

21
MAY19'20 AM10:31 DAS
9B
85



Frank Edelblut
Commissioner

Christine M. Brennan
Deputy Commissioner

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

May 6, 2020

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

REQUESTED ACTION

Authorize the Department of Education, Division of Learner Support, Bureau of Adult Education to enter into a contract with Second Start, Concord, NH (Vendor Code 177224), in an amount not to exceed \$1,452,599.18 to provide Statewide Professional Development Services, effective upon Governor and Council approval for a period of July 1, 2020 through June 30, 2023. **12.5% Federal Funds, 82.5% General Funds.**

Funds to support this request are available in the accounts entitled, Adult Ed-Federal and Adult Ed-State for the period of July 1, 2020 through June 30, 2023 with the ability to adjust encumbrances between Fiscal years through the Budget Office, without further Governor and Council approval, if needed and justified:

		FY21	FY22	FY23	Total
06-56-56-565010-4037-072-500575	Grants – Federal	\$58,744.99	\$60,507.34	\$62,322.56	\$181,574.89
06-56-56-565010-4039-601-500931	State Fund Match	\$411,214.95	\$423,551.40	\$436,257.94	\$1,271,024.29
		\$ 469,959.94	\$ 484,058.74	\$ 498,580.50	\$ 1,452,599.18

EXPLANATION

The Statewide Professional Development Contractor is responsible for providing a professional development director and a disabilities coordinator in addition to facilitating various advisory groups and committees; administering all professional development activities such as workshops, conferences, and online courses; maintaining the private NH Adult Education website; providing fiscal management for participant stipends, mileage reimbursement, dues/fees; distribution of workshop fees, tuition reimbursement, and scholarship funds. All activities must align with goals and strategies of the NH State Workforce Plan in collaboration with other Workforce Innovation and Opportunity (WIOA) partners; offer high quality professional development programs to improve instruction; provide technical assistance; and monitor and evaluate the quality of and improvement in, adult education and literacy activities across the state.

Statewide Professional Development Services will be provided at various locations around the state, primarily adult education centers. Activities are open to all New Hampshire adult educators.

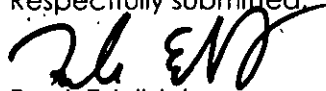
A Request for Proposals (RFP) was released February 7, 2020 on the NH Department of Education website and published in the Concord Monitor and the Manchester Union Leader. The Statewide Professional Development Grant is awarded through a competitive application process that is open to school districts, private-not-for-profits, and governmental agencies. One proposal was received and reviewed using the proposal criteria in the RFP for evaluating the applications (See Attachment A). The grant was awarded to one private-not-for-profit organization that met the criteria for funding (See Attachment-B).

The actual amount of the grant may reflect changes incorporated into the project after the application was filed with the Bureau of Adult Education.

The Bureau of Adult Education provides professional development services to approximately four hundred fifty adult educators each year. The New Hampshire Department of Education Grants Management System will be utilized to grant funds to Second Start.

Should Federal Funds become no longer available, additional general funds will not be requested to support this program.

Respectfully submitted,



Frank Edelblut
Commissioner of Education

Attachment A

A request for statewide professional development services proposals for the term of three (3) years was released on February 7, 2020. The notice was published in the Union Leader and the Concord Monitor on February 7, 2020, posted on the NH Department of Education's website, and sent electronically to any party expressing an interest in submitting an application.

The successful applicant will be responsible for administering the following programs and services:

- Professional Development Director
- Disabilities Consultant
- Various advisory groups and committees
- All professional development activities such as workshops, conferences and online courses
- Maintenance of the NH Adult Education website
- Fiscal management including but not limited to:
 - issuing stipends and mileage reimbursement for activities
 - payment of dues and fees
 - distribution of tuition, workshop fees and grants
 - Disbursement of scholarship funds as needed

Additionally, the Bureau of Adult Education considered the degree to which the proposal addressed the following criteria:

- **Organizational Capacity:** How well does the applicant's experience, the experience of the key staff and collaboration with various partners indicate the ability to provide the services requested.
- **Alignment with core WIOA partners:** How well the proposed program will align activities to other core WIOA partners as well as the mission and goals of the NH Combined State Workforce Plan.
- **Instructional Improvement:** How well the proposed program will offer activities to improve adult education instruction.
- **Technical Assistance:** How well the proposed program will offer technical assistance activities.
- **Monitoring, Evaluation and Improvement:** How well the proposed program will monitor professional development activities, evaluate those activities and determine whether or not the activities lead to improvement in adult education.
- **Capacity Building:** How well the proposed program will increase capacity for training and expand professional development opportunities for NH adult educators.
- **Facilitation:** How well the proposed program will facilitate professional development activities, manage personnel and serve as a fiscal agent.
- **Budget and Budget Narrative:** How well the proposed program presents a cost-conscious budget with the primary focus on providing quality services to NH adult educators.

Only one proposal was received.

Proposal Criteria in RFP:

Minimum Standards

As outlined in Section 4.1 Minimum Requirements for Applicants, all applicants need to be an eligible provider with demonstrated effectiveness. An eligible provider is an organization that has demonstrated effectiveness in providing adult education and literacy activities by providing data on its record of providing a variety of professional development services to adult educators in order to enable them to improve the skills of eligible individuals, particularly individuals who have low levels of literacy, in the content domains of reading, writing, mathematics and English language acquisition, and other subject areas relevant to the services under the Workforce Innovation and Opportunity Act of 2014, Title II Adult Education and Family Literacy Act.

Second Start was determined an eligible provider based on data submitted on the Demonstrated Effectiveness Chart in the proposal.

Evaluation of Proposal

The evaluation scores are as listed in the table below. Applicants with a total score above 250 were considered acceptable.

Section	Maximum Allowable Points	Individual Evaluation Scores			Average Score
		EL	MR	CM	
Organizational Capacity	75	75	75	70	73.3
Alignment to Core WIOA Partners	50	50	45	48	47.7
Instructional Improvement	100	100	98	95	97.7
Technical Assistance	75	75	75	75	75
Monitoring, Evaluation and Improvement	50	45	50	50	48.3
Capacity Building	50	50	50	50	50
Facilitation	75	75	75	70	73.3
Budget	25	20	20	20	20
TOTAL	500	485	488	478	483.7

Reviewers

- Christopher Morton, Program Specialist I, Bureau of Vocational Rehabilitation, Department of Education has been with the DOE for over two years and provides program support for finance, budgets and the regional offices. Prior to working with the state, Chris obtained a Master's degree in finance and became a registered investment advisor at a national brokerage firm.
- Elizabeth Lafontaine, Administrator II, Bureau of WIOA Youth, Department of Education oversees programming for in-school and out-of-school youth under the Workforce Innovation and Opportunity Act of 2014. Additionally, she represents the WIOA Youth program on the WIOA Interagency Professional Development Team as well as the WIOA Interagency Directors Group. She brings many years of experience in workforce development and education programs.
- Matthew Russell, Statewide WIOA Administrator for Southern NH Services oversees the WIOA Adult program under contract with the NH Department of Business and Economic Affairs, Office of Workforce Opportunity. He has more than 10 years of experience in NH workforce development including working with the NH Employment Program, NH Vocational Rehabilitation and serving as a member of the WIOA Interagency Directors Group.

State Workforce Board Review

In accordance with WIOA, this application will be reviewed and accepted by the State Workforce Investment Board as indicated in the minutes of their meeting.

