

8	Offered four times a year	All Education Staff	SAFE Alternatives for Everyone	School year
Hours of Training 40 hrs./year	When	For Whom	What Topics	Timeline
6	Offered four times a year	All Education Staff	Engagement and involvement	School year
6	Offered four times a year	All Education Staff	Emergency Management Training	School year
6	Offered four times a year	All Education Staff	Depression and Suicide	School year
6	Offered four times a year	All Education Staff	Group Process	School year
6	Offered four times a year	All Education Staff	Professional Boundaries	School year
6	Offered four times a year	All Education Staff	Child Abuse Policy and Procedures	School year
6	Offered two times a year	All Education Staff	First Aid/CPR	School year
6	Meets once a month	All Education Staff	Integrating the Competency Based Grading and Curriculum	School year
6	Meets once a month	All Education Staff	Improving Student Learning and Success	School year

H. Coordination:

Describe how the program/s will be coordinated with other appropriate State and Federal programs, such as Vocational Education, Special Education, Work Force Investment Act and local dropout prevention programs. If applicable grade levels, describe how the institution will endeavor to coordinate with local businesses for training and mentoring opportunities for participating youth.

The Davenport School provides vocational education through various community services options. Groups of students are taken out into the community to volunteer their services to local

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Exhibit B-1, Title 1 Part D, Subpart 1, Application

organizations. The Davenport School has worked with local businesses to develop employment opportunities for students to practice employability skills in the greater community.

As part of the transition to home, the Davenport works with the student's local therapeutic services to continue the development of independent living skills particularly for students of appropriate age. In addition, the Davenport participates in the New Hampshire Trails Independent Living Program which assists students in developing skills necessary for both the work force and independent living situations. The Davenport staff will work with local North Country businesses to match employable students with appropriate part-time jobs. The employer and Davenport team will meet to evaluate the student's progress collaboratively. Those students who are seen as at-risk for dropping out will meet with the Education Coordinator to prove resources of alternative crediting to include VLACS, Extended Learning Opportunities and Credit Recovery.

The Davenport does offer GED Programming and works with various resources throughout the state to include Second Start and Job Corps.

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Title 1 Part D, Subpart 1, Section 2 – Institution
August, 2019 Page 5 of 15NFI North Davenport School
Institution Name

I. Budget Narrative – School Year 2019-2020

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2018-2021. Requires updated budget narrative for each year of the funding cycle.

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	4 Aides @ \$37,721 annually	\$150,884
	Fringe and Payroll Taxes (28%)	\$42,248
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>	Consultants for Integrating/Developing Common Core Curriculum (Certified Teachers required by DOE)	\$800
	Ski Program (7 @ \$65.00)	\$455
	Equine Therapy (3-six week sessions @ \$1,000)	\$3,000
	Yoga Therapy (5-six week sessions @ \$600)	\$3,000
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	NEAT Norris replacement software	\$500
	Harrington O'Shea Career Decision Making Systems	\$200
	FOSS Science Kit	\$1,600
	Experiential Activities (8 @ \$215)	\$1,720
	Supplies for Yoga Therapy	\$400
	Update School Library	\$1,000
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>	Plato License (1 @ \$1,500)	\$1,500
	NEWA License (1 @ \$300)	\$300
	JumpRope (1 @ \$1,500)	\$1,500
	Goal Book (1 @ \$1,250)	\$1,250
	Ed- Helper (1 @ \$60)	\$60

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Equipment <i>Attach a justification for each item to be purchased.</i>	Mobile Device for use in classroom (20 @ \$500) Heavy Duty Book Case (4 @ \$250) Office Chairs (3 @ \$150) Desks (2 @ \$500) Student Work Stations (5 @ \$200) 3x5 Magnetic White Board (2 @ \$175) 2 x 4 Magnetic White Board (1 @ \$50)		\$10,000 \$1,000 \$450 \$1,000 \$1,000 \$350 \$50
Professional Development Activities	Teacher Development Training		\$2,580
Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>	Teacher Development Training (500 miles at .50/mile) Contracted Services/Experiential Activities Travel (4900 miles @ .50/mile)		\$250 \$2,450
Administration	Administer Grant monies, Data Collection, Reporting		\$15,000
Total Costs			\$244,547

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Title I Part D, Subpart 1, Section 2 – Institution
August, 2019 Page 5 of 15NFI North Davenport School
Institution Name**I. Budget Narrative – Summer 2019-2020***Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds for 2018-2021. Requires updated budget narrative for each year of the funding cycle.*

Account Category	Budget Detail	Total Costs
Salaries and Benefits <i>Include title and number of employees. Include rate of pay by hour/week etc.</i>	Instructional Teacher (2 @ \$28.00/hr. for 12 hours' week for 7 weeks)	\$4,700
	Instructional Aides (4 @ \$20/hr. for 12 hours' week for 7 weeks)	\$6,720
	Fringe and Payroll Taxes (28%)	\$3,198
Contracted Services <i>Summarize activities and provide breakdown of expenses.</i>	Equine Therapy (1-six-week session)	\$1,000
	Yoga Therapy (1-six week sessions)	\$600
Supplies and Materials <i>Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.</i>	Experiential Activities (5 @ \$220) <ul style="list-style-type: none"> • White Mountain National Park passes • Swimming Pass • Rock Climbing • Historical Sight Seeing • Learning Environment for credit recovery; PLATO • Trails Maintenance 	\$1,100
Books <i>Detail purchases (ex. #@\$). Explain the connection between purchases and the activities in the application.</i>		
Equipment <i>Attach a justification for each item to be purchased.</i>		
Professional Development Activities		

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Travel <i>Summarize activities including the number of days, people involved and associated costs.</i>	Experiential Activities Travel (1000 miles @ .50/mile)	\$500
Administration	Administer Grant Monies, Data Collection, Reporting	\$4,000
Total Costs		\$21,818



Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services in this agreement to abused and delinquent youth.
- 1.2. The Contractor shall ensure services are available statewide.
- 1.3. For the purposes of this agreement, all references to days shall mean business days.
- 1.4. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from 8am to 4pm, excluding state and federal holidays.
- 1.5. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.6. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.7. The Contractor shall provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth.
- 1.8. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.
- 1.9. Services shall include those described in the Contractor's Title I Part D, Subpart 1 Application submitted to the New Hampshire Department of Health and Human Services and subsequently approved for funding by the Department of Education.
- 1.10. The Contractor's Title 1 Part D, Subpart 1, Application terms are hereby incorporated by reference into this Agreement as Exhibit B-1.

2. Exhibits Incorporated

- 2.1. The Contractor shall comply with all Exhibits D through H, which are attached hereto and incorporated by reference herein.

3. Performance Measures

- 3.1. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 3.2. The Contractor may be required to provide other key data and metrics to the

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



Department, including client-level demographic, performance, and service data.

- 3.3. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

4. Additional Terms

4.1. Impacts Resulting from Court Orders or Legislative Changes

- 4.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

4.2. Culturally and Linguistically Appropriate Services (CLAS)

- 4.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4.3. Credits and Copyright Ownership

- 4.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."
- 4.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.
- 4.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:
- 4.3.3.1. Brochures.
 - 4.3.3.2. Resource directories.
 - 4.3.3.3. Protocols or guidelines.
 - 4.3.3.4. Posters.
 - 4.3.3.5. Reports.

[Handwritten Signature]
[Handwritten Date: 3/27/2020]

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



- 4.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5. Records

- 5.1. The Contractor shall keep records that include, but are not limited to:
- 5.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 5.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 5.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.



EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Other funds (Department of Education).
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.0. et seq.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to kali.giovanditto@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
Division for Children, Youth and Families
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, and Exhibit B-1, Institutional Level Application, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been

KJC

3/27/2020

EXHIBIT C



satisfactorily completed in accordance with the terms and conditions of this agreement.

11. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

HSC

3/27/2020

**Exhibit C-1, Budget Sheet
DCYF Title I Program
2019-2020 School Year
(SFY20) Budget**

NFI

Line Item	Amount
Salaries	\$139,192
Contracted Services - Curriculum consultant for math and reading	\$7,255
Professional Development Activities	\$2,580
Books	\$4,610
Other (Administration)	\$15,000
Total	\$168,637

**Exhibit C-2, Budget Sheet
DCYF Title I Program
2019-2020 Summer School
(SFY21) Budget**

NFI

Line Item	Amount
Salaries	\$139,192
Contracted Services - Curriculum consultant for math and reading	\$7,255
Professional Development Activities	\$2,580
Books	\$4,610
Other (Administration)	\$15,000
Total	\$168,637



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS

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

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

[Handwritten Signature]
3/27/2020

New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name: NFI North, Inc.,

3/27/2020
Date

K E Cusano
Name: Karen E. Cusano
Title: Chief Operating Officer

Vendor Initials KEC
Date 3/27/2020



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

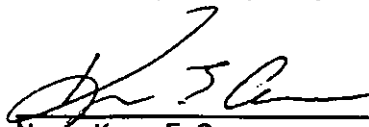
The undersigned certifies, to the best of his or her knowledge and belief, that:

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

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

Vendor Name: NFI North Inc.

3/27/2020
Date


Name: Karen E. Cusano
Title: Chief Operating Officer



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

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

ASC
3/27/2020



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (11)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name: NFI North, Inc.

3/27/2020
Date

Karen E. Cusano
Name: Karen E. Cusano
Title: Chief Operating Officer

KFC
Date 3/27/2020



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

6/27/14
Rev. 10/21/14

Page 1 of 2

Date 3/27/2020

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

- I. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: NFI North, Inc.

3/27/2020
Date

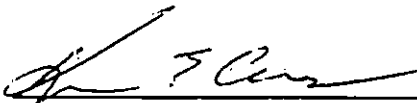

Name: Karen E. Cusano
Title: Chief Operating Officer

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials KEC

Date 3/27/2020



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name: NFI North, Inc.

3/27/2020
Date

Karen E. Cusano
Name: Karen E. Cusano
Title: Chief Operating Officer

Vendor Initials KSC
Date 3/27/2020

State of New Hampshire

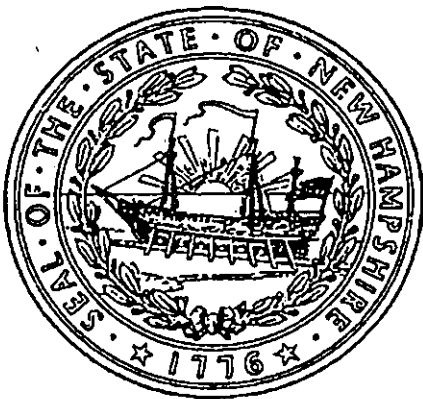
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NFI NORTH, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 06, 1992. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 175745

Certificate Number: 0004809269



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 19th day of February A.D. 2020.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

(Corporation with Seal)

I, Doug Giles, Secretary of the
(Corporation Representative Name) (Corporation Representative Title)

NFI North, Inc., do hereby certify that:
(Corporation Name)

(1) I am the duly elected and acting Secretary of the
(Corporation Representative Title)

NFI North, Inc., a New Hampshire corporation (the "Corporation");
(Corporation Name) (State of Incorporation)

(2) I maintain and have custody of and am familiar with the Seal and minute books of the Corporation;

(3) I am duly authorized to issue certificates;

(4) the following are true, accurate and complete copies of the resolutions adopted by the Board of Directors of the Corporation at a meeting of the said Board of Directors held on the

25th day of March 2019, which meeting was duly held in accordance with

New Hampshire law and the by-laws of the Corporation:
(State of Incorporation)

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting by and through the Department of Health and Human Services, providing for the performance by the Corporation of certain Title One Services, and that the Executive Director, President (any Vice President) (and the Treasurer) (or any of them acting singly) be and hereby (is) (are) authorized and directed for and on behalf of this Corporation to enter into the said contract with the State and to take any and all such actions and to execute, seal, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as (she) (he) (any of them) may deem necessary, desirable or appropriate to accomplish the same;

RESOLVED: That the signature of any officer of this Corporation affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby;

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

Heidi Edwards Dunn President

Dellie Champagne Treasurer

Paul L. Dann, Ph.D. Executive Director

Karen E. Cusano Chief Operating Office

IN WITNESS WHEREOF, I have hereunto set my hand as the _____ Secretary _____
(Title)

of the Corporation and have affixed its corporate seal this 27th day of March, 2020

Douglas Giles
(Signature)

(Seal)

STATE OF New Hampshire

COUNTY OF Merrimack

On this the 27th day of March, 2020, before me, Joanne M. Dauen, the undersigned officer, personally appeared Douglas Giles, who acknowledge her/himself to be the