Attachment B

Funding Recommendation

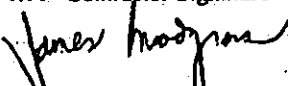
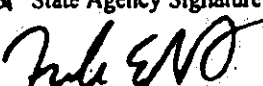
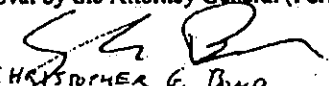
Second Start	\$1,452,599.18	July 1, 2020 – June 30, 2023
--------------	----------------	------------------------------

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 Department of Education Bureau of Adult Education		1.2 State Agency Address 21 South Fruit Street, Suite 20 Concord, NH 03301	
1.3 Contractor Name Second Start		1.4 Contractor Address 17 Knight Street Concord, NH 03301	
1.5 Contractor Phone Number 603-228-1341	1.6 Account Number See Exhibit C	1.7 Completion Date June 30, 2023	1.8 Price Limitation \$1,452,599.18
1.9 Contracting Officer for State Agency Sarah Bennett		1.10 State Agency Telephone Number 603-271-6701	
1.11 Contractor Signature  Date: 4/21/20		1.12 Name and Title of Contractor Signatory James Snodgrass, Executive Director	
1.13 State Agency Signature  Date: 5.6.20		1.14 Name and Title of State Agency Signatory Frank Edelblut, Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 5/12/20			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			


4/21/20

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

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

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

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

9. TERMINATION.

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

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

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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

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

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT A

Special Provisions

1. The Contractor must comply with the following provisions:

- Exhibit D: Contractor Obligations
- Exhibit E: Federal Barment and Suspension
- Exhibit F: Anti-Lobbying
- Exhibit G: Rights to Inventions Made Under a Contract, Copy Rights and Confidentiality
- Exhibit H: Compliance with the provisions of the US Code of Federal Regulations 34 CFR 364 and the following US Circular if applicable: Office of Management and Budget (OBM) Circular A-110 "Uniform Administrative Non-Profit Organizations"
- Exhibit I: Attestation for the US Department of Education General Education Provisions Act (GEPA)
- Exhibit J: Buy American Statement in accordance with Section 502 of the Workforce Innovation and Opportunity Act of 2014

2. The Contractor must sign annual General Assurances from the NH Department of Education, Bureau of Federal Compliance and the Program Assurances included in Exhibit B: Scope of Services.

Contractor Initials
Date

1/21
4/21/20

EXHIBIT B

Scope of Services

The vision for the statewide professional development system is a comprehensive, high-quality professional development system that is flexible in the delivery of its services to meet the needs of NH educators that uses materials and resources based on the most current research; aligns with the NH Workforce Innovation and Opportunity Act (WIOA) Combined State Plan and its goals; and, is designed to build capacity while improving teacher effectiveness across adult education programs.

Second Start in Concord, NH will provide the following services:

1. Alignment with Core WIOA Partners

The Contractor shall align activities with the other core WIOA partners to meet the mission and goals of the NH State Workforce Plan including but not limited to:

- Providing activities, workshops, conferences or training to address the mission and/or goals of the NH State Workforce Plan.
- Assisting local adult education practitioners in aligning their activities with other core WIOA partners through a variety of activities.
- Represent adult educators on the WIOA Interagency Professional Development Team.

2. Instructional Improvement

The Contractor shall provide high-quality professional development activities that address activities offered at local adult education agencies; instructor related to the specific needs of adult learners; instructions provided by volunteers; and dissemination of information about models and promising practices related to such programs including, but not limited to:

- Assistance with the integration of the essential components of reading, which may include national STudent Achievement in Reading (STAR) certification.
- Professional development activities that address the instruction and delivery of the following adult education and literacy activities:
 - Adult Basic Education
 - English as a Second Language
 - Integrated Education and Training
 - Integrated English Literacy and Civics Education
 - Adult Diploma
 - High School Equivalency Preparation
- Professional development activities that address instruction related to the specific needs of adult learners including:
 - Individuals with low-levels of literacy skills
 - English language learners
 - Individuals with disabilities, including learning disabilities
 - Individuals with barriers to employment
 - Low-income individuals
- Professional development activities designed to improve instruction provided by volunteers.
- Professional development activities that disseminate information on models and promising practices in adult education.
- Activities to encourage the development and dissemination of curricula
- Activities to promote and support workplace literacy, alignment with the content standards of the College & Career Readiness Standards for Adult Education and the English Language Proficiency Standards.

Contractor Initials
Date

[Signature]
4/21/20

- Activities to encourage the development of and implementation of programs and services to meet the need of adult learners with learning disabilities or English language learners, which may include new and promising assessment tools and strategies that are based on scientifically valid research where appropriate, and identify the needs and capture the gains of such students at the lowest achievement levels.

3. Technical Assistance

The Contractor shall provide technical assistance for the development and dissemination of promising practices based on research; the role of eligible providers as a one-stop partner; and assistance in the use of technology including, but not limited to:

- Maintenance of the Coalition on Adult Basic Education
- Representing the NH professional development system on the board of the New England Literacy Resource Center
- Implementation of Bureau of Adult Education technology contracts including assigning user accounts, scheduling training and monitoring usage.
- Facilitate state membership in the Innovating Distance Education in Adult Learning Consortium (IDEAL) through World Education.
- Maintaining a license to provide access to professional development through a webinar and/or learning management platform.

4. Monitoring, Evaluation and Improvement

The Contractor shall monitor and evaluation the quality of, and the improvement in, adult education and literacy activities and the dissemination of models and proven or promising practices including, but not limited to:

- Monitoring and evaluation the quality of its programming.
- Reporting services and impact on a bi-monthly basis to the Bureau of Adult Education and the Commissioner of Education.
- Developing and piloting strategies for improving teacher quality and retention.

5. Capacity Building

The Contractor shall be responsible for increasing capacity within the NH adult education field. This can include, but is not limited to:

- Increasing the number of NH adult educators with nationally recognized certification in the field of adult education such as STAR, Test of Adult Basic Education (TABE) Administration and Comprehensive Adult Student Assessment Systems (CASAS) Administration.
- Increasing the number of adult education trainers in NH for topics such as College & Career Readiness Standards for Adult Education alignment, contextualized instruction, digital literacy skills, distance learning, and specialized curricula (i.e. I-DEA, Learning Circles, Learning to Achieve, Integrating Employability Skills and Career Navigator).
- Improving access to professional development activities through a variety of delivery methods to ensure participation for part-time instructors, volunteers and those remotely located.
- Expanding access to national adult education activities such as training, workshops and conferences sponsored by American Institutes for Research, National Association of State Directors of Adult Education, Coalition on Adult Basic Education, IDEAL Consortium or other similar organizations.

6. Facilitation

The Contractor shall be responsible for the facilitation of various groups/committees and serving as a fiscal agent for the Bureau of Adult Education including, but not limited to:

Contractor Initials
Date

[Signature]
4/24/20

- Provide a Statewide Professional Development Director, and appropriate support staff, who will collaborate with the Bureau of Adult Education to perform the following duties:
 - Facilitation of all professional development workshops including providing online registration, tracking participation, preparing agendas, disseminating resources/minutes and the issuing of professional development certificates.
 - Facilitate special projects including Job Embedded Professional Development activities, Earn & Learn grant, "So You Want to be a Presenter" training, High School Equivalency Preparation workshops, the Distance Learning pilot program and other projects as assigned by the Bureau of Adult Education.
 - Convene and facilitate meetings for the following advisory committee:
 - Mentor Team – The Mentor team is responsible for planning & delivering New Staff training, Fall Conference, Spring Conference in collaboration with the Statewide Professional Development Director. The Mentor team is also responsible for forming Community of Practice and providing mentoring services to programs to assist teachers with improving student achievement.
 - Attend all Program Director meetings to share professional development opportunities and resources
 - Maintain and update the NH Adult Education website including Mentor Tips, Educator Resources and the Professional Development calendar.
- Provide a Statewide Disabilities Coordinator who will collaborate with the Bureau of Adult Education to perform the following duties:
 - Provide consulting services to all program staff which addresses working with students with disabilities including pre-screening assessments, referrals for further testing and strategies for teachers.
 - Convene and facilitate meetings for the following advisory committee:
 - Disabilities Committee – responsible for Annual Training for Disabilities Coordinators, approval of Assessment services applications, coordinate services for students with disabilities
 - Assist programs with referring students to NH Vocational Rehabilitation or other community resources.
 - Act as a liaison between NH Adult Education and Educational Testing Service for testing accommodations granted to adult students with disabilities
- Provide additional support staff as needed including a Data Analyst to assist with preparing data reports to inform local program improvement, technical assistance for local program staff on data reporting, data matching for outcomes and evaluating the effectiveness of professional development activities.
- Serve as the fiscal agent to manage the following services:
 - All stipends and mileage reimbursement for presenters, trainers and eligible participants in professional development activities under this contract.
 - Tuition reimbursement for approved college courses and practitioner-related workshops, payment of grant awards through the Earn & Learn program, scholarships and other fees in accordance with the NH Adult Education Professional Development Handbook.
 - Costs associate with operating professional development activities.
 - All costs associated with the maintaining the NH Adult Education website.
- Subcontract with other organizations as needed to provide necessary expertise.

Contractor Initials
Date

[Handwritten Signature]
4/21/20

EXHIBIT C

Method of Payment

Estimated Budget

This contract is funded with Federal Funds from the US Department of Education made available under the Workforce Innovation and Opportunity Act (WIOA) of 2014, Title II for the purpose of the delivery of adult education and literacy services and State General Funds under Adult Education.

The following table includes an estimated budget for Statewide Professional Development Services:

	FY21	FY22	FY23	Total
Salaries	\$ 156,299.80	\$ 160,988.79	\$ 165,818.46	\$ 483,107.05
Benefits	\$ 24,817.91	\$ 25,562.45	\$ 26,329.32	\$ 76,709.68
Professional Services	\$ 145,877.00	\$ 150,253.31	\$ 154,760.91	\$ 450,891.22
Purchase Property Services	\$ 3,449.88	\$ 3,553.37	\$ 3,659.98	\$ 10,663.23
Other Purchased Property Service	\$ 75,196.84	\$ 77,452.75	\$ 79,776.33	\$ 232,425.92
Supplies	\$ 4,206.96	\$ 4,333.17	\$ 4,463.16	\$ 13,003.29
Property	\$ 4,387.92	\$ 4,519.56	\$ 4,655.14	\$ 13,562.62
WIOA Infrastructure	\$ 13,000.00	\$ 13,390.00	\$ 13,791.70	\$ 40,181.70
Indirect Costs	\$ 42,723.63	\$ 44,005.34	\$ 45,325.50	\$ 132,054.47
Total	\$ 469,959.94	\$ 484,058.74	\$ 498,580.50	\$ 1,452,599.18

1. Annual funding amounts disbursed through this contract agreement shall be determined based on actual WIOA federal awards for the delivery of adult education and literacy services and state funds received for the program year covered under this agreement, which may be less or more than estimated but may not exceed in the aggregate the total maximum amount authorized via this contract agreement.
2. The DOE reserves the right to increase and/or decrease contract funds subject to continued availability of Federal Funds, satisfactory performance of services, and approval by the Governor and Executive Council.
3. The Contractor must have written authorization from the DOE prior to using contract funds to purchase any property or equipment with a cost in excess of \$250.00 and with a useful life beyond one-year, and shall maintain an inventory of property and equipment either purchased or leased with funds made available through this contract.
4. The Bureau of Adult Education reserves the right to request ad hoc financial and/or participant status reports in the event further information is needed to evaluate program effectiveness as deemed reasonable and necessary by the DOE and/or the State of New Hampshire.
5. The Contractor is solely responsible for paying to the DOE any disallowed costs associated with the misappropriation of Federal Funds and/or costs expended on individuals who were erroneously determined to be eligible for WIOA services. Disallowed costs may not be paid with Federal Funds, regardless of the funding source.
6. Line items in this budget may be adjusted, one to the other, of the indicated amount but in no instance can the total budget exceed the price limitation. The Contractor must receive Department of Education approval prior to transferring from one line to another.

Contractor Initials
Date

[Handwritten Signature]
4/21/20

Limitation on Price: This Contract will not exceed \$1,452,599.18 without written modification signed by the parties of this agreement and approved by the Governor and Council.

Source of Funding: Funding for this contract is 82.5% State Funds from the account titled 4039 Adult Education Match Funds and 12.5% Federal Funds from the account titled 4037 Adult Education Federal Funds, as follows:

Account Numbers: 06-56-56-562010-40390000-601
06-56-56-562010-40370000-072

Acct	Class	Name	FY21	FY22	FY23	Total
4039	601	Adult Education State Match	\$411,214.95	\$423,551.40	\$436,257.94	\$1,271,024.29
4037	72	Adult Education Federal Funds	\$58,744.99	\$60,507.34	\$62,322.56	\$181,574.89
		TOTALS	\$ 469,959.94	\$ 484,058.74	\$ 498,580.50	\$ 1,452,599.18

Method of Payment:

The Contractor shall be paid on a monthly basis through the NH Department of Education's Grants Management System.

1. Payments for services under this contract are limited to reimbursement for actual expenses incurred in the fulfillment of this agreement during the contract period. Reimbursement for expenses incurred after June 30, 2023 shall not be accepted for payment.
2. A final payment request shall be submitted no later than forty-five (45) days after the contract ends. Failure to submit the invoice by this date could result in non-payment.
3. The Contractor shall maintain sufficient documentation on file in their offices to support invoices, and make such documentation available for review by authorized NH DOE, Bureau of Adult Education and/or its auditors.
4. The Contractor shall adhere to all cash management policies and procedures stipulated in the body of this agreement, and all other applicable WIOA federal, State, and the DOE cash management regulations and policies, including monthly accrual reporting.

Contractor Initials
Date

[Handwritten Signature]
[Handwritten Date: 4/21/20]

EXHIBIT D

Contractor Obligations

Contracts in excess of the simplified acquisition threshold (currently set at \$250,000) must address **administrative, contractual, or legal remedies** in instances where the contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. Reference: 2 C.F.R. § 200.326 and 2 C.F.R. 200, Appendix II, required contract clauses.

The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

The Contractor, certifies and affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Breach

A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

Fraud and False Statements

The Contractor understands that, if the project which is the subject of this Contract is financed in whole or in part by federal funds, that if the undersigned, the company that the Contractor represents, or any employee or agent thereof, knowingly makes any false statement, representation, report or claim as to the character, quality, quantity, or cost of material used or to be used, or quantity or quality work performed or to be performed, or makes any false statement or representation of a material fact in any statement, certificate, or report, the Contractor and any company that the Contractor represents may be subject to prosecution under the provision of 18 USC § 1001 and § 1020.

Environmental Protection

(This clause is applicable if this Contract exceeds \$150,000. It applies to Federal-aid contracts only.)

The Contractor is required to comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR Part 15) which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the FHWA and to the U.S. EPA Assistant Administrator for Enforcement.