Secretary of NFI North, Inc, a corporation, and that
she/he, as
(Title) (Name of Corporation)

such Secretary being authorized to do so, executed the foregoing instrument for the
(Title)

purposes therein contained, by signing the name of the corporation by her/himself as

Douglas Giles

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Joanne M. Dauen
Notary Public/Justice of the Peace

My Commission expires: June 6, 2023



Client#: 1010755

NORTHAME76

ACORD**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

12/27/2019

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

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

PRODUCER USI Insurance Services LLC 12 Gill Street Suite 5500 Woburn, MA 01801 855 874-0123	CONTACT NAME: PHONE (AC, Ho, Ext): 855 874-0123 FAX (AC, Ho): 781-376-5035 E-MAIL ADDRESS:														
INSURED North American Family Institute Inc. 90 Maple St. Suite 2 Stoneham, MA 02180	<table border="1"> <thead> <tr> <th data-bbox="787 478 1372 510">INSURER(S) AFFORDING COVERAGE</th> <th data-bbox="1372 478 1497 510">NAIC #</th> </tr> </thead> <tbody> <tr> <td data-bbox="787 510 1372 542">INSURER A : Philadelphia Insurance Company</td> <td data-bbox="1372 510 1497 542">32204</td> </tr> <tr> <td data-bbox="787 542 1372 574">INSURER B : North River Insurance Company</td> <td data-bbox="1372 542 1497 574">21105</td> </tr> <tr> <td data-bbox="787 574 1372 606">INSURER C :</td> <td data-bbox="1372 574 1497 606"></td> </tr> <tr> <td data-bbox="787 606 1372 638">INSURER D :</td> <td data-bbox="1372 606 1497 638"></td> </tr> <tr> <td data-bbox="787 638 1372 670">INSURER E :</td> <td data-bbox="1372 638 1497 670"></td> </tr> <tr> <td data-bbox="787 670 1372 702">INSURER F :</td> <td data-bbox="1372 670 1497 702"></td> </tr> </tbody> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Philadelphia Insurance Company	32204	INSURER B : North River Insurance Company	21105	INSURER C :		INSURER D :		INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER B : North River Insurance Company	21105														
INSURER C :															
INSURER D :															
INSURER E :															
INSURER F :															

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSR NYO	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK2076152	01/01/2020	01/01/2021	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$1,000,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/PROP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> Comp 1,000 <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input checked="" type="checkbox"/> Coll 1,000		PHPK2076145	01/01/2020	01/01/2021	COMBINED SINGLE LIMIT (Per accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$10000 <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE		PHUB704947	01/01/2020	01/01/2021	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	4067319303	07/01/2019	07/01/2020	PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Professional		PHPK2076152	01/01/2020	01/01/2021	1,000,000 3,000,000

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


RE: The Umbrella coverage goes over the general liability coverage limit of \$1 Million/\$3 Million for all scheduled locations.

The general liability policy includes an additional Insured endorsement that provides additional Insured status to the Certificate holder with regard to work performed on behalf of the named Insured.

Gray House, 93 Pleasant Street, Concord, NH 03301.

(See Attached Descriptions)

CERTIFICATE HOLDER**CANCELLATION**

Department of Health and Human Services 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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NFI North Mission Statement

Inspiring and empowering people to reach their full potential so that they can live successfully within their own home and community



NFI NORTH, INC.

Financial Statements

June 30, 2019

(With Independent Auditors' Report Thereon)

NFI NORTH, INC.
Financial Statements
June 30, 2019

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KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

Independent Auditors' Report

The Board of Directors
NFI North, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of NFI North, Inc. (NFIN), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

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



Emphasis of Matter

As disclosed in Note 1(l) to the financial statements, during the year ended June 30, 2019, NFIN adopted Financial Accounting Standards Board Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2019 on our consideration of NFIN's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NFIN's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NFIN's internal control over financial reporting and compliance.

KPMG LLP

September 30, 2019

NFI NORTH, INC.
Statement of Financial Position
June 30, 2019

Assets

Current assets:	
Cash and equivalents	\$ 3,601,304
Accounts receivable	1,503,652
Prepaid expenses and other current assets	52,715
Due from affiliate (note 8)	92,725
Investments (note 4)	501,559
Total current assets	<u>5,751,955</u>
Property and equipment (note 5):	
Land	535,992
Buildings and improvements	8,077,625
Equipment and furnishings	687,261
Motor vehicles	977,196
	<u>10,278,074</u>
Less accumulated depreciation	<u>(6,193,828)</u>
Property and equipment, net	4,084,246
Other assets	<u>12,556</u>
Total assets	<u>\$ 9,848,757</u>

Liabilities and Net Assets

Current liabilities:	
Current portion of long-term debt (note 5)	\$ 196,385
Accounts payable	170,551
Accrued payroll and related liabilities	682,102
Other accrued expenses	337,978
Deferred revenue	188,514
Total current liabilities	<u>1,575,530</u>
Long-term liabilities:	
Long-term debt, net of current portion (note 5)	2,638,080
Due to affiliate long-term (note 8)	219,235
Total long-term liabilities	<u>2,857,315</u>
Total liabilities	<u>4,432,845</u>
Net assets:	
Without donor restrictions	5,332,403
With donor restrictions	83,509
Total net assets	<u>5,415,912</u>
Total liabilities and net assets	<u>\$ 9,848,757</u>

See accompanying notes to financial statements.

NFI NORTH, INC.
Statement of Activities
Year ended June 30, 2019

Changes in net assets without donor restrictions:

Revenues and other support:

Contracts	\$ 24,112,477
Contributions:	
In-kind	884,498
Other	2,794
Interest and dividends	42,567
Miscellaneous	1,207
	<u>25,043,543</u>
Net assets released from restrictions	<u>26,565</u>
Total revenues and other support	<u>25,070,108</u>

Expenses:

Program services	21,281,943
Supporting services (note 8)	2,475,254
Total expenses	<u>23,757,197</u>
Increase in net assets without donor restrictions before nonoperating activities	1,312,911

Nonoperating activities:

Net realized and unrealized gains on investments	1,559
Gain on sale of property and equipment	46,000
Increase in net assets without donor restrictions	<u>1,360,470</u>

Changes in net assets with donor restrictions:

Contributions	29,578
Net assets released from restrictions	<u>(26,565)</u>
Increase in net assets with donor restrictions	<u>3,013</u>
Increase in net assets	1,363,483

Net assets at beginning of year	<u>4,052,429</u>
Net assets at end of year	<u><u>\$ 5,415,912</u></u>

See accompanying notes to financial statements.

NFI NORTH, INC.
Statement of Functional Expenses
Year ended June 30, 2019

	<u>Program services</u>	<u>Supporting services</u>	<u>Total</u>
Personnel expenses:			
Salaries, payroll taxes and employee benefits	\$ 14,978,585	1,211,060	16,189,645
Other expenses:			
Contracted services	1,719,338	998,671	2,718,009
Other direct costs	1,033,680	114,463	1,148,143
In-kind	876,259	8,239	884,498
Consumables	761,262	—	761,262
Occupancy	734,380	23,438	757,818
Transportation	376,281	26,347	402,628
Equipment	217,040	33,438	250,478
Interest	106,751	8,630	115,381
	<u>5,824,991</u>	<u>1,213,226</u>	<u>7,038,217</u>
Depreciation and amortization	<u>478,367</u>	<u>50,968</u>	<u>529,335</u>
Total expenses	<u>\$ 21,281,943</u>	<u>2,475,254</u>	<u>23,757,197</u>

See accompanying notes to financial statements.

NFI NORTH, INC.
Statement of Cash Flows
Year ended June 30, 2019

Cash flows from operating activities:	
Increase in net assets	\$ 1,363,483
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	529,335
Gain on sale of property and equipment	(46,000)
Net realized and unrealized gains on investment	(1,559)
Changes in assets and liabilities:	
Accounts receivable	113,431
Prepaid expenses and other current assets	(10,698)
Other assets	6,721
Due from affiliate	(92,726)
Accounts payable	(54,137)
Accrued payroll and related liabilities	134,805
Other accrued expenses	231,006
Due to affiliate	(15,791)
Deferred revenue	14,558
Net cash provided by operating activities	<u>2,172,428</u>
Cash flows from investing activities:	
Purchases of property and equipment	(350,325)
Purchases of investments	(633,388)
Proceeds from sale of property and equipment	46,000
Proceeds from sale of investments	<u>133,388</u>
Net cash used in investing activities	<u>(804,325)</u>
Cash flows from financing activities:	
Issuance of long-term debt	124,384
Repayments of long-term debt	<u>(240,814)</u>
Net cash used in financing activities	<u>(116,430)</u>
Net increase in cash and equivalents	1,251,673
Cash and equivalents at beginning of year	<u>2,349,631</u>
Cash and equivalents at end of year	<u><u>\$ 3,601,304</u></u>
Supplemental data:	
Cash paid for interest	\$ 115,381

See accompanying notes to financial statements.

NFI NORTH, INC.

Notes to Financial Statements

June 30, 2019

(1) Summary of Significant Accounting Policies

NFI North, Inc. (NFIN) is a not-for-profit organization whose purpose is to provide community-based social services to individuals and their families. NFIN is a subsidiary of North American Family Institute, Inc. (NAFI), which is the sole member of NFIN's board of directors. Substantially all of NFIN's revenues are derived from services contracted with the States of Maine and New Hampshire Departments of Human Services, Children, Youth & Families, Medicaid, private insurers, and local public school districts.

(a) Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on NFIN as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

With donor restrictions – Net assets subject to donor-imposed stipulations that may or will be met by actions of NFIN and/or the passage of time.

Without donor restrictions – Net assets not subject to donor-imposed stipulations.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions and/or time restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Expirations of restrictions on net assets with donor restrictions are reported as reclassifications between the applicable classes of net assets. Expirations of restrictions with donor restrictions occur when donor-imposed stipulated purposes have been accomplished and/or the stipulated time period has elapsed. If an expense is incurred for a purpose for which both net assets with and without donor restrictions are available, a donor-imposed restriction is fulfilled to the extent of the expense incurred unless the expense is for a purpose that is directly attributable to another specified external source of revenue.

(b) Revenue from Contracts with Customers

Under Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, (ASC Topic 606), revenue from contracts with customers is recognized when control of the promised goods or services is transferred in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services (i.e., the transaction price).

Revenues from contracts are primarily derived from cost reimbursement, per diem and fee-for service contracts. Cost reimbursement contracts are recognized with expenses being reimbursed for services delivered over the course of client enrollment period which is generally as expenses are incurred. Rate based contracts are recognized with expenses being reimbursed for services delivered over the course of client stay based on an established rate with the related funding source which is generally when services are provided. Revenues consisted of 15% for cost reimbursement contracts and 85% for rate based contracts for the year ended June 30, 2019.

NFI NORTH, INC.
Notes to Financial Statements
June 30, 2019

(c) Income Taxes

NFIN is an organization described under Section 501(c)(3) of the Internal Revenue Code (IRC) and is generally exempt from income taxes under IRC Section 501(a). NFIN has taken no significant uncertain tax positions.

(d) Use of Estimates

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

(e) Concentration of Risk

NFIN receives the majority of its funding from state contracts that are renewable annually. Legislative budgets could significantly impact NFIN's ability to start new programs and to continue existing programs.

(f) Cash Equivalents

All short-term investments with an original maturity at purchase of three months or less are considered cash equivalents for purposes of the statement of cash flows.

(g) Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property, at fair value at the date of gift. Depreciation is provided using the straight-line method over the following estimated useful lives:

Buildings and improvements	15–33.3 years
Equipment and furnishings	2–10 years
Motor vehicles	3–5 years

Leasehold improvements are depreciated or amortized according to the organization's normal depreciation policy except that the time period shall be the shorter of: 1) the useful life of the leasehold improvements, or 2) the remaining years of the lease. The remaining years of the lease include the years in the lease renewals that are reasonably assured.

(h) Self-Insurance

NFIN is self-insured for employee medical healthcare costs. As of June 30, 2019, the estimated liability for healthcare claims incurred but not yet reported or paid was \$89,439 and is included in accrued payroll and related liabilities in the accompanying statement of financial position.

NFI NORTH, INC.
Notes to Financial Statements
June 30, 2019

(i) In-Kind Contributions

In-kind contributions are generally recognized at fair value on the date received. During fiscal 2019, NFIN received in-kind contributions of rent, services, equipment and furnishings, and consumables amounting to \$884,498.