Procurement of Recovered Materials

In accordance with Section 6002 of the Solid Waste Disposal Act (42 U.S.C. § 6962), State agencies and agencies of a political subdivision of a state that are using appropriated Federal funds for procurement must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Contractor Initials

Date

[Handwritten Signature]
4/21/20

Exhibit E

Federal Debarment and Suspension

- a. By signature on this Contract, the Contractor certifies its compliance, and the compliance of its Sub-Contractors, present or future, by stating that any person associated therewith in the capacity of owner, partner, director, officer, principal investor, project director, manager, auditor, or any position of authority involving federal funds:
 1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal Agency;
 2. Does not have a proposed debarment pending;
 3. Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal Agency within the past three (3) years; and
 4. Has not been indicted, convicted, or had a civil judgment rendered against the firm by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- b. Where the Contractor or its Sub-Contractor is unable to certify to the statement in Section a.1. above, the Contractor or its Sub-Contractor shall be declared ineligible to enter into Contract or participate in the project.
- c. Where the Contractor or Sub-Contractor is unable to certify to any of the statements as listed in Sections a.2., a.3., or a.4., above, the Contractor or its Sub-Contractor shall submit a written explanation to the DOE. The certification or explanation shall be considered in connection with the DOE's determination whether to enter into Contract.
- d. The Contractor shall provide immediate written notice to the DOE if, at any time, the Contractor or its Sub-Contractor, learn that its Debarment and Suspension certification has become erroneous by reason of changed circumstances.

Contractor Initials
Date

MBL
4/21/20

Exhibit F

Anti-Lobbying

The Contractor 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, execute the following Certification:

The Contractor certifies, by signing and submitting this contract, to the best of his/her knowledge and belief, that:

- a. No federal appropriated funds have been paid or shall be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence any officer or employee of any State or Federal 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, the making of any federal grant, the making of any federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal amendment, or modification of any Federal contract grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any Federal Agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the "Disclosure of Lobbying Activities" form in accordance with its instructions (<http://www.whitehouse.gov/omb/grants/sflllin.pdf>).
- c. 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 and entering into this transaction imposed by Section 1352, Title 31 and 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.
- d. The Contractor also agrees, by signing this contract that it shall require that the language of this certification be included in subcontracts with all Sub-Contractor(s) and lower-tier Sub-Contractors which exceed \$100,000 and that all such Sub-Contractors and lower-tier Sub-Contractors shall certify and disclose accordingly.
- e. The DOE shall keep the firm's certification on file as part of its original contract. The Contractor shall keep individual certifications from all Sub-Contractors and lower-tier Sub-Contractors on file. Certification shall be retained for three (3) years following completion and acceptance of any given project.

Contractor Initials

Date

[Signature]
4/21/20

Exhibit G

Rights to Inventions Made Under a Contract, Copy Rights and Confidentiality

Rights to Inventions Made Under a Contract or Agreement

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the DOE.

Any discovery or invention that arises during the course of the contract shall be reported to the DOE. The Contractor is required to disclose inventions promptly to the contracting officer (within 2 months) after the inventor discloses it in writing to contractor personnel responsible for patent matters. The awarding agency shall determine how rights in the invention/discovery shall be allocated consistent with "Government Patent Policy" and Title 37 C.F.R. § 401.

Confidentiality

All Written and oral information and materials disclosed or provided by the DOE under this agreement constitutes Confidential Information, regardless of whether such information was provided before or after the date on this agreement or how it was provided.

The Contractor and representatives thereof, acknowledge that by making use of, acquiring or adding to information about matters and data related to this agreement, which are confidential to the DOE and its partners, must remain the exclusive property of the DOE.

Confidential information means all data and information related to the business and operation of the DOE, including but not limited to all school and student data contained in NH Title XV, Education, Chapters 186-200.

Confidential information includes but is not limited to, student and school district data, revenue and cost information, the source code for computer software and hardware products owned in part or in whole by the DOE, financial information, partner information (including the identity of DOE partners), Contractor and supplier information, (including the identity of DOE Contractors and suppliers), and any information that has been marked "confidential" or "proprietary", or with the like designation. During the term of this contract the Contractor agrees to abide by such rules as may be adopted from time to time by the DOE to maintain the security of all confidential information. The Contractor further agrees that it will always regard and preserve as confidential information/data received during the performance of this contract. The Contractor will not use, copy, make notes, or use excerpts of any confidential information, nor will it give, disclose, provide access to, or otherwise make available any confidential information to any person not employed or contracted by the DOE or subcontracted with the Contractor.

Ownership of Intellectual Property

The DOE shall retain ownership of all source data and other intellectual property of the DOE provided to the Contractor in order to complete the services of this agreement. As well the DOE will retain copyright ownership for any and all materials, patents and intellectual property produced, including, but not limited to, brochures, resource directories, protocols, guidelines, posters, or reports. The Contractor shall not reproduce any materials for purposes other than use for the terms under the contract without prior written approval from the DOE.

Contractor Initials

Date

[Handwritten Signature]
4/2/20

EXHIBIT H

STATEMENT of ACCEPTANCE of Special Provisions

The organization will comply with the provisions of the US Code of Federal Regulations 34 CFR 364 and the following US Circular, if applicable: Office of Management and Budget (OBM) Circular A-110 "Uniform Administrative Non-Profit Organizations."

Superintendent of Schools or
Chief Officer of Agency:

Signature

Local Director of Project:

Signature

Date Signed:

April 21, 2020

EXHIBIT I

**GENERAL EDUCATION PROVISIONS ACT (GEPA) Sec. 427 Attestation –
WORKFORCE INVESTMENT ACT, TITLE II – ADULT EDUCATION AND FAMILY
LITERACY**

This attestation outlines the steps that Second Start will ensure be taken should the Adult Education application be funded.

The purpose of this requirement is to assist the United States Department of Education in implementing its mission to ensure equal access to education and to promote educational excellence.

If funded, the following steps will be taken to ensure equitable access to and equitable participation in the project or activity to be conducted with federal adult education assistance by addressing the access needs of students, teachers, and other program beneficiaries in order to overcome barriers to equitable participation, including barriers based on gender, race, color, national origin, disability and age.

The Act highlights six types of barriers that can impede equitable access or participation: gender, race, national origin, color, disability, or age. Based on local circumstances, determine whether these or other barriers may prevent students, teachers, etc., from such access or participation in the federally-funded project or activity. Please describe the steps to be taken to comply with the GEPA requirements.

The State Staff Development (SSD) grant will provide professional development workshops and offerings Adult Educators have identified as needed to overcome student-identified barriers to their educational progress. This will include the barriers of gender, race, national origin, color, disability and age.

Project Director: (Name and Title) JAMES B. SNODGRASS EXECUTIVE DIRECTOR

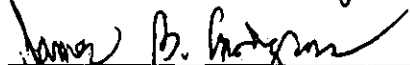
Signature of Project Director:  Date: 4/21/20

EXHIBIT J

BUY AMERICA ACT

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.— In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available under title I or II or under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), it is the sense of Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

This statement is provided in accordance with Section 502 of the Workforce Innovation and Opportunities Act of 2014.

Contractor Initials
Date

Handwritten initials and date: 11/24/20

State of New Hampshire

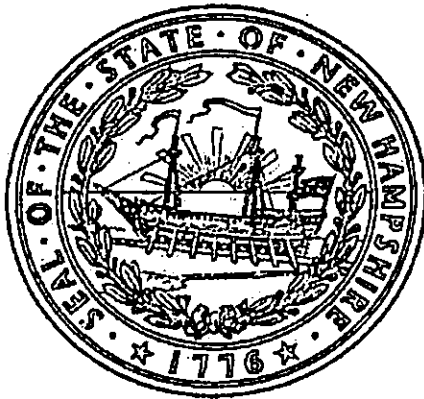
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SECOND START is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on September 03, 1971. 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: 65173

Certificate Number: 0004879169



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st 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, Nat Morse, Clerk/Secretary of Second Start do hereby certify that:

- (1) I maintain and have custody of and am familiar with the seal and minute books of the corporation;
- (2) I am authorized to issue certificates with respect to the contents of such books and to affix such seal to such certificate;
- (3) The following is a true and complete copy of the resolutions voted by the Board of Directors of Second Start on May 4, 2020. The vote is in accordance with the law of New Hampshire and the by-laws of the corporation:

Second Start will enter into a contract with the NH Department of Education to provide statewide staff development services to the statewide adult education providers. This resolution shall remain in effect until specifically revoked.