(j) Fair Value of Financial Instruments

Fair value represents the price that NAFI would receive upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. NAFI uses a three-tier hierarchy to categorize those assets and liabilities based on those valuation methodologies employed. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

- Level 1 – quoted prices in active markets for identical financial instruments.
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, credit risk, etc.).
- Level 3 – significant unobservable inputs (including NAFI's own assumptions in determining the fair value of financial instruments).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. NAFI utilizes valuation techniques that maximize the use of observable inputs and minimizes the use of unobservable inputs to the extent possible.

(k) Subsequent Events

NFIN has evaluated events subsequent to June 30, 2019 and through September 30, 2019, which is the date that the financial statements were available to be issued. NFIN has determined there are no material events that would require recognition or disclosure in this report through this date.

(l) Recent Accounting Pronouncements

In 2019, NFIN adopted ASU No. 2016-14 *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. Main provisions of this guidance include presentation of two classes of net assets versus the previously required three. This guidance also enhances disclosures for composition of net assets without donor restrictions, liquidity, and expenses by both their natural and functional classification.

NFI NORTH, INC.
Notes to Financial Statements
June 30, 2019

A summary of the net asset reclassification required by the adoption of ASU 2016-14 as of June 30, 2018 follows:

Net assets classifications	ASU 2016-14 Classifications		
	Without donor restrictions	With donor restrictions	Total net assets
As previously presented:			
Unrestricted	\$ 3,971,933	—	3,971,933
Temporarily restricted	—	80,496	80,496
Net assets as reclassified	\$ 3,971,933	80,496	4,052,429

ASU 2014-09, *Revenue from Contracts with Customers*, was issued by the FASB in May 2014 and is intended to improve the financial reporting requirements for revenue from contracts with customers. The ASU establishes a five-step model and application guidance for determining the timing and amount of revenue recognition. The related application guidance in the ASU replaces most existing revenue recognition guidance in GAAP. The ASU became effective for NFIN for the year ended June 30, 2019. NFIN's adoption of the ASU did not materially change the timing or amount of revenue recognized by NFIN.

ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, was issued by the FASB in June 2018. The new ASU is intended to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonexchange transactions) within the scope of *Topic 958, Not-for-Profit Entities*, or as exchange transactions subject to other guidance and (2) determining whether a contribution is conditional. The ASU clarifies that a contribution is conditional if the agreement includes one or more barriers that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. The ASU became effective for NFIN for the year ended June 30, 2019. NFIN's adoption of the ASU on a modified prospective basis did not have a material effect on its financial statements.

(2) Financial asset and Liquidity Resources

As of June 30, 2019, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses and scheduled principal payments on debt, were as follows:

Cash and cash equivalents	\$ 3,601,304
Accounts receivable	1,503,652
Short-term investments	501,559
Due from affiliates	92,725
Total financial assets available within one year	\$ 5,699,240

NFI NORTH, INC.

Notes to Financial Statements

June 30, 2019

(3) Line of Credit

NAFI makes available to its subsidiaries, including NFIN, NAFI Connecticut, Inc. (NAFICT), NFI Vermont, Inc. (NFIV) and NFI Massachusetts, Inc. (NFI), an on demand \$8,000,000 line of credit from TD Bank. The line of credit bears interest at a fluctuating rate per annum equal to the Wall Street Journal Prime Rate, plus 0.50% per annum, (6.00% as of June 30, 2019). Borrowings under the line are jointly guaranteed by NAFI, NFIN, NAFICT, NFIV and NFI and are collateralized by substantially all of their assets.

Borrowings under the line of credit are due upon demand, and the line is subject to annual renewal. As of June 30, 2019, \$1,800,000 was outstanding under this line of credit, none of which was due from NFIN.

In addition, NAFI has entered into Letter of Credit agreements with TD Bank for the year ended June 30, 2019 for a total of \$1,208,124. The Letter of Credit agreements can be utilized by all subsidiaries in the aggregate of \$8,000,000 and are not collateralized by additional cash. The Letter of Credit agreements are a requirement of NAFI's workers' compensation carrier.

(4) Investments

Investments are carried at fair value. Investments at June 30, 2019 consisted of the following:

Cash and equivalents	\$	388,461
Corporate bonds		62,489
Equities		<u>50,609</u>
Total investments	\$	<u>501,559</u>

All investments are valued using Level 1 inputs in accordance with the fair value hierarchy, except corporate bonds that are considered Level 2. There were no transfers between fair value levels during the year.

NFI NORTH, INC.
Notes to Financial Statements
June 30, 2019

(5) Long-Term Debt

Long-term debt as of June 30, 2019 consisted of the following:

	<u>Fiscal year due</u>	<u>Amount</u>
Mortgages payable, secured by real estate:		
0.00% to 8.00% fixed	2022-2031	\$ 2,664,502
Total mortgages payable		<u>2,664,502</u>
Vehicle notes secured by automobiles:		
0.00%—8.59% fixed	2020—2024	169,963
Total vehicle note payables		<u>169,963</u>
Total long-term debt		2,834,465
Less current portion		<u>(196,385)</u>
Total long-term debt, net of current portion		<u>\$ 2,638,080</u>

Certain mortgages payable to housing authorities provide that a portion of the principal will be forgiven at the end of the loan period if the underlying properties are used to provide housing in accordance with stipulated conditions. In addition, certain mortgages payable contain various prepayment penalties.

NFIN is required to maintain certain debt service coverage ratios.

Scheduled repayments of long-term debt are as follows:

	<u>Amount due</u>
Year ending June 30:	
2020	\$ 196,385
2021	200,045
2022	348,222
2023	122,463
2024	125,997
Thereafter	<u>1,841,353</u>
	<u>\$ 2,834,465</u>

Interest expense was \$115,381 for the year ended June 30, 2019.

NFI NORTH, INC.
Notes to Financial Statements
June 30, 2019

(6) Operating Leases

NFIN leases certain property, motor vehicles, and equipment under noncancelable (except under certain circumstances) operating lease arrangements. Rental and lease expense amounted to \$144,455 for the year ended June 30, 2019, including \$49,935 of related party property charges described in note 8. Future minimum lease payments as of June 30, 2019 are as follows:

	<u>Amount due</u>
Year ending June 30:	
2020	\$ 60,000
2021	32,771
2022	18,023
2023	<u>4,608</u>
	<u>\$ 115,402</u>

(7) Retirement Plan

NFIN has a qualified defined contribution retirement plan for eligible employees to which annual contributions are made at the discretion of NFIN's board of directors. NFIN elected to contribute \$129,281 for the year ended June 30, 2019.

(8) Related-Party Transactions

North American Family Institute, Inc. (NAFI), an affiliate, charges an administrative management fee for supporting service costs that NAFI incurs on behalf of the subsidiaries. These allocated costs amounted to \$1,164,780 for the year ended June 30, 2019, and have been included in supporting services expenses in the accompanying statements of activities and functional expenses.

In addition, NFIN pays NAFI a property charge for usage of certain fixed assets of NAFI. This charge was \$49,935 for the year ended June 30, 2019, and has been included in the accompanying statements of activities and functional expenses.

Cost reimbursement underpayments resulted in a balance due to NAFI as of June 30, 2019 in the amount of \$219,235. This amount has been reported as due to affiliate in the accompanying consolidated statement of financial position.

Cost reimbursement overpayments have resulted in a balance due from NAFI as of June 30, 2019 in the amount of \$92,725. This amount has been reported as due from affiliate in the accompanying statement of financial position and is expected to be paid within one year.

NAFI and affiliated corporations (NFIN, NFIVT, NAFICT and NFIM) may periodically make short term loans, not to exceed one year, to its affiliated corporations, secured by documentation evidencing such indebtedness. For the year ended June 30, 2019, there were no short term loan transactions with NFIN.



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

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

The Board of Directors
NFI North, Inc.:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of NFI North, Inc. (NFIN), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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



Purpose of this Report

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

KPMG LLP

September 30, 2019

Exhibit B**NFI NORTH, INC.
OFFICERS**

Title	Name	Address
President	Heidi Edwards Dunn Education & Communications Director NH Small Business Development Center	[REDACTED]
Treasurer	Dellie Champagne Events Coordinator/Teacher/Consumer Representative	[REDACTED]
Clerk/Secretary	Doug Giles Retired Fire Fighter/Organic Farmer	[REDACTED]

BOARD OF DIRECTORS

Name	Occupation	Address
Doug Giles	Retired Fire Fighter/Organic Farmer	[REDACTED]
Suanne Nader	Educator and Immediate Past Board President, NFI North	[REDACTED]
Heidi Edwards Dunn	Education & Communications Director NH Small Business Development Center	[REDACTED]
Laura Rauscher	Development Officer	[REDACTED]
Dellie Champagne	Events Coordinator/Teacher/Consumer Representative	[REDACTED]
Don Winn	Business Owner, Leadership Consultant	[REDACTED]
Bruce Farenwald	CFO Duncraft Inc.	[REDACTED]
Lori Beaulieu	Business Women/Insurance Industry	[REDACTED]

Terms: Until successors are duly elected and qualified. NOTE: No compensation for Members or Directors As of: 3/2/2020

JANICE A. WILLIAMSON, BA



HIGHLIGHTS OF QUALIFICATIONS:

- 30 years of experience with non-profit organizations, the last 25 in management and program administration.
- B.A. in Sociology backed by professional development courses in human services and management.
- Graduate of U.S. Army Command and General Staff College.
- Strong track record in developing and implementing training and support programs.
- Experienced in budget development/administration and grant writing.
- Accustomed to representing agency/participant interests through public speaking and personal representation.
- Extensive experience in developing Individual Service Plans vocational curriculums.
- Extensive experience in developing Individual Educational Plans and alternate school curriculums.
- Extensive experience with administrative functions, including supervision of staff, hiring, terminations, staff development and evaluation.
- Skillful in developing and managing contracts.
- Adept at interpreting and ensuring program compliance with state and federal regulations.
- Adept at interpreting Special Education regulations and managing alternate special education schools.
- Strong leadership qualities and proven willingness to accept responsibilities demonstrated throughout civilian and military careers.
- High level of self-initiative and resourcefulness in achieving managerial objectives.
- Adept at implementing and maintaining the Mental Illness Management Services (MIMS).

EXPERIENCE AND ACCOMPLISHMENTS:

1998 to Present NFI NORTH, INC.

Regional Director

Responsible for overseeing the operations of all programs in my region. Provide leadership, supervision, guidance and clinical support. Responsible for communicating all policies and procedures, contract negotiations and development, fiscal planning and on-call availability.

1994 to 1998 NFI NORTH, INC.

Program Director, North Country Shelter, Jefferson. NH

Responsible for total operations of co-ed program for 15 NH court ordered youth and over twenty five full-time staff. This included placement, counseling, treatment, special education, and all HR functions.

1993 to 1994 NORTHERN NH DEVELOPMENTAL SERVICES & MENTAL HEALTH, Wolfeboro, NH

Residential Coordinator of lower Carroll County located at the Carroll County Mental Health Center. Coordinate and implement all residential programs for individuals with a mental illness. Responsible for all ISO/Enhance family care residential programs. Responsible for all compliance with state and federal regulations.

1983 to 1992 COMMUNITY SERVICES COUNCIL OF MERRIMACK COUNTY, Concord, NH

Program Administrator of the Traumatic Brain Injury Residential Program and the Vocational Training Program, both located at Franklin Falls Farm - 1989 to May 1992

- Direct all aspects of rehabilitative services for brain-injured adults and progressive vocational programming for the developmentally disabled. Oversee two program managers and a staff of 18 residential and vocational trainers providing services for a caseload of 30. Administer a \$500,000 annual budget.
- Developed a profitable small business program as a vocational training tool for the developmentally disabled.
- Established highly successful, non-traditional alternative vocational programs for those in need of more comprehensive therapeutic programming.
- Planned/supervised programming and staff involved in developing and delivering three separate vocational training programs for the developmentally disabled and mentally ill throughout central New Hampshire.
- Directly involved in agency's receipt of \$200,000 "Mobility Grant" for developing the TBI program.
- Established strong relations with other TBI programs nationwide.
- Introduced the area's first vocational training program for the developmentally disabled by establishing a day program at a local church hall.
- Formulated and implemented all program models and management systems on which the Franklin Falls Farm program was developed.
- Implemented and coordinated services with outside therapists (speech, occupational, physical and behavioral).
- Supervised all job coaches and trainers.

1980 to 1983 LACONIA STATE SCHOOL AND TRAINING CENTER, Laconia, NH
Recreational Therapist

TEACHING EXPERIENCE

1978 to 1979 SAU #4, New Hampshire

Substitute Teacher for Middle-Secondary School

1977 to 1978 HOLBROOK SCHOOL, Holbrook, MA

Substitute Teacher for Middle-Secondary School.

MILITARY EXPERIENCE:

1978 to 1998 UNITED STATES ARMY NATIONAL GUARD, Concord, NH
Demonstrated strong leadership and management abilities resulting in career progress from the rank of Private to current rank of Lt. Colonel. Served as the Deputy Director of Personnel overseeing a staff of 20 at the Starc level. One of New Hampshire's first two female soldiers to graduate from Officer Candidate School. 1988 recipient of the NH Army Commendation Medal for Outstanding Service. 1986 recipient of the Army Commendation Medal for Meritorious Achievement. NH's 1985 Junior Officer of the Year. 1993 recipient of the Meritorious Service Medal for Exceptional Meritorious Service.

EDUCATION:

North Adams State College, North Adams, MA. B.A. in Sociology.

PROFESSIONAL DEVELOPMENT:

1984 to Present Completion of many staff development workshops and seminars related to direct care and management within human services.

1995 Facilitator/Trainer of Moderate Level Challenge Course.

1989 to 1993 U.S. ARMY GENERAL COMMAND AND STAFF COLLEGE,
Londonderry, NH Officers training in management, administration, counseling and executive responsibilities.

1987 U.S. ARMY INSTITUTE FOR PROFESSIONAL DEVELOPMENT, Newport News, VA Advanced Management, leadership and administration.

1981 U.S. ARMY, Aberdeen, MD - Officer Basic Course.

Deborah Weeks
[REDACTED]
[REDACTED]
[REDACTED]

Profile/Qualifications

- **Motivated, personable business professional**, who is dedicated and focused; able to prioritize and complete multiple tasks and follow through to achieve goals
- **Diplomatic and tactful** with professionals and non-professionals: able to grow positive relationships with clients and colleagues at all organizational levels
- **Accustomed to handling** sensitive, confidential records; demonstrated history of documenting accurate, timely reports
- **Flexible and versatile team player** open to learning new concepts quickly, working well under pressure, and communicating ideas clearly and effectively.
- **Strong leader** providing regular supervision, encouragement and teaching skills to several staff members.

Employment Experience

NFI NORTH ARRAY OF SERVICES:

**DAVENPORT SCHOOL AND RESIDENTIAL
JEFFERSON, NH**

APRIL 2016-PRESENT

Position Held: Program Director

- Promoted to manage a residential program and school for at-risk youth to include a staff team of 40+ employees
- Responsible for staff supervision and coordination of staff training
- Communicate with Funding Providers and Outside Resources
- Responsible for oversight of payroll, billing and staying within a set budget
- Trainer for the Agency in: Professional Boundaries, Family Systems, Group Process, and Safe Alternatives for Everyone (physical management trainer)
- SAFE certified through the State of NH to license foster care homes
- Continuously update Policy and Procedure guidelines as mandated by Licensing, Certification and Joint Commission
- Responsible for all clinical and programmatic operations, including intake, discharge, counseling, service/discharge plans, fiscal management, hiring and terminating staff, marketing, and licensing of foster homes

NFI NORTH ARRAY OF SERVICES:

**DAVENPORT SCHOOL
JEFFERSON, NH**

JULY 2013-APRIL 2016

Position Held: Assistant Program Director

- Responsible for staff supervision and coordination of staff training
- Attend treatment meetings for clients and assist in implementing treatment plans
- Communicate with Funding Providers and Outside Resources
- Oversee house management and ensure safety of building and vehicles (supply ordering, maintenance delegation and complete regular inspections)
- Actively engage with clients and staff to promote healthy relationships between management, direct care staff and clients
- Support the Program Director in overall program operations.

NFI NORTH COUNTRY SHELTER
JEFFERSON, NH

AUGUST 2007-JULY 2013

Positions Held: Shift Supervisor, Direct Care Counselor and Teacher's Aide

- Working with court ordered juveniles in an alternative school setting
- Assisting teachers in teaching, disciplining and role modeling for clients
- Help coordinate and implement the curriculum for special education teaching, following through with students IEP's.
- Report directly to Juvenile Probation Parole Officers (JPPO's), families, sending school districts, and supervisors on a regular basis
- Organize daily events, and document daily and weekly progress on clients
- Facilitate counseling for clients in individual and group settings
- Provide therapeutic intervention services to clients using individual and group treatment.
- Provide therapeutic intervention services to clients using individual and group treatment.

TANSUN PLACE RESTAURANT/CATERING
GROVETON, NH

APRIL 1989-PRESENT

Position Held: Owner/Manager

- Managed the overall performance of food service facility and kitchen operations.
- Directed the recruitment, interviewing, hiring, training, motivation and evaluation of crews.
- Oversaw the quality of recipes, service standards, and sanitation practices.
- Controlled fiscal aspects of business operations and met financial goals.
- Coordinated work schedules, ordered food and supplies, and developed restaurant team.
- Supervised the preventative maintenance and upkeep of equipment, facility, and grounds.
- Ensured a safe workplace and pleasant customer service experience.

Community Service

BAIL COMMISSIONER FOR STATE OF NH
COOS AND GRAFTON COUNTY

MAY 2019-PRESENT

- Available 24/7 for State Police, Fish and Game, Coos and Grafton County Police Departments
- Set bail and/or remand individuals that have been arrested in the State of New Hampshire

CASA OF NEW HAMPSHIRE
COLEBROOK, NH

FEBRUARY 2008-MAY 2016

Position Held: CASA/GAL

- Volunteer court appointed advocate for abuse and neglect children in the State of NH
- Meeting with clients regularly and assessing their needs
- Getting support in place for their needs
- Attending court hearings to advocate for their needs
- Writing reports for the court

TOWN OF NORTHUMBERLAND
NORTHUMBERLAND, NH

MARCH 2008-MARCH 2017

**Position Held: Chairman of the Board: Trustees of the Trust Funds
Justice of the Peace**

- Account for all the town's monies held in trust
- Basic bookkeeping and accounting
- Accountability to local and state officials
- Grant writing and advocacy for town funds
- Set up of investment policies
- Notarize official documents
- Assist with maintaining budgetary disciplines for the Town of Northumberland, abiding by the laws set forth by the State of New Hampshire

Education Experience

GRANITE STATE COLLEGE Littleton, NH	Paralegal Certificate	August 2007
SPRINGFIELD COLLEGE St. Johnsbury, VT	BS in Human Services	December 2010
SPRINGFIELD COLLEGE St. Johnsbury, VT	MS in Human Services (MOML)	December 2012

References Available Upon Request

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Jan Williamson	Regional Director	\$115,000	0.00	0.00
Deborah Weeks	Program Director	\$ 70,000	0.00	0.00

Subject: Title I Programs for the Division for Children, Youth and Families (DCYF) (SS-2020-DCYF-15-TITLE-05)

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

AGREEMENT

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

GENERAL PROVISIONS

I. IDENTIFICATION:

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Spaulding Youth Center		1.4 Contractor Address 72 Spaulding Road Northfield, NH, 03276	
1.5 Contractor Phone Number (603) 286-8901	1.6 Account Number 05-095-042-421010-29750000	1.7 Completion Date August 31, 2021	1.8 Price Limitation \$69,400
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature Todd C Emmons Date: 4/16/20		1.12 Name and Title of Contractor Signatory Todd C Emmons, CFO	
1.13 State Agency Signature [Signature] Date: 4/30/2020		1.14 Name and Title of State Agency Signatory Joseph Ribsam, Director DCYF	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: /s/ Christen Lavers On: 5/1/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provided in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete

compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 10.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

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

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

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

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

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

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.



REVISIONS TO STANDARD CONTRACT PROVISIONS

1. Revisions to Form P-37, General Provisions

- 1.1. Paragraph 3, Effective Date/Completion of Services, is amended by adding subparagraph 3.3 as follows:
 - 3.3. The parties may extend the Agreement for up to two additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
- 1.2. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.3 as follows:
 - 12.3. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed and how corrective action shall be managed if the subcontractor's performance is inadequate. The Contractor shall manage the subcontractor's performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

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Spaulding Youth Center
Institution Name

TITLE I PART D, SUBPART 1, SECTION 2

ESEA 2019-2021

INSTITUTION LEVEL APPLICATION

1. Program Goals, Measurable Objectives and Assessments

Subject/Program Area	Long Term Goal	Overall changes in academic and vocational abilities you expect your students to achieve within the 2019-2021 SY?	Assessments used to assess these goals? <i>Include pre/post dates for reading and math assessments.</i>	Who is responsible for giving and analyzing student results
Academic Outcomes				
Mathematics				
Reading				
Intensive Tutoring	To provide intensive tutoring to students having difficulty learning to read through traditional methods so that these students may achieve "catch up growth" to benefit from the general curriculum.	Students receiving intensive tutoring will increase their reading level by 2 grade levels by 8/31 of each year.	Pre-test October: WRMT-NU or III Post-test August: WRMT-NU or III	Reading Tutor/ Special Education Coordinator
Vocational Outcome				
Transition: Transition Counseling	To improve youth transitions to less restrictive settings, adulthood, return home	Students are able to transition from Spaulding Youth Center to a Less Restrictive Setting successfully. Improved Adult Outcomes: employability and independence	Interview by August: of youth and collaterals assessing educational outcome, employment, satisfaction, transition outcomes	Spaulding Youth Center Transition Counselor

SS-2020-DCYF-15-TITLE-05

Contractor Initials

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Spaulding Youth Center

Page 1 of 7

Date 04/06/20

Spaulding Youth Center
Institution Name

2. Scope of Project

A. Students to Be Served

Using current data as a basis, estimate the number of students who will participate in the Title I Part D, Subpart 1 program's instructional and support related components.

Ages	Reading	Mathematics	Transition	
5 – 10 years old	20		20	
11-15 years old	53		53	
16-18 years old			13	
19 years and older			4	

B. Staff Paid with Title I, Part D, Subpart 1 Funds

Using the chart below describe the staff to be paid with these funds.

Number	FTE (fulltime equivalent)	Responsibility/Job Title	Certification or other Qualification Required for Position	Each Estimated Salary
1-2	1-.5	Reading Tutor(s)	Training and/or certification in a specialized reading program such as Orton-Gillingham or Wilson	School Year \$75000.00 Summer \$16500.00
1	.25	Transition Counselor	Licensed Social Worker or Guidance Counselor	School Year \$14000.00 Summer \$3000.00

C. Transition Coordinator: Designate an individual or individuals to be responsible for issues relating to the transition of children and youth from the institution to locally operated programs.

Colleen Sliva, MSED
Name of Individual

Principal & Special Education Director
Title of Individual

Garrett Lavallee
Name of Individual

Special Education Coordinator
Title of Individual

D. Staff/ Student Ratio's:

Total students paroled T1 D support 90 divided by Total Title I Staff FTE 1.25 = 72 to 1

SS-2020-DCYF-15-TITLE-05

Contractor Initials JCE

Spaulding Youth Center

Page 2 of 7

Date 04/06/20

Spaulding Youth Center
Institution Name

E. Program Description: (Use additional space as needed)

- 1) *Describe the program in sufficient detail such that a teacher implementing this project and/or parents/guardians or persons visiting would know what to expect.*

Academic

The program will increase student performance in reading.

Students who have been unable to make appropriate progress in reading will be provided with two to three hours per week intensive individual tutoring using a research based approach to teaching reading such as Orton-Gillingham or Wilson Reading System by a reading tutor. These students will make at least two years of growth so that they may catch up to the skill level of their peers. Students receiving this service over the past several years averaged 2 years growth during the course of the school year. Tutoring will occur from the beginning of the grant period throughout the school year and summer program.

Students receiving an Orton-Gillingham based intervention will receive this as a supplementary service to their special education service and as a supplementary service to Spaulding Youth Center's English and Language Arts Curriculum. These curricula have been reviewed as part of our program approval process and are on file at the Department of Education for review.

Transition

Currently ten full time employees work with Spaulding Youth Center youth and families for the express purpose of transitioning these youth from our Center to a less restrictive setting such as their home or public school. Transition plans to adulthood are currently developed with families by these employees. Community and area agencies are identified and meetings are held to ensure good outcomes for our students.

The Title 1 grant will allow improved transition outcomes through the use of a transition counselor to provide supplemental transition counseling. This counselor will provide additional (supplemental) counseling to youth (50hrs/month) regarding transition planning, transfer from Spaulding Youth Center to a less restrictive setting such as back home or to public school, or to work. The transition counselor will spend additional time to work closely with families to identify and meet with community and agency resources.

- 2) *Describe function of major personnel such as home/school coordinators. (Attached job descriptions are appreciated)*

Reading Specialists: tutor individual students in reading; perform pre-tests and post-tests; consult with general educators to increase student success in the general curriculum.

Transition Counselor: provide supplemental counseling to youth and families to improve transition outcomes.