Second Start's Board of Directors named James Snodgrass as having authority to sign the contract with the New Hampshire Department of Education effective April 21, 2020.

- (4) The foregoing resolutions are in full force and effect, unamended, as of the date hereof; and
- (5) The following persons lawfully occupy the offices indicated below:

Matt Nadeau, President

James Snodgrass, Executive Director

Tom Painchaud, Vice President

Nat Morse, Secretary

Ashley Kinville, Treasurer

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

(Corporate Seal if any)



Clerk/Secretary

(If the corporation has no seal, the Clerk/Secretary shall acknowledge the certificate before an authorized officer below)

STATE OF NEW HAMPSHIRE

COUNTY OF _____

On _____, 20____, before the undersigned officer personally appeared the person identified in the foregoing certificate, know to me (or satisfactorily proven) to be the Clerk/Secretary of the corporation identified in the foregoing certificate, and acknowledge that he executed the foregoing certificate.

In witness whereof I hereunto set my hand and official seal.

Notary Public/Justice of the Peace



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/13/2020

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

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

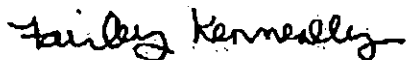
PRODUCER E & S Insurance Services LLC 21 Meadowbrook Lane P O Box 7425 Gilford NH 03247-7425		CONTACT NAME: Eleanor Spinazzola PHONE (A/C, No, Ext): (803) 293-2791 FAX (A/C, No): (803) 293-7188 E-MAIL ADDRESS: Eleanorspinazzola@esinsurance.net	
INSURED Second Start 17 Knight Street Concord NH 03301		INSURER(S) AFFORDING COVERAGE INSURER A: AmTrust Financial Services, Inc. INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: 2020 REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD 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:			12/31/2019	12/31/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
	<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			12/31/2019	12/31/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist \$ 1,000,000
	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			12/31/2019	12/31/2020	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
	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				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

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

CERTIFICATE HOLDER State of NH Department of Education 101 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 
---	--

© 1988-2015 ACORD CORPORATION. All rights reserved.



**Granite State Healthcare
and Human Service Trust**

PO Box 4197
Concord, NH 03302-4197

Issue Date 04/13/2020

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.

Certificate Of Insurance

CERTIFICATE HOLDER

State of NH
Department of Education
101 Pleasant St
Concord, NH 03301

Companies Affording Coverage

COMPANY LETTER A	The Granite State Healthcare And Human Services Self-Insured Group Trust
COMPANY LETTER B	Midwest Employers Casualty Corp.

This policy is effective on 2/1/2020 12:00 AM, and will expire on 2/1/2021 12:00 AM. This policy will automatically be renewed unless notified by either party by October 1st of any fund year.

COVERAGES

This is to certify that the Workers' Compensation and Employer's Liability Insurance has 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.

Type of Insurance/Carrier	Policy Number	Policy Effective	Policy Expiration	LIMITS	
<u>Workers' Compensation & Employer's Liability</u> The Granite State Healthcare And Human Services Self-Insured Group Trust		2/1/2020 12:00 AM	2/1/2021 12:00 AM	W/C Statutory Limits E.L. Each Accident E.L. Disease - Pol Limit E.L. Disease - Each Emp	\$1,000,000 \$1,000,000 \$1,000,000
<u>Excess Insurance</u> Midwest Employers Casualty Corp		2/1/2020 12:00 AM	2/1/2021 12:00 AM	Workers' Compensation Employer's Liability	Statutory \$1,000,000

Description of Operations:

☐ Excluded Officer

Covering operations of the insured during the policy term. Per NH Law, additional insured and waiver of subrogation are not allowed on workers' comp. COIs.

MEMBER

Second Start
17 Knight Street
Concord, NH 03301

CANCELLATION

Should any of the above described policies be canceled before the expiration date thereof, the issuing company will endeavor to mail 30 days written notice to the certificate holder named to the left, but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives.

Authorized Representative

04/13/2020

Date



Philosophy

Our philosophy is based on the premise that children learn most effectively through structured play and social experiences. We believe that child centered and teacher directed curriculum work best when carefully integrated into the daily routine. Each program's curriculum is designed to offer children many activities carefully planned to serve their developmental needs. Daily schedules consist of a combination of structured and free-time activities centered on a particular theme or concept and designed to promote gross and fine motor skills, problem solving, communication and language development, as well as social and self-help skills.

Adult Basic Education

The Adult Basic Education (ABE) Classes provide instruction in basic reading, writing and math. Most people find that taking classes is the fastest and most enjoyable way to reach their educational goals. These daytime and evening classes are free of charge, even for those who already have a diploma and just want to brush up on their skills.

People who did not finish high school can study with us and take the High School Equivalency examination, more commonly known as the HiSET Test. HiSET preparation includes practice in the five skill areas of the HiSET: Writing, Reading, Social Studies, Science and Math. Students who pass the Official HiSET Practice Test go on to take the HiSET examination at Second Start.

English for Speakers of Other Languages

We offer free day and evening classes for English language instruction. Refugees, immigrants, and visitors from more than 35 countries come together to read, write, listen and speak the English language. To enroll, students must fill out a registration form and take a language test. The results will determine student placement level.

SECOND START

AUDITED FINANCIAL STATEMENTS

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

INDEX TO FINANCIAL STATEMENTS

Independent Auditor's Report	1-2
Statements of Financial Position	3
Statements of Activities.....	4
Statements of Functional Expenses	5-6
Statements of Cash Flows	7
Notes to the Financial Statements	8-16
Schedule of Support and Revenues, Expenses and Changes in Net Assets 2019	17
Schedule of Support and Revenues, Expenses and Changes in Net Assets 2018	18

WWW.MASONRICH.COM

50 Bicentennial Square, Concord, New Hampshire 03301

P: 603.224.2000 F: 603.224.2013



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Second Start
Concord, New Hampshire

We have audited the accompanying financial statements of Second Start (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 Second Start as of June 30, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of support and revenues, expenses and changes in net assets on pages 17 and 18 are presented for purposes of additional analysis and are 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.

Very truly yours,

Mason + Rich, P.A.