- 3) *Describe any additional services, beyond instruction, for children and youth provided with these funds such as career counseling, etc.*

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Spaulding Youth Center will provide counseling to youth and families regarding transition planning, career counseling, transfer from Spaulding Youth Center to a less restrictive setting such as back home or to public school, or to work. Additional time to work closely with families to identify and meet with community and agency resources will be provided.

F. Transition Services:

- 1) *Identify (by dollar amount) the financial reserves (must be between 15-30 percent of allocated funds) which will be used to provide transitional education services for neglected or delinquent children and youth. It is required to set-aside a minimum of 15% and a maximum of 30% of your dollars for this purpose.*

The transition services provided with the reserved funds will be allocated as follows:

\$17000: September-June: \$14000 July-August: \$3000: Transition Counselor (see below)

- 2) *Describe how the above reserved funds will be used for transitional educational services. (i.e. to re-enter school successfully or preparation for employment.)*

The reserved funds, \$17000, will be used to fund an additional counselor, a Transition Counselor, who will provide supplemental transition counseling. This counselor will provide additional (supplemental) counseling to youth regarding transition planning, transfer from Spaulding Youth Center to a less restrictive setting such as back home or to public school, or to work. The transition counselor will spend additional time to work closely with families to identify and meet with community and agency resources.

G. Professional Development:

- 1) List the major **NEEDS** of the *Title I staff and Institution staff* relating to the objectives of the Title I project that can be met by in-service training programs.

None requested.

- 2) Describe all staff development activities to be funded by this grant. (How many hours of training, when, for whom, and what topics will be covered?) Include a timeline.

None requested.

H. Coordination:

Describe how the program/s will be coordinated with other appropriate State and Federal programs, such as Vocational Education, Special Education, Work Force Investment Act and local dropout prevention programs. If applicable grade levels, describe how the institution will endeavor to coordinate with local businesses for training and mentoring opportunities for participating youth.

Program Coordination Schedule:

Daily:

- ☐ Reading Instruction: *general and special education*
- ☐ Intensive reading tutoring: *Title 1 and special education*
- ☐ Transition planning and coordination: *Transition Counselor*
- ☐ Instruction in and application of, and future planning of job skills with local businesses for training and mentoring. These unique learning opportunities are coordinated by each student's teacher in

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Contractor Initials

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Spaulding Youth Center

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Date

04/06/20

Exhibit B-1, Title 1 Part D, Subpart 1, Application

consideration of the student's identified current job skills and potential future job matches.:
general and special education, vocational education, work force investment act

Monthly/Quarterly:

- ☐ Transition Counselor: *Review coordination of training efforts with other appropriate programs such as Vocational Education, Work Force Investment Act, dropout/truancy prevention, local business training and mentoring opportunities.*
- ☐ Job search, application, social/conduct, and interview skills: *general and special education, vocational education, work force investment act.*
- ☐ Transition readiness: *Team review of student progress at team meetings in regard to readiness for transition to a less restrictive setting. Each team review's student progress academically, behaviorally, and in terms of transition outcomes to ensure each student is making progress toward transitioning back to their homes, families, schools, and communities. Program adjustments are made as needed to ensure progress is made. Special education, State and Federal Programs*
- ☐ Team review of each student's progress and program adjustment in math, reading, transition/vocational outcomes: *special education.*

Exhibit B-1, Title 1 Part D, Subpart 1, Application

Spaulding Youth Center
Institution Name

I. 1. **Budget Narrative October 1, 2019- August 31, 2020.**

Use this form to provide sufficient detail regarding proposed expenditures of Title I Part D, Subpart 1 funds.

Account Category	Budget Detail	Total Costs
Salaries and Benefits Include title and number of employees. Include rate of pay by hour/week etc.	Transition Counselor (1): @ \$20/hr: 850hrs/yr	School Year \$14000.00 Summer \$3000.00
Contracted Services Summarize activities and provide breakdown of expenses.	Reading Tutors (1-2): 38 weeks 1:1 tutoring school year and 6 weeks summer	School Year \$75,000.00 Summer \$16,500.00
Supplies and Materials Detail purchases (ex. #@\$). Explain the connection between items and the activities in the application.		School Year Summer
Books Detail purchases (ex. #@&). Explain the connection between purchases and the activities in the application.		School Year Summer
Equipment Attach a justification for each item to be purchased.		School Year Summer
Professional Development Activities		School Year Summer
Travel Summarize activities including the number of days, people involved and associated costs.		School Year Summer
Administration		School Year Summer
Total Costs		School Year and Summer= \$108,500.00

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Cover Sheet to Title I, Part D1 Application

Name of Institution: Spaulding Youth Center

Name of Institution Contact: Colleen Sliva, MEd.

Contact phone number: 603-286-8901x305

Contact email address: csliva@spauldingyouthcenter.org

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EXHIBIT B



Scope of Services

1. Statement of Work

- 1.1. The Contractor shall provide services in this agreement to abused and delinquent youth.
- 1.2. The Contractor shall ensure services are available statewide.
- 1.3. For the purposes of this agreement, all references to days shall mean business days.
- 1.4. For the purposes of this agreement, all references to business hours shall mean Monday through Friday from 8am to 4pm, excluding state and federal holidays.
- 1.5. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.6. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.7. The Contractor shall provide instructional services and related activities to meet the special educational needs of students in State Institutions for neglected or delinquent children and youth.
- 1.8. The Contractor shall ensure that all activities including, but not limited to field trips and activities out of the classroom are connected to educational goals and objectives and that documentation is available that provides evidence.
- 1.9. Services shall include those described in the Contractor's Title I Part D, Subpart 1 Application submitted to the New Hampshire Department of Health and Human Services and subsequently approved for funding by the Department of Education.
- 1.10. The Contractor's Title 1 Part D, Subpart 1, Application terms are hereby incorporated by reference into this Agreement as Exhibit B-1.

2. Exhibits Incorporated

- 2.1. The Contractor shall comply with all Exhibits D through H, which are attached hereto and incorporated by reference herein.

3. Performance Measures

- 3.1. The Contractor shall actively and regularly collaborate with the Department to enhance contract management, improve results, and adjust program delivery and policy based on successful outcomes.
- 3.2. The Contractor may be required to provide other key data and metrics to the

[Handwritten Signature]
Date *4/6/20*

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



Department, including client-level demographic, performance, and service data.

- 3.3. Where applicable, the Contractor shall collect and share data with the Department in a format specified by the Department.

4. Additional Terms

4.1. Impacts Resulting from Court Orders or Legislative Changes

- 4.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

4.2. Culturally and Linguistically Appropriate Services (CLAS)

- 4.2.1. The Contractor shall submit and comply with a detailed description of the language assistance services they will provide to persons with limited English proficiency and/or hearing impairment to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

4.3. Credits and Copyright Ownership

- 4.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

- 4.3.2. All materials produced or purchased under the contract shall have prior approval from the Department before printing, production, distribution or use.

- 4.3.3. The Department shall retain copyright ownership for any and all original materials produced, including, but not limited to:

- 4.3.3.1. Brochures.
- 4.3.3.2. Resource directories.
- 4.3.3.3. Protocols or guidelines.
- 4.3.3.4. Posters.
- 4.3.3.5. Reports.

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New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT B



- 4.3.4. The Contractor shall not reproduce any materials produced under the contract without prior written approval from the Department.

5. Records

- 5.1. The Contractor shall keep records that include, but are not limited to:

5.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.

5.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

- 5.2. During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts. Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

New Hampshire Department of Health and Human Services
Title I Programs for the Division for Children, Youth and Families (DCYF)
EXHIBIT C



Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Other funds (Department of Education).
2. For the purposes of this Agreement:
 - 2.1. The Department has identified the Contractor as a Contractor, in accordance with 2 CFR 200.0. et seq.
3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits C-1, Budget through Exhibit C-2, Budget.
4. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of the following month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment.
5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to kali.giovanditto@dhhs.nh.gov, or invoices may be mailed to:

Financial Manager
Department of Health and Human Services
Division for Children, Youth and Families
129 Pleasant Street
Concord, NH 03301
6. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available, subject to Paragraph 4 of the General Provisions Form Number P-37 of this Agreement.
7. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
8. The Contractor must provide the services in Exhibit B, Scope of Services, and Exhibit B-1, Institutional Level Application, in compliance with funding requirements.
9. The Contractor agrees that funding under this Agreement may be withheld, in whole or in part in the event of non-compliance with the terms and conditions of Exhibit B, Scope of Services.
10. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to

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EXHIBIT C



the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

11. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
12. Audits
 - 12.1. The Contractor is required to submit an annual audit to the Department if any of the following conditions exist:
 - 12.1.1. Condition A - The Contractor expended \$750,000 or more in federal funds received as a subrecipient pursuant to 2 CFR Part 200, during the most recently completed fiscal year.
 - 12.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b, pertaining to charitable organizations receiving support of \$1,000,000 or more.
 - 12.1.3. Condition C - The Contractor is a public company and required by Security and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 12.2. If Condition A exists, the Contractor shall submit an annual single audit performed by an independent Certified Public Accountant (CPA) to the Department within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 12.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
 - 12.4. In addition to, and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Contract to which exception has been taken, or which have been disallowed because of such an exception.

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**Exhibit C-1, Budget Sheet
DCYF Title I Program
2019-2020 School Year
(SFY20) Budget**

Line Item	Amount
Salaries	\$8,000
Contracted Services - Curriculum consultant for math and reading	\$51,300
Professional Development Activities	\$0
Supplies and Materials	\$0
Travel	\$0
Books	\$0
Other (Administration)	
Total	\$59,300

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**Exhibit C-2, Budget Sheet
DCYF Title I Program
2019-2020 Summer School
(SFY21) Budget**

Spaulding

Line Item	Amount
Salaries	\$2,000
Contracted Services - Curriculum consultant for math and reading	\$8,100
Professional Development Activities	
Travel	
Books	
Other (Administration)	
Total	\$10,100

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CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

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

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

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New Hampshire Department of Health and Human Services
Exhibit D



- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

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

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

Vendor Name:

April 6, 2020
Date

Todd C Emmons
Name: Todd C Emmons
Title: CFO

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CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medical Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

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

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

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

Vendor Name:

April 6, 2020
Date

Todd C Emmons
Name: Todd C Emmons
Title: CFO

Exhibit E - Certification Regarding Lobbying

Vendor Initials

Date

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4/6/20



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

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

TCF

4/6/20

New Hampshire Department of Health and Human Services
Exhibit F



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
- 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).
14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Vendor Name:

April 6, 2020
Date

Todd C Emmons
Name: Todd C Emmons
Title: CFO

Vendor Initials TCE
Date 4/6/20



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

Exhibit G

Vendor Initials

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

6/27/14
Rev. 10/21/14

Page 1 of 2

Date

TCE
4/6/20

New Hampshire Department of Health and Human Services
Exhibit G



In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name:

April 6, 2020
Date

Name:
Title:

Todd C Emmons
Todd C Emmons
CFO

Exhibit G

Vendor Initials

TCE

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Date 4/6/20



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this contract, the Vendor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Vendor Name:

April 6, 2020
Date

Todd C Emmons
Name: Todd C Emmons
Title: CEO

State of New Hampshire

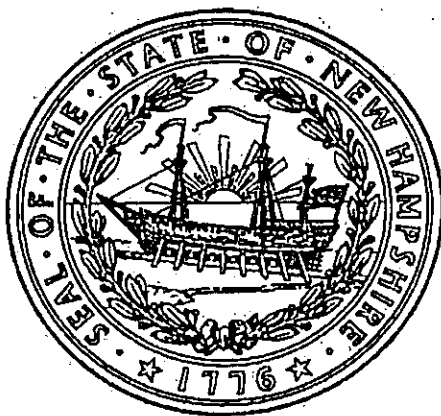
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SPAULDING YOUTH CENTER is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on July 03, 1958. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65524

Certificate Number: 0004846244



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 18th day of March A.D. 2020.

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

William M. Gardner
Secretary of State



SPAULDING YOUTH CENTER

SPAULDING YOUTH CENTER

E-mail Vote of the Board of Trustees – February 22, 2017

Board Motion No: SYC 17-013

An e-mail vote of the Spaulding Youth Center Board of Trustees was conducted on February 22, 2017.

TRUSTEES RESPONDING: Clark, Dearborn, Gottling, Humphrey, Magoon, McCarty, McGuffin, Palfrey, Seed, Snelling, Strauch, Ventura, White, constituting a quorum

Motion to Approve Business Authorizations

Explanation of Motion

The purpose of this motion is to authorize Susan C. Ryan, Todd Emmons, Roger Bolduc, Michael Ventura, and Hali Dearborn to transact all necessary and customary business of Spaulding Youth Center.

With the exception of Ronald Magoon, who abstained, the vote was unanimous. The motion below will be entered into the record at the March 27, 2017 Board of Trustees Meeting.

RESOLVE THAT, Susan C. Ryan, CEO; Todd Emmons, CFO; Roger Bolduc, Director of Support Services, Michael Ventura, Chair, Spaulding Youth Center Board of Trustees, and Hali Dearborn, Chair, Spaulding Youth Center Foundation Board of Directors jointly or individually, be authorized to transact all necessary and customary business of Spaulding Youth Center, including but not limited to the appropriate powers to sign contracts, sign checks, conduct online banking, enter into lease agreements, enter into loan agreements, transfer, endorse, deposit, sell, assign, set over and deliver any and all shares of stocks, bonds, debentures, notes, cash, checks, evidences of indebtedness, or other securities, and to make, execute and deliver any and all written instruments necessary or proper to effectuate said authority, as authorized by the Board, and that the Secretary of the Corporation be authorized to execute any resolution as may be reasonably required to evidence their authority.

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

Dated: 4/6/2020

Lori Surawick
Signature of Elected Officer
Name: Lori Surawick
Title: Executive Assistant



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/16/2020

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

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

PRODUCER Fred C. Church Insurance 41 Wellman Street Lowell MA 01851	CONTACT NAME: Wendy Radwan	
	PHONE (A/C, No, Ext): 978-458-1865	FAX (A/C, No): 978-454-1865
INSURED Spaulding Youth Center 72 Spaulding Road Northfield NH 03276	E-MAIL ADDRESS: wradwan@fredchurch.com	
	INSURER(S) AFFORDING COVERAGE	
	INSURER A: New Hampshire Employers Insurance Company	
	INSURER B: Philadelphia Indemnity Insurance Company	
	INSURER C:	
	INSURER D:	
	INSURER E:	
INSURER F:		

COVERAGES **CERTIFICATE NUMBER:** 728368966 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:		PHPK1990991	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000 \$
B	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY		PHPK1990991	7/1/2019	7/1/2020	COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		PHUB678899	7/1/2019	7/1/2020	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
A	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	4000938	3/1/2020	3/1/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

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

CERTIFICATE HOLDER NH DHHS 129 Pleasant Street Concord NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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SPAULDING YOUTH CENTER

MISSION STATEMENT

Spaulding Youth Center supports exceptional children
and families toward a successful future

SPAULDING YOUTH CENTER

FINANCIAL REPORT

JUNE 30, 2019

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NATHAN WECHSLER & COMPANY
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Spaulding Youth Center
Northfield, New Hampshire 03276

We have audited the accompanying financial statements of Spaulding Youth Center, which comprise the statement of financial position as of June 30, 2019, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Spaulding Youth Center as of June 30, 2019, and the results of its operations and changes in net assets, functional expenses and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Spaulding Youth Center's June 30, 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 27, 2018. In our opinion, the summarized information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nathan Wechsler & Company
Concord, New Hampshire
September 30, 2019

SPAULDING YOUTH CENTER

STATEMENTS OF FINANCIAL POSITION

June 30, 2019 and 2018

ASSETS			
		2019	2018
CURRENT ASSETS			
Cash	\$	694,170	\$ 1,238,473
Accounts receivable, net of allowance for doubtful accounts of \$20,000 for 2019 and 2018		2,652,869	2,234,562
Grants receivable		40,679	26,504
Contributions receivable		20,000	-
Prepaid expenses		97,012	103,689
Food inventory		12,700	13,666
<i>Total current assets</i>		<u>3,517,430</u>	<u>3,616,894</u>
PROPERTY AND EQUIPMENT			
Land		531,703	665,509
Buildings and improvements		11,021,692	10,444,583
Vehicles		625,240	605,677
Furniture, fixtures and equipment		3,151,448	3,033,097
Construction in progress		220,557	371,283
		<u>15,550,640</u>	<u>15,120,149</u>
Less accumulated depreciation		<u>7,882,255</u>	<u>7,311,434</u>
		<u>7,668,385</u>	<u>7,808,715</u>
INVESTMENTS AND OTHER ASSETS			
Contributions receivable, long-term and receivable restricted to investment in long-term assets, net		38,852	20,097
Investments		10,179,550	9,893,382
Beneficial interests in trusts		2,317,542	2,234,363
<i>Total assets</i>	\$	<u>23,721,759</u>	\$ 23,573,451
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Current maturities of long-term debt	\$	225,780	\$ 409,724
Accounts payable		161,942	157,770
Accrued expenses		565,267	501,846
Charitable gift annuities		5,009	5,009
<i>Total current liabilities</i>		<u>957,998</u>	<u>1,074,349</u>
LONG-TERM DEBT, less current maturities		<u>2,138,792</u>	<u>2,364,413</u>
<i>Total liabilities</i>		<u>3,096,790</u>	<u>3,438,762</u>
NET ASSETS			
Without donor restrictions (Note 9)		16,201,691	15,616,740
With donor restrictions (Note 10)		4,423,278	4,517,949
<i>Total net assets</i>		<u>20,624,969</u>	<u>20,134,689</u>
<i>Total liabilities and net assets</i>	\$	<u>23,721,759</u>	\$ 23,573,451

SPAULDING YOUTH CENTER

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended June 30, 2019 and Comparative Totals for Year Ended 2018

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
Revenue and support:				
Tuition income	\$ 12,698,420	\$ -	\$ 12,698,420	\$ 11,829,301
Other student services	2,037,249	-	2,037,249	1,685,354
Community based programs	992,141	-	992,141	813,466
Other income	131,578	-	131,578	72,575
Contributions	235,926	112,986	348,912	234,525
Grant revenue	-	98,561	98,561	117,725
Endowment spending draw	275,000	52,817	327,817	300,144
Investment income from trusts	109,607	-	109,607	110,982
<i>Total revenue and support</i>	<u>16,479,921</u>	<u>264,364</u>	<u>16,744,285</u>	<u>15,164,072</u>
Net assets released from restrictions:				
For satisfaction of restrictions from endowment income	79,313	(79,313)	-	-
For satisfaction of program restrictions	479,668	(479,668)	-	-
	<u>558,981</u>	<u>(558,981)</u>	<u>-</u>	<u>-</u>
<i>Total revenue, support and net assets released from restrictions</i>	<u>17,038,902</u>	<u>(294,617)</u>	<u>16,744,285</u>	<u>15,164,072</u>
Expenses:				
Program services:				
Residential program	6,210,529	-	6,210,529	5,905,433
Academic program	5,538,789	-	5,538,789	4,632,186
Program support	1,948,392	-	1,948,392	1,880,490
Community based programs	937,726	-	937,726	786,808
<i>Total program expenses</i>	<u>14,635,436</u>	<u>-</u>	<u>14,635,436</u>	<u>13,204,917</u>
General and administrative	1,938,979	-	1,938,979	1,942,622
Fundraising	163,840	-	163,840	150,783
<i>Total expenses</i>	<u>16,738,255</u>	<u>-</u>	<u>16,738,255</u>	<u>15,298,322</u>
<i>Increase (decrease) in net asset from operating activities</i>	<u>300,647</u>	<u>(294,617)</u>	<u>6,030</u>	<u>(134,250)</u>
Nonoperating activities:				
Loss on disposal of assets and impairment of land development costs	(138,623)	-	(138,623)	(1,303)
Net realized and unrealized gains, net of spending draw and investment fees	252,749	70,343	323,092	584,182
Interest and dividends	173,921	46,424	220,345	219,726
Change in split-interest value	(3,743)	-	(3,743)	(9,247)
Change in value of beneficial interests in trusts	-	83,179	83,179	(30,590)
	<u>284,304</u>	<u>199,946</u>	<u>484,250</u>	<u>762,768</u>
<i>Increase (decrease) in net assets</i>	<u>584,951</u>	<u>(94,671)</u>	<u>490,280</u>	<u>628,518</u>
Net assets, beginning of year	<u>15,616,740</u>	<u>4,517,949</u>	<u>20,134,689</u>	<u>19,506,171</u>
<i>Net assets, end of year</i>	<u>\$ 16,201,691</u>	<u>\$ 4,423,278</u>	<u>\$ 20,624,969</u>	<u>\$ 20,134,689</u>

SPAULDING YOUTH CENTER

STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2019 and Comparative Totals for Year Ended June 30, 2018

	Residential Program	Academic Program	Program Support	Community Based Programs	Total Program Services	General and Administrative	Fundraising	2019	2018
Personnel expenses:									
Salaries and wages	\$ 3,450,308	\$ 3,203,650	\$ 1,389,019	\$ 440,454	\$ 8,483,431	\$ 907,284	\$ 92,571	\$ 9,483,286	\$ 8,390,936
Overtime wages	448,896	100,736	17,492	7,179	574,303	2,813	-	577,116	609,096
Employee benefits	836,023	673,522	244,104	76,343	1,829,992	254,896	14,644	2,099,532	1,913,085
Payroll taxes	282,933	240,821	102,789	31,574	658,117	64,485	6,210	728,812	653,248
Workers' compensation insurance	176,683	135,603	2,867	20,937	336,090	11,804	133	348,027	356,272
Other personnel expense	17,295	15,401	116	544	33,356	64,198	-	97,554	99,898
Employee recruitment	-	-	-	-	-	50,026	-	50,026	35,851
Total personnel expenses	5,212,138	4,369,733	1,756,387	577,031	11,915,289	1,355,506	113,558	13,384,353	12,058,386
Program expenses:									
Foster program	-	-	50	286,931	286,981	-	-	286,981	269,904
Consulting	-	9,670	25,370	-	35,040	-	-	35,040	82,885
Therapy and recreational supplies	4,718	11,957	2,345	328	19,348	-	-	19,348	12,285
Building and household supplies	54,363	22,320	1,434	357	78,474	-	-	78,474	75,539
Educational supplies	15,948	76,826	264	-	93,038	-	-	93,038	101,215
Food expense	158,671	64,558	-	-	223,229	-	-	223,229	221,335
Medical supplies	-	-	15,565	-	15,565	-	-	15,565	7,425
Clothing	8,159	-	-	1,305	9,464	-	-	9,464	12,399
Student transportation	13,551	-	598	7,867	22,016	-	-	22,016	30,640
Student program funds	38,259	-	-	767	39,026	-	-	39,026	36,512
Student activities	6,511	17,972	-	-	24,483	-	-	24,483	21,732
Total program expenses	300,180	203,303	45,626	297,555	846,664	-	-	846,664	871,871
Operating expenses:									
Accounting and auditing fees	-	-	-	-	-	48,575	-	48,575	55,950
Legal fees and other professional services	855	56,965	6,084	391	64,295	125,717	26,419	216,431	241,390
Staff development	16,383	43,683	20,632	9,389	90,087	15,284	679	106,050	99,790
Staff travel and expenses	7,391	3,673	1,448	962	13,474	4,286	4,146	21,906	18,608
Office and computer supplies	3,737	6,176	4,799	1,124	15,836	16,508	70	32,414	29,702
Printing	-	-	-	-	-	-	5,483	5,483	11,243
Equipment maintenance and repairs	39,632	39,620	7,280	5,034	91,566	22,049	7,874	121,489	108,636
Telecommunications	8,578	9,599	3,802	5,432	27,411	5,256	-	32,667	35,904
Postage and shipping	-	-	-	-	-	5,031	150	5,181	6,478
Vehicle expenses	14,623	15,392	2,290	870	33,175	2,605	-	35,780	42,300
Property and liability insurance	42,569	45,171	6,831	2,705	97,276	72,596	-	169,872	123,824
Memberships	75	829	-	-	904	3,338	335	4,577	6,405
Interest expense	3,707	96,085	581	221	100,594	660	-	101,254	113,805
Equipment and furnishings	24,505	83,984	9,028	5,269	122,786	12,588	856	136,230	72,898
Board and committee responsibilities	-	-	-	-	-	983	-	983	3,634
Bank fees	-	-	-	-	-	4,119	220	4,339	4,960
Total operating expenses	162,055	401,177	62,775	31,397	657,404	339,595	46,232	1,043,231	975,527

See Notes to Financial Statements.