MASON + RICH PROFESSIONAL ASSOCIATION
Certified Public Accountants

September 16, 2019

SECOND START
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

ASSETS

	2019	2018
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 419,052	\$ 237,398
Accounts Receivable	49,637	54,800
Grants Receivable	113,563	198,950
Unconditional Promises to Give	20,000	23,000
Prepaid Expenses	12,286	43,563
Total Current Assets	<u>614,538</u>	<u>557,711</u>
PROPERTY AND EQUIPMENT		
Property and Equipment	3,291,348	3,236,950
Less Accumulated Depreciation	<u>(1,676,433)</u>	<u>(1,601,727)</u>
Net Property and Equipment	<u>1,614,915</u>	<u>1,635,223</u>
TOTAL ASSETS	<u>\$ 2,229,453</u>	<u>\$ 2,192,934</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 58,236	\$ 24,362
Accrued Expenses	188,814	171,164
Deferred Revenue	<u>33,545</u>	<u>8,310</u>
TOTAL LIABILITIES	<u>280,595</u>	<u>203,836</u>
NET ASSETS		
Net Assets Without Donor Restrictions	1,907,814	1,937,598
Net Assets With Donor Restrictions	<u>41,044</u>	<u>51,500</u>
TOTAL NET ASSETS	<u>1,948,858</u>	<u>1,989,098</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,229,453</u>	<u>\$ 2,192,934</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SECOND START
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Grants from Governmental Agencies	\$ 1,146,636	\$ 1,076,256
Private Fees	922,240	915,953
Fees from Governmental Agencies	919,901	861,902
Miscellaneous Income	44,868	25,021
Contributions	16,912	8,376
United Way	12,034	12,159
Interest Income	122	39
Total Support and Revenue	<u>3,062,713</u>	<u>2,899,706</u>
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of Program Restrictions	29,956	20,000
Expiration of Time Restrictions	23,000	30,000
Total Net Assets Released From Restrictions	<u>52,956</u>	<u>50,000</u>
TOTAL SUPPORT, REVENUE, AND OTHER NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>3,115,669</u>	<u>2,949,706</u>
FUNCTIONAL EXPENSES AND LOSSES		
Functional Expenses		
Program Services	2,745,743	2,666,379
Management and General	397,596	372,812
Total Functional Expenses	<u>3,143,339</u>	<u>3,039,191</u>
Other Expenses		
Loss on Disposal of Property and Equipment	2,114	-
TOTAL FUNCTIONAL EXPENSES AND LOSSES	<u>3,145,453</u>	<u>3,039,191</u>
DECREASE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	(29,784)	(89,485)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Donor Restricted Support and Revenue	42,500	51,500
Net Assets Released from Restrictions	(52,956)	(50,000)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	<u>(10,456)</u>	<u>1,500</u>
DECREASE IN TOTAL NET ASSETS	(40,240)	(87,985)
NET ASSETS, BEGINNING OF YEAR	<u>1,989,098</u>	<u>2,077,083</u>
NET ASSETS, END OF YEAR	<u>\$ 1,948,858</u>	<u>\$ 1,989,098</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SECOND START
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

	<i>Program Services</i>	<i>Management and General</i>	<i>Fundraising</i>	<i>Total</i>
Advertising Expense	\$ 4,774	\$ 330	\$ -	\$ 5,104
Conference and Meeting Expenses	30,171	-	-	30,171
Depreciation Expense	85,262	38,202	-	123,464
Dues and Subscriptions	8,192	6,160	-	14,352
Employee Benefits	206,931	25,723	-	232,654
Information Technology	14,508	6,487	-	20,995
Instructional Materials	6,741	-	-	6,741
Insurance Expense	36,463	3,143	-	39,606
Miscellaneous Expense	9,624	184	-	9,808
Occupancy Expense	82,803	27,131	-	109,934
Office Expense	8,558	4,182	-	12,740
Payroll Taxes	137,913	18,296	-	156,209
Professional Fees	128,789	15,385	-	144,174
Salaries and Wages	1,829,843	249,569	-	2,079,412
Staff Development	8,112	-	-	8,112
Stipends and Discounts	8,767	-	-	8,767
Supplies Expense	108,531	2,602	-	111,133
Travel Expense	29,761	202	-	29,963
<i>Total Functional Expenses</i>	<u>\$ 2,745,743</u>	<u>\$ 397,596</u>	<u>\$ -</u>	<u>\$ 3,143,339</u>

The Accompanying Notes are an Integral Part of These Financial Statements

SECOND START
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	<i>Program Services</i>	<i>Management and General</i>	<i>Fundraising</i>	<i>Total</i>
Advertising Expense	\$ 8,203	\$ 25	\$ -	\$ 8,228
Conference and Meeting Expenses	22,030	-	-	22,030
Depreciation Expense	82,852	38,090	-	120,942
Dues and Subscriptions	12,484	5,162	-	17,646
Employee Benefits	195,781	23,289	-	219,070
Information Technology	15,636	7,632	-	23,268
Instructional Materials	16,021	-	-	16,021
Insurance Expense	33,607	2,913	-	36,520
Interest Expense	-	459	-	459
Legal Fees	-	5,000	-	5,000
Miscellaneous Expense	11,680	2,107	-	13,787
Occupancy Expense	90,010	29,789	-	119,799
Office Expense	8,448	3,167	-	11,615
Payroll Taxes	128,426	15,105	-	143,531
Professional Fees	152,928	14,958	-	167,886
Salaries and Wages	1,748,481	221,633	-	1,970,114
Staff Development	5,297	172	-	5,469
Stipends and Discounts	12,877	-	-	12,877
Supplies Expense	92,963	3,268	-	96,231
Travel Expense	28,655	43	-	28,698
Total Functional Expenses	\$ 2,666,379	\$ 372,812	\$ -	\$3,039,191

The Accompanying Notes are an Integral Part of These Financial Statements

SECOND START
STATEMENTS OF CASH FLOWS
FOR YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Decrease in Net Assets	\$ (40,240)	\$ (87,985)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:		
Depreciation Expense	123,464	120,942
Loss on Disposal of Property	2,114	-
(Increase) Decrease in Operating Assets:		
Accounts Receivable	5,162	19,809
Grants Receivable	85,388	(76,347)
Unconditional Promises to Give	3,000	7,000
Prepaid Expenses	31,277	(15,587)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	33,874	(29,147)
Accrued Expenses	17,650	17,208
Deferred Revenue	25,235	(6,045)
Total Adjustments	<u>327,164</u>	<u>37,833</u>
Net Cash Provided by (Used in) Operating Activities	<u>286,924</u>	<u>(50,152)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	<u>(105,270)</u>	<u>(31,101)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of Long-Term Debt	<u>-</u>	<u>(42,339)</u>
NET INCREASE (DECREASE) IN CASH	181,654	(123,592)
<i>Cash and Cash Equivalents, Beginning of Year</i>	<u>237,398</u>	<u>360,990</u>
<i>Cash and Cash Equivalents, End of Year</i>	<u><u>\$ 419,052</u></u>	<u><u>\$ 237,398</u></u>
Supplemental Disclosure of Cash Flow Information		
Cash Paid During the Year For:		
Interest	<u>\$ -</u>	<u>\$ 459</u>

The Accompanying Notes are an Integral Part of These Financial Statements

-Page 7-

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

A | NATURE OF ACTIVITIES

Second Start (the "Organization") is a private nonprofit education corporation which has been in existence since 1970. Second Start is committed to improving the economic and educational wellbeing of New Hampshire residents. Its goal is to help people become more productive workers, family members, and community citizens. Within these opportunities, the Organization offers a variety of programs, each serving participants in ways that meet their needs.

The programs available at Second Start are as follows:

Special Education – The Special Education Program was established in 1979 and accounts for the proceeds of an education program that serves coded special needs students ages 14-21 from local school districts in the greater Concord area.

Transitional Employment Training Program (TET) – The TET Program was established in 1984 and accounts for proceeds and expenses used to provide a vocationally oriented program designed to develop personal and social responsibility, workforce readiness, and provide experiential training and coursework for adolescents.

Alternative High School – The Alternative High School Program was established in 1976 and accounts for the proceeds and expenses of an alternative academic program for adolescents previously unsuccessful in public high school programs. Students are not coded for special education services.

Student Assistance Program (SAP) – The Student Assistance Program is a drug education, prevention, and early identification program designed for public school students. The Student Assistance Program was started in 1984 and accounts for the proceeds and expenses associated with the student assistance services for the local school districts as well as programs for the Second Start Alternative High School and special education students.

Adult Basic Education (ABE) – The Adult Basic Education Program was established in 1971 and accounts for the proceeds and expenses for providing remedial academic programs for adults from the most basic levels through preparation for the High School Equivalency Exam (HiSET) as well as English as a second language classes. The program also includes academic and vocational counseling for students. The program includes fees and expenses for providing HiSET Testing services and administering staff development for ABE/ESL teachers statewide.

Adult Learner Services (ALS) – The Adult Learner Services Program, formerly the Adult Tutorial Program, was established in 1983 and accounts for proceeds and expenses used to help adults increase their reading and math skills through the aid of volunteer tutors. This program also includes services to foreign-speaking and refugee students to increase their English skills.

Day Care Program – The Day Care Program was established in 1973 and accounts for proceeds and expenses used to care for children (ages 6 weeks to 12 years) of the general community while their parents are in classes, training programs, or working during the day. This program also includes services to protective custody referrals from the New Hampshire Department of Health and Human Services.

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

Welcoming Concord – The Welcoming Concord program was established in 2015 and accounts for proceeds and expenses used to increase social inclusion and integration of immigrants and refugees in targeted New Hampshire communities.

B | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Organization is presented to assist in understanding these financial statements. The financial statements and notes are the representations of the Organization's management who is responsible for their integrity and objectivity. These accounting policies confirm to generally accepted accounting principles (GAAP) in the United States of America and have been consistently applied in the preparation of the financial statements.

Basis of Accounting

The Organization uses the accrual basis of accounting in its financial statements. Under this basis, revenue is recognized when earned rather than when payment is received, and expenses and purchases of assets are recognized when the obligation is incurred rather than when the cash is disbursed.

Use of Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain amounts reported in the financial statements and accompanying notes. Actual results experienced by the Organization may differ from management's estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash includes cash on hand, funds on deposit with financial institutions, and investments with original maturities of three months or less.

Accounts Receivable

Accounts receivable consists of private fees due from the daycare program and revenue from school districts for various programs. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management considers accounts to be delinquent based on the date of unpaid invoices. Past due receivables are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United States because of the effects of the direct write off method approximate those of the allowance method. All accounts are considered to be collectible. The Organization does not accrue interest on past due accounts receivable.

Grants Receivable

Grants receivable are amounts due for reimbursement from various grant agencies. No allowance is recorded because all amounts are expected to be fully reimbursed by the federal and state governments. Interest is not allowed and is not accrued on any past due grants receivable balances.

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

Unconditional Pledges Receivable

Unconditional promises to give are stated at the amount management expects to collect from outstanding balances. Management evaluates the collectability of customer accounts by considering factors such as historical experience, the age of the promise to give, and current economic conditions that may affect a customer's ability to pay. Past due promises to give are written off at management's discretion using the direct write off method; this is not considered a departure from accounting principles generally accepted in the United States because the effects of the direct write off method approximate those of the allowance method. The Organization does not charge interest on past due promises to give.

Property and Equipment

The Organization's property and equipment policy is to capitalize individual purchases, renewals and betterments in excess of \$1,000. Maintenance, repairs and minor renewals are charged to expense as incurred. Periodically, management evaluates property and equipment for impairment when events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. When items of property and equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the statement of income. These items are depreciated using the straight-line method over their estimated useful lives as follows:

Furniture and Equipment	5 years
Leasehold Improvements	5 - 30 years
Building	40 years

Net Assets

The Organization reports its net assets as required by Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU 2016-14, the Organization is required to report information regarding its financial position and activities accounting to the following classes: net assets without donor restrictions and net assets with donor restrictions. Descriptions of the net asset categories included in the Organization's financial statements are as follows:

Net assets without donor restrictions include revenues and expenses and contributions which are not subject to any donor imposed restrictions. Unrestricted net assets can be designated by the Board of Directors for special projects and expenditures.

Net assets with donor restrictions include contributions for which time restrictions or donor-imposed restrictions have not yet been met. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. Net assets with donor restrictions also include gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income or portion thereof (excluding gains restricted by state statute) be made available for program operations in accordance with donor restrictions.

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

Contributions and Promises to Give

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Contributions are recognized when the donor makes an unconditional promise to give to the Organization. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restriction expires in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases with net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Functional Allocation of Expenses

The costs of providing the Organization's program and other activities have been summarized on the functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Salaries and related expenses are allocated to the various program and supporting services based on actual or estimated time employees spend on each function. The remaining expenses are specifically allocated whenever practical, and depreciation is allocated based on space utilization. General administrative expenses are allocated to each program based on the direct expenses incurred for each program or estimated usage based on time spent on each function of the staff.

Donated Materials and Services

Contributed goods and services are reported at their fair value if such goods or services create or enhance non-financial assets, or would have been purchased if not provided by contribution, and for services which are provided by individuals possessing specialized skills. A number of volunteers have made contributions of their time and talent, or contributed goods to develop the Organization's programs. However, these services do not meet the criteria for recognition as contributed services and, therefore, are not reflected in the financial statements.

Contributed property and equipment 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. In the absence of such stipulation, contributions of property and equipment are recorded as unrestricted support. The Organization received no contributed property for the years ended June 30, 2019 and 2018.

Advertising

The Organization conducts non-direct response advertising. These costs are expensed as incurred. Advertising costs was \$5,104 and \$8,228 for the year ended June 30, 2019 and 2018, respectively.

Income Taxes

Management evaluates its tax position in accordance with FASB Accounting Standards Codification (ASC) 740-10, *Accounting for Uncertain Tax Positions*, which prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as de-recognition, interest, penalties, and disclosures required. The Organization's policy is to recognize interest and penalties related to unrecognized tax benefits as tax expense.

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

C | CHANGE IN ACCOUNTING PRINCIPLE

On August 18, 2016 FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The Organization has adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standards change the following aspects of the Organization's financial statements:

- The temporarily restricted and permanently restricted net asset classes have been combined into a single net asset class called net assets with donor restrictions.
- The unrestricted net asset class has been renamed *net assets without donor restrictions*.
- The financial statements include a new disclosure about liquidity and availability of financial assets (Note K).

The changes have the following effect on net assets at June 30, 2018:

Net Asset Class	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted Net Assets	\$ 1,937,598	\$ -
Temporarily Restricted Net Assets	51,500	-
Net Assets Without Donor Restrictions	-	1,937,598
Net Assets With Donor Restrictions	-	51,500
Total Net Assets	<u>\$ 1,989,098</u>	<u>\$ 1,989,098</u>

D | PROPERTY AND EQUIPMENT

Property and equipment consists of the following at June 30:

	2019	2018
Building and Improvements	\$ 1,663,349	\$ 1,623,459
Leasehold Improvements	964,675	948,353
Land	210,000	210,000
Furniture and Equipment	<u>453,324</u>	<u>455,138</u>
Total Property and Equipment	3,291,348	3,236,950
Less Accumulated Depreciation	<u>(1,676,433)</u>	<u>(1,601,727)</u>
Net Property and Equipment	<u>\$ 1,614,915</u>	<u>\$ 1,635,223</u>

Depreciation expense was \$123,464 and \$120,942 for the years ended June 30, 2019 and 2018, respectively.

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

E | LINE OF CREDIT

The Organization maintains a revolving line of credit agreement with a local bank, which provides that it may borrow up to \$600,000 at June 30, 2019 and 2018. The interest rate formula is based at 0.50% over the Wall Street Journal prime rate, which was 6.00% and 5.00% at June 30, 2019 and 2018, respectively. The agreement is collateralized by all business assets of the Organization. The Organization had no outstanding balance as of June 30, 2019 and 2018.

F | CORPORATE ORGANIZATION

The Corporation is a voluntary organization under Chapter 292 of the New Hampshire Revised Statutes Annotated and therefore has no capital stock.