SPAULDING YOUTH CENTER

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

Year Ended June 30, 2019 and Comparative Totals for Year Ended June 30, 2018

	Residential Program	Academic Program	Program Support	Community Based Programs	Total Program Services	General and Administrative	Fundraising	2019	2018
Occupancy expenses:									
Heating costs	43,455	45,741	6,805	2,584	98,585	7,410	330	106,325	81,654
Other utilities	45,882	47,294	6,828	2,592	102,596	7,437	331	110,364	98,867
Maintenance and repairs	73,914	77,803	11,575	4,395	167,687	14,895	561	183,143	188,676
Property taxes	28,587	30,091	4,477	1,700	64,855	4,874	217	69,946	73,028
Other occupancy costs	102,485	107,877	16,049	6,093	232,504	17,478	777	250,759	248,408
Total occupancy expenses	294,323	308,806	45,734	17,364	666,227	52,094	2,216	720,537	690,633
Other expenses:									
Depreciation	241,833	254,555	37,870	14,379	548,637	41,243	1,834	591,714	604,569
Marketing expenses	-	-	-	-	-	150,541	-	150,541	130,983
Special events	-	-	-	-	-	-	-	-	16,715
Bad debt expense (recovery)	-	1,215	-	-	1,215	-	-	1,215	(50,362)
Total other expenses	241,833	255,770	37,870	14,379	549,852	191,784	1,834	743,470	701,905
Totals	\$ 6,210,529	\$ 5,538,789	\$ 1,948,392	\$ 937,726	\$ 14,635,436	\$ 1,938,979	\$ 163,840	\$ 16,738,255	\$ 15,298,322

SPAULDING YOUTH CENTER

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2019 and 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 490,280	\$ 628,518
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	591,714	604,569
Loss on disposal of assets and impairment of land development costs	138,623	1,303
Net realized and unrealized gain on investments	(650,909)	(884,326)
Bad debt expense (recovery)	1,215	(50,362)
(Increase) decrease in beneficial interests in trusts	(83,179)	30,590
Increase in accounts receivable	(419,522)	(217,780)
Increase in grants receivable	(14,175)	(16,831)
(Increase) decrease in contributions receivable	(38,755)	28,552
(Increase) decrease in prepaid expenses and food inventory	7,643	(75,199)
Increase (decrease) in accounts payable	4,172	(80,382)
Increase in charitable gift annuities	-	5,009
Increase in accrued expenses	63,421	169,354
<i>Net cash provided by operating activities</i>	<u>90,528</u>	<u>143,015</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(590,107)	(711,261)
Proceeds from sale of property and equipment	100	300
Proceeds from sale of investments	581,560	1,060,526
Purchase of investments	(216,819)	(217,359)
<i>Net cash provided by (used in) investing activities</i>	<u>(225,266)</u>	<u>132,206</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	(409,565)	(397,014)
<i>Net decrease in cash</i>	<u>(544,303)</u>	<u>(121,793)</u>
Cash, beginning of year	1,238,473	1,360,266
<i>Cash, end of year</i>	<u>\$ 694,170</u>	<u>\$ 1,238,473</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash payments for:		
Interest expense	<u>\$ 101,254</u>	<u>\$ 113,805</u>

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Activities

Spaulding Youth Center ("the Organization") is a voluntary not-for-profit corporation, incorporated under the laws of the State of New Hampshire. The Organization was established to provide high-quality therapeutic, educational, residential and foster care services for children with emotional and behavioral challenges and children with autism or other neurological impairments. The Organization also provides training to families and professional staff focusing on children's behavioral, emotional and educational challenges. The Organization was created as a result of the merger of the NH Orphans' Home, the Daniel Webster Home, and the Golden Rule Farm on November 6, 1958.

Note 2. Significant Accounting Policies

Basis of accounting: The financial statements of the Organization are prepared on the accrual basis; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Estimates and assumptions: Management uses estimates and assumptions, such as fair value of contributions receivable, useful lives of property and equipment and allowance for doubtful accounts in preparing the financial statements. Those estimates and assumptions affect the recorded amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the recorded revenues and expenses. Accordingly, actual results may differ from those estimates.

Net assets: The Organization reports information regarding its financial position and activities according to two categories of net assets: net assets with donor restrictions and net assets without donor restrictions. Descriptions of these net asset categories are as follows:

Net assets without donor restrictions: Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time the Board of Directors designates a portion of these net assets for specific purposes which makes them unavailable for use at management's discretion. For example, the Board has designated a portion of net assets without donor restrictions as a quasi-endowment (an amount to be treated by management as if it were part of the donor restricted endowment) for the purpose of securing the Organization's long-term financial viability.

Net assets with donor restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions and also includes the accumulated appreciation and depreciation related to donor-restricted endowment funds.

The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Some net assets with donor restrictions include a situation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy.

Cash and cash equivalents: For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Organization had no cash equivalents at June 30, 2019.

Accounts receivable: Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance based on their assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance and a credit to accounts receivable.

Fair value option: GAAP provides a fair value option election that allows organizations to irrevocably elect fair value as the initial and subsequent measurement attribute for certain financial assets and liabilities. GAAP permits the fair value option election on an instrument-by-instrument basis at specified election dates, primarily at the initial recognition of an asset or liability or upon an event that gives rise to a new basis of accounting for that instrument. The Organization has elected the fair value option for contributions receivable.

Contributions receivable: Unconditional contributions receivable are reported at net realizable value if at the time the promise is made payment is expected to be received in one year or less. Unconditional promises that are expected to be collected in more than one year are reported at fair value initially and in subsequent periods because the Organization elected the fair value option in accordance with generally accepted accounting principles. Management believes that the use of fair value reduces the cost of measuring unconditional promises to give in periods subsequent to their receipt and provides equal or better information to users of its financial statements than if those promises were measured using present value techniques and historical discount rates. Conditional promises to give are not included in the financial statements.

Contributions: The Organization recognizes contributions received and made, including unconditional promises to give, as revenue in the period received or made. Contributions received are reported as either revenues without donor restrictions or revenues with donor restrictions.

Contributions with donor restrictions that are used for the purposes specified by the donor in the same year as the contribution is received are recognized as revenues with donor restrictions and are reclassified as net assets released from restrictions in the same year. Promises to contribute that stipulate conditions to be met before the contribution is made are not recorded until the conditions are met. There were no conditional promises to give for the year ended June 30, 2019.

Beneficial interests in trusts: Beneficial interests in trusts are carried at the fair value of the expected future distributions from irrevocable perpetual trusts controlled by trustees not related to the Organization.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Donated services: Volunteers have donated their time to the Organization and its programs; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Inventories: Inventories consist of food inventory and are valued at the lower of cost on the first-in, first-out basis, or net realizable value.

Property and equipment: Property and equipment are recorded at cost if purchased or at fair value on the date of gift if donated. Donated assets are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are being depreciated using the straight-line method over estimated useful lives as follows:

	Years
Buildings and improvements	5-50
Vehicles	3-5
Furniture, fixtures and equipment.....	3-15

The Organization's policy is to capitalize asset acquisitions in excess of \$5,000. Lesser amounts are generally expensed.

Income taxes: The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is also exempt from state income taxes by virtue of its ongoing exemption from federal income taxes. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Organization has adopted the provisions of FASB ASC 740, Accounting for Uncertainty in Income Taxes. Accordingly, management has evaluated the Organization's tax positions and concluded the Organization had maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment or disclosure in the financial statements. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal or State tax authorities for years before 2016.

Functional allocation of expenses: The financial statements report certain categories of expenses that are attributable to more than one program or supporting function of the Organization. Those expenses include depreciation, occupancy, the president's office, food services and the information technology department. Depreciation and occupancy are allocated based on square footage. The president's office, food services and the information technology department are allocated based on estimates of time and effort.

Operating measure: The Organization has presented the statement of activities and changes in net assets based on an intermediate measure of operations. The measure of operations includes all revenues and expenses that are an integral part of the Organization's programs and supporting activities and net assets released from restrictions to support operating activities. Non-operating activities are limited to resources outside of those program and services and are comprised of investment return, the changes in fair value of the beneficial interest in trusts, the change in split-interest value and gains and losses on sales and dispositions of assets.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

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

Advertising costs: The Organization expenses all advertising costs as incurred. Advertising and recruitment expense amounted to \$50,026 for the year ended June 30, 2019.

Change in accounting principle: In August 2016, the FASB issued ASU 2016-14, "*Presentation of Financial Statements of Not-for-Profit Entities*" (Topic 958). The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expiration of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements.

The Organization has adopted this ASU for the year ended June 30, 2019 with retroactive application for the June 30, 2018 financial statements. As a result, the Organization changed its presentation of its net assets classes and expanded the footnote disclosures as required by the ASU.

Recent accounting pronouncements: In May 2014, the FASB issued, *Revenue from Contracts with Customers* (ASU 2014-09), which requires revenue to be recognized when promised goods or services are transferred to customers in amounts that reflect the consideration to which the Organization expects to be entitled in exchange for those goods and services. ASU 2014-09 will replace most existing revenue recognition guidance when it becomes effective on July 1, 2019. ASU 2014-09 permits the use of either the retrospective or cumulative effect transition method. Management is currently evaluating the impact this will have on its financial statements.

In February 2016, the FASB issued, *Leases, Topic 842* (ASU 2016-02), which will be effective for the Organization on July 1, 2020, with early adoption permitted. Under ASU 2016-02, at the commencement of a long-term lease, lessees will recognize a liability equivalent to the discounted payments due under the lease agreement, as well as an offsetting right-of-use asset. Lessees (for capital and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees may not apply a full retrospective transition approach. Management is currently evaluating the impact this will have on its financial statements.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Note 3. Concentrations

The Organization receives a substantial amount of its support from the New Hampshire Department of Health and Human Services, Division of Children, Youth and Families, in the form of board and care revenue, and from the New Hampshire Department of Education, for student instruction. In addition, the Organization receives support from similar governmental agencies in other states.

The Organization maintains cash accounts in multiple financial institutions. The Organization's cash accounts are insured up to \$250,000 per depositor at each financial institution. There were no amounts in excess of these federally insured limits as of June 30, 2019.

This excludes a portion of the Organization's cash balances invested in a repurchase agreement which is not insured by the FDIC. The repurchase agreement is an obligation of the bank and the underlying federal security serves as collateral. Shares of pooled U.S. Government-backed securities pledged as collateral totaled approximately \$537,000 at June 30, 2019.

Note 4. Contributions receivable

Unconditional promises to give are included in the financial statements as contributions receivable and revenue of the appropriate net asset category. Contributions expected to be received beyond one year are recognized at fair value using present value techniques and a discount rate of 3%.

Unconditional promises to give are expected to be realized in the following periods:

	Contributions receivable	Capital campaign contributions receivable
In one year or less	\$ 20,000	\$ 20,000
Between one year and five years	20,000	-
Less: present value discount	(1,148)	-
<i>Total</i>	<u>\$ 38,852</u>	<u>\$ 20,000</u>

Note 5. Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values, based upon quoted market prices or estimated fair value provided by external managers, in the statements of financial position.

Unrealized gains and losses are included in the change in net assets in the accompanying statement of activities and changes in net assets.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

The following summarizes investment return for the year ended June 30, 2019:

	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 173,921	\$ 46,424	\$ 220,345
Realized and unrealized gains	584,022	137,330	721,352
Investment fees	(56,273)	(14,170)	(70,443)
	<u>\$ 701,670</u>	<u>\$ 169,584</u>	<u>\$ 871,254</u>

As of June 30, 2019, the Organization had signed contracts with two donors which created charitable gift annuities that are being administered by the Organization. The donors retain the power to revoke the annuity payments. The Organization's obligation under the agreements terminates upon the death of the last beneficiary unless sooner terminated by the donor. Based on the donors' and beneficiaries' life expectancies and the discount rates, the amortized gift annuity liability was estimated to be \$5,009 as of June 30, 2019.

Note 6. Beneficial Interests in Trusts

The Organization is the beneficiary of several irrevocable perpetual trusts managed by local, independent financial institutions. The Organization receives distributions from seven trusts based on the income earned and annual distributions made by the trust. The Organization received \$109,607 from these trusts during the year ended June 30, 2019. This amount is recorded as investment income without donor restrictions.

The Organization's portion of the fair value of these trusts, which approximates the present value of future benefits expected to be received, amounted to \$2,317,542 at June 30, 2019. In accordance with FASB ASC 958-605, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, the Organization has recorded the change in value of these investments on the statement of activities and changes in net assets. The increase in value of beneficial interests in trusts during the year ended June 30, 2019 amounted to \$83,179.

Note 7. Line-of-Credit, Long-Term Debt, and Pledged Assets

The Organization has a \$1,000,000 revolving line-of-credit agreement with interest at the *Wall Street Journal* prime rate plus 1% (6.5% at June 30, 2019), with a floor rate of 5.75%, secured by all accounts receivable, demand deposits, cash collateral, contracts and contract rights, the second mortgage on the property located at 130 Shedd Road, and other amounts that might become owed to the Organization during its normal course of operations. This line-of-credit requires the Organization to maintain a minimum debt service covered ratio of 1.20. This line-of-credit has an annual renewal date of February 3. As of June 30, 2019, the Organization did not have an outstanding balance on this line-of-credit.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Long-term debt at June 30, 2019 consists of the following:

Note payable, bank, secured by first mortgage on 130 Shedd Rd., interest at 4%, requiring monthly principal and interest payments of \$14,732, due February 2037	\$ 2,226,653
Note payable, New Hampshire Educational and Health Facilities Authority, collateralized by equipment, interest at 1%, requiring monthly principal and interest payments of \$3,419, due November 2019	17,052
Note payable, bank and New Hampshire Educational and Health Facilities Authority (HEFA). The bank participates in 70% of the original principal balance. HEFA participates in 30%. The note bears interest at 3.1%. The note is collateralized by endowment funds. The loan requires interest and principal payments of \$24,417, due November 2019	120,867
	<u>2,364,572</u>
Portion payable within one year	225,780
<i>Total long-term debt</i>	<u><u>\$ 2,138,792</u></u>

The carrying amount reported in the statement of financial position approximates fair value because the Organization can obtain similar loans at the same terms.

The following is a summary of the principal payments due on long-term debt:

<u>Year Ending June 30,</u>	
2020	\$ 225,780
2021	91,735
2022	95,526
2023	99,473
2024	103,382
Thereafter	1,748,676
<i>Total</i>	<u><u>\$ 2,364,572</u></u>

Note 8. Endowment Funds

The Organization's endowment consists of seven individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law: The Organization is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditures. Most of those net assets are also subject to

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Directors of the Organization has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary.

As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the Organization and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the investment policies of the Organization.

Underwater Endowment Funds: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. The Organization did not have any funds with deficiencies for the year ended June 30, 2019.

Investment Return Objectives, Risk Parameters and Strategies: The Organization has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of approximately 5% while growing the funds if possible. Therefore, the Organization expects its endowment assets, over the long term, to produce an average rate of return of 3% over the generally followed Consumer Price Index while prioritizing preservation of the capital in real terms and displaying strong risk management. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

Spending Policy: The Organization has adopted a written spending policy of appropriating for distribution each year 5% of its endowment fund's average fair value of the prior 20 quarters through the year preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Organization expects the current spending policy to

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

allow its endowment funds to grow at a nominal average rate of approximately 3% annually, which is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

Endowment net asset composition by type of fund as of June 30, 2019 is as follows:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$ -	\$ 674,620	\$ 674,620
Accumulated investment gains	-	626,391	626,391
Board-designated endowment funds	6,872,905	-	6,872,905
	<u>\$ 6,872,905</u>	<u>\$ 1,301,011</u>	<u>\$ 8,173,916</u>

Changes in endowment net assets as of June 30, 2019 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, beginning of year	\$ 6,557,684	\$ 1,245,597	\$ 7,803,281
Investment income, net	590,221	108,231	698,452
Appropriation of endowment assets for expenditure	(275,000)	(52,817)	(327,817)
Endowment net assets, end of year	<u>\$ 6,872,905</u>	<u>\$ 1,301,011</u>	<u>\$ 8,173,916</u>

Note 9. Net Assets without Donor Restrictions

The Organization's net assets without donor restrictions is comprised of the following:

June 30,	2019
Undesignated	\$ 7,782,446
Board-designated endowment funds	6,872,905
Board-designated for priority needs	1,546,340
<i>Total net assets without donor restrictions</i>	<u>\$ 16,201,691</u>

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Note 10. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods:

June 30,	2019
Subject to expenditure for specified purpose or period:	
Art supplies	\$ 14,933
Technology	61,694
Professional development	13,929
Miscellaneous	7,214
Contributions and grant receivable	79,531
Capital campaign funds	<u>627,424</u>
<i>Total subject to expenditure for specified purpose or period</i>	<u>804,725</u>
Endowments subject to the Organization's spending policy and appropriation:	
Investments in perpetuity (original amount of \$674,620), which once appropriated, is expendable to support the Organization's programs	<u>1,301,011</u>
Beneficial interest in assets held by others:	
Beneficial interests in trusts	<u>2,317,542</u>
<i>Total net assets with donor restrictions</i>	<u><u>\$ 4,423,278</u></u>

Note 11. Tuition Income

Tuition income reported on the statement of activities and changes in net assets includes instructional revenue and residential revenue as follows:

Instructional revenue	\$ 7,682,670
Residential revenue	5,015,750
<i>Total</i>	<u><u>\$ 12,698,420</u></u>

Note 12. Retirement Plan

The Organization maintains a defined contribution 403(b) qualified retirement plan ("the Plan"). The Plan covers all employees of the Organization who have completed two years of service and who are at least twenty-one years of age. Each year, the Organization contributes to the Plan in accordance with the Plan document. Participants may make elective wage and salary deferrals into this plan. All participants are 100% vested upon entry. Included in employee benefits in the statement of functional expenses is the retirement expense amounting to \$311,077 for the year ended June 30, 2019.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

Note 13. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

June 30,	2019
Cash	\$ 694,170
Accounts receivable	2,652,869
Grant receivable	40,679
Contributions receivable, net	58,852
Beneficial interests in trusts	2,317,542
Investments	10,179,550
<i>Total financial assets</i>	<u>15,943,662</u>
Less amounts unavailable for general expenditures within one year due to:	
Restricted by donors with time or purpose restrictions	(494,046)
Subject to appropriation and satisfaction of donor restrictions	(1,249,011)
Beneficial interests in trusts	<u>(2,317,542)</u>
<i>Total amounts unavailable for general expenditure within one year</i>	<u>(4,060,599)</u>
Amounts unavailable to management without Board's approval	
Board-designated net assets	<u>(8,129,245)</u>
<i>Total financial assets available to management for general expenditure within one year</i>	<u><u>\$ 3,753,818</u></u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs the Organization has committed a line of credit of \$1,000,000, which it could draw upon. Additionally, the Organization has board-designated net assets without donor restrictions that, while the Organization does not intend to spend these for purposes other than those identified, the amounts could be made available for current operations, if necessary.

Note 14. Fair Value Measurements

The Fair Value Measurements Topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 - inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at level 1 fair value generally are securities listed in active markets. The Organization has valued its investments, listed on national exchanges at the last sales price as of the day of valuation.

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

- Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option-pricing models, discounted cash flow models, and similar techniques.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Financial assets carried at fair value on a recurring basis consist of the following at June 30, 2019:

	Level 1	Level 2	Level 3
Cash and money market funds	\$ 229,937	\$ -	\$ -
Repurchase agreements	-	556,867	-
Equities:			
Consumer discretionary	802,730	-	-
Consumer staples	259,456	-	-
Energy	351,598	-	-
Financials	659,488	-	-
Health care	847,930	-	-
Industrials	579,411	-	-
Information technology	1,398,128	-	-
Materials	256,718	-	-
Telecommunications	424,275	-	-
Real Estate	222,277	-	-
Utilities	188,471	-	-
Other equities	428,759	-	-
Fixed Income:			
Government and government agencies	-	1,453,853	-
Mortgage-backed securities	-	750,582	-
Corporate bonds	-	1,123,554	-
Taxable funds	202,383	-	-
Contributions receivable	-	-	58,852
Beneficial interests in trusts	-	-	2,317,542
Total	\$ 6,851,561	\$ 3,884,856	\$ 2,376,394

SPAULDING YOUTH CENTER

NOTES TO FINANCIAL STATEMENTS

The following table presents the change in Level 3 instruments for the year ended June 30, 2019:

	Contributions receivable	Beneficial interests in trusts
Balance, beginning of year	\$ 20,097	\$ 2,234,363
New contributions receivable	60,000	-
Contribution payments	(20,000)	-
Changes to discount and allowance	(1,245)	-
Total realized and unrealized gains, included in changes in net assets	-	83,179
Balance, end of year	<u>\$ 58,852</u>	<u>\$ 2,317,542</u>
Amount of unrealized gains relating to assets still held at the reporting date, included in changes in net assets	<u>\$ -</u>	<u>\$ 83,179</u>

The fair value of the beneficial interests in trusts is determined by calculating the present value of future distributions expected to be received, which approximates the market value of the trusts' assets at June 30, 2019.

Note 15. Related Party Transactions

The Organization receives financing from a bank which employs one of the Organization's board members. Another board member is also a board of director of that bank. In addition, another board member is president of the company that manages the Organization's retirement plan.

Note 16. Subsequent Events

The Organization has evaluated subsequent events through September 30, 2019, the date which the financial statements were available to be issued and have not evaluated subsequent events after that date. No subsequent events were identified that would require disclosure in the financial statements for the year ended June 30, 2019.



Spaulding Youth Center

Board of Directors – 2020

Michael Ventura, President & CEO, Independence Financial Advisors – Chair

Hali B. Dearborn – Vice Chair

Ronald L. Magoon, President & CEO, Franklin Savings Bank – Treasurer

Donna Raycraft – Secretary

Indrika Arnold, The Colony Group

Michael Bourbeau, Northeast Delta Dental

Chief Robert Cormier, Tilton Police Department

Suzanne H. Gottling

Scott D. McGuffin, Esq.

Robert N. Snelling

Peter White

Dan Walulik- VP Finance, Oracle/Dyn

Dan Kaplan- IT Manager, Associated Grocers

Jake Beattie- Controller, Autoserv

Dr. Raymond Suarez- Chief of Psychiatry, Genesis

Marcus Weeks- Senior Vice President & Senior Retail Banking Officer, Meredith Village Savings Bank

Mike Flaherty- CEO, Taylor Communities

Ana McKenna- Employed at Broad Leaf Inc

Colleen Sliva, MEd.

Educational Experience:

Learning Disabilities Specialist:

Burnham Brook Middle School, Canterbury, NH: 2001-present. I supervise and implement the learning disabilities program. My responsibilities include overseeing a staff of three learning disability teachers, evaluation, individualized education plan formulation, and case management. I instruct learning-disabled students in specially designed reading, writing, and content area classes. Additionally, I teach a pre-algebra class.

President of the NH branch International Dyslexia Association:

2005-present. I am responsible for coordinating committees, meetings, chairing meeting and maintaining communication between our branch and the national branch.

Vice President of the NH branch International Dyslexia Association:

2001- 2004. My duties have included assisting in the establishment of this branch organization and organizing and executing conferences.

Individualized Reading Tutorials:

2000-present. I tutor students individually and in small groups using the Wilson Reading System, Lindamood-Bell Phoneme Sequencing Program, and Orton-Gillingham.

Elementary Special Needs Teacher:

Boscawen Elementary School: Merrimack Valley School District, Boscawen, NH 1992-2001

I taught a self-contained program for children with severe special needs such as mild to severe mental retardation, severe language impairment, autism/PDD, hearing impairment, PTSD, traumatic brain injury, Cerebral Palsy, Down's Syndrome, and Fetal Alcohol Syndrome. My duties included instruction, training and supervision of paraprofessionals, assessment and report writing, case management, individual educational plan writing, scheduling, and collaborating with regular educators.

Respite Provider:

Children's Intervention program: Riverbend Community Mental Health Center, Concord, NH: 1994-2000. I provided respite care for seriously emotionally disturbed children ages 5-14+ for extended periods of time in homes and the community.

Elementary Summer School Teacher/ Tutor:

Merrimack Valley School District 1993, 1996-2001

I supervised, organized, and instructed a summer program for students with a wide variety of severe special needs. Additionally, I supervised, organized, and instructed a program for a young child with Autism from the time he was four years old until he was six in collaboration with the May Center.

Education:

Master of Science in Education: Language and Literacy Inclusion Specialist.

Simmons College, Boston, MA 2000-2001 (graduated 9/2001).

Graduate Coursework in Autism: Applied Behavior Analysis.

Fitchburg State College, Fitchburg, MA 1998.

B.A. Elementary and General Special Education.

Mount Holyoke College, South Hadley, MA & Notre Dame College, Manchester, NH 1984-1992.

Certifications:

NH State Certifications: Elementary Education, General Special Education, Learning Disabilities Specialist; Wilson Reading System Certified: Levels 1, 2A, 2B. Orton Gillingham Certification: Subscriber. Lindamood-Bell Phoneme Sequencing Program Trained and supervised practicum complete. Project Read Story Form and Report Form trained. Master's Level student of Barbara Wilson, Rebecca Felton, Louisa Moats, Marilyn Adams, and Anthony Bashir

Professional Memberships:

International Dyslexia Association, Simmons College Language and Literacy Program Task Force

CONTRACTOR NAME

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Colleen Sliva, MSED	Principal and Special Ed Dir	\$90,043	0%	0%