G | NET ASSETS

The total net assets with donor restrictions for the year ended June 30, 2019 consisted of United Way funding for 2020 in the amount of \$20,000 and other private grants of \$21,044. Additionally, there were \$61,010 of Board Designated Funds set aside for capital and other repairs and maintenance projects at June 30, 2019.

The total net assets with donor restrictions for the year ended June 30, 2018 consisted of United Way funding for 2019 in the amount of \$23,000 and other private grants of \$28,500. Additionally, there were \$85,888 of Board Designated Funds set aside for capital and other repairs and maintenance projects at June 30, 2018.

H | LEASE AGREEMENTS

The Organization has entered into a long-term lease agreement for property located at 450 North State Street whereby the Organization has use of the building in return for its upkeep and maintenance. The improvements were capitalized with a five to thirty-year depreciable life. Depreciation expense was \$9,823 and \$9,165 for the years ended June 30, 2019 and 2018, respectively.

I | INCOME TAXES

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

(Continued on next page)

SECOND START
NOTES TO THE FINANCIAL STATEMENTS

For the years ended June 30, 2019 and 2018, management has evaluated its tax position in accordance with FASB ASC 740-10 and does not believe they have taken uncertain tax positions, therefore, a liability for income taxes associated with uncertain tax positions has not been recognized. Additionally, the Organization did not recognize interest or penalties resulting from tax liabilities associated with recognizing uncertain tax positions for the years ended June 30, 2019 and 2018.

The Organization is a non-profit organization, as a result it files a federal Form 990, *Return of Organization Exempt from Income Tax*, and a New Hampshire Annual Report. In the normal course of business, the Organization is subject to examination by taxing authorities. With limited exceptions, the Organization is no longer subject to federal or State of New Hampshire examinations for their federal Form 990 or New Hampshire Annual Report for the years before 2015.

J | RETIREMENT PLAN

The Organization maintains a retirement plan under the Internal Revenue Code Section 403(b) for its employees through a third party. Eligible participants over twenty-one years of age and working more than 1,000 hours per year may elect to make a voluntary pre-tax salary deferral each year, not to exceed the maximum allowed by law. The Organization may contribute to the employee's retirement fund at the Board's discretion. There were no contributions paid by the Organization for the years ended June 30, 2019 and 2018.

K | LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization's financial assets available within one year from the statement of financial position date for general operating expenses are as follows:

Cash and Cash Equivalents	\$ 419,052
Accounts Receivable	49,637
Grants Receivable	113,563
Unconditional Promises to Give	20,000
Prepaid Expenses	<u>12,286</u>
Financial assets, at year end	614,538
Less those unavailable for general expenditures within one year due to:	
Donor-imposed restrictions	(41,044)
Board designated funds	<u>(61,010)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 512,484</u>

(Continued on next page)

SECOND START

NOTES TO THE FINANCIAL STATEMENTS

The Organization has financial assets on hand equal to approximately 2 months of operating expenses, which totaled approximately \$3,145,450 for the year ended June 30, 2019. At times, the Board of Directors may designate a portion of any operating surplus to its liquidity reserve for future expenditures. At June 30, 2019, there was \$61,010 of Board Designated Funds set aside for capital and other repairs and maintenance projects. A significant portion of the Organization's funding is derived from cost reimbursement grants from federal and state agencies, therefore, the Organization believes its liquid financial assets are sufficient to fund unanticipated liquidity needs that may arise. Additionally, the Organization has a line of credit which allows for borrowings up to \$600,000.

L | COMMITMENTS AND CONTINGENCIES

Energy Efficiency Initiative

In fiscal year 2010, the Organization began an initiative to improve the energy efficiency of both 450 North State Street and the 17 Knight Street building in Concord, New Hampshire. The initiative includes energy improvements, including insulation, new windows, new daycare ceilings, ventilation and lighting, boiler replacement, conversion to electronic thermostats, and appliance replacement at an estimated total cost of \$681,265.

Financial support for the energy efficiency initiative included a Community Development Finance Authority (CDFA) grant of \$343,000. Additional funding was obtained from a Community Development Block Grant (CDBG) in the amount of \$313,265 through the City of Concord, New Hampshire and \$15,000 in cash donations. These grants were completed in 2011. Both grants are restricted to the Organization's energy efficiency initiative. Additionally, in the event the Organization ceases to use the buildings in providing services to low to moderate income populations, both grants will require repayment of a portion of the proceeds. This contingency continues through 2020 and 2030 for the CDFA and CDBG grants, respectively.

Grant Compliance

The Organization received funds under various grants. Under the terms of the grants the Organization is required to use the funds within a certain period and for purposes specified by governing laws and regulations. If expenditures were found not to have been made in compliance with laws and regulations, the Organization might be required to repay the funds.

Contingencies

In fiscal year 2016, the County of Merrimack awarded the Organization a CBDG grant in the amount of \$300,000 to be used for building improvements at the Garrison facility. The improvements include roof replacement, exterior façade mortar repairs, exterior painting, solar panels, and additional insulation at its 17 Knight Street, Concord, New Hampshire facility. The grant requires that at least 77% of the persons served by the project be low and moderate income. In the event of default, the grant may require repayment of the funds already distributed. This contingency continues through the year 2036.

(Continued on next page)

SECOND START
NOTES TO THE FINANCIAL STATEMENTS

M | CONCENTRATIONS OF RISK

The Organization maintains cash balances at a local financial institution that, at times, may exceed the Federal Deposit Insurance Corporation (FDIC) secured limit of \$250,000. At June 30, 2019 and 2018, the Organization had uninsured balances of \$191,607 and \$40,481, respectively.

N | RECLASSIFICATIONS

Certain amounts in the 2018 financial statements have been reclassified to conform to the 2019 presentation. These reclassifications had no effect on the reported results of previously reported net assets.

O | SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 16, 2019, the date which the financial statements were available to be issued, and has not evaluated subsequent events after that date. The Organization did not identify any subsequent events that would require disclosure in the financial statements.

SECOND START
SCHEDULE OF SUPPORT AND REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

	<i>General & Building</i>	<i>Special Education</i>	<i>T.E.T Program</i>	<i>Alternative High School</i>	<i>Student Assistance</i>	<i>Adult Basic Education</i>	<i>Adult Learner</i>	<i>Welcoming Concord</i>	<i>Daycare</i>	<i>Total</i>
SUPPORT AND REVENUES										
Grants from Governmental Agencies	\$ -	\$ -	\$ -	\$ -	\$ 198,240	\$ 617,721	\$ 112,314	\$ -	\$ 218,361	\$1,146,636
Private Fees	-	-	-	-	-	-	-	-	922,240	922,240
Fees from Governmental Agencies	-	165,322	237,673	289,875	181,957	45,074	-	-	-	919,901
Miscellaneous Income	22,272	-	-	67	-	10,061	-	10,290	2,178	44,868
United Way	-	-	-	-	22,743	9,291	-	-	-	32,034
Grants-Private	-	-	-	-	12,500	-	-	10,000	-	22,500
Contributions	9,806	-	688	688	5,232	318	50	-	130	16,912
Interest Income	122	-	-	-	-	-	-	-	-	122
<i>Total Support and Revenues</i>	<u>32,200</u>	<u>165,322</u>	<u>238,361</u>	<u>290,630</u>	<u>420,672</u>	<u>682,465</u>	<u>112,364</u>	<u>20,290</u>	<u>1,142,909</u>	<u>3,105,213</u>
EXPENSES										
<i>Program Services</i>										
Instruction and Student Activities	7,910	249,045	105,802	122,220	382,497	355,956	82,620	17,942	850,890	2,174,882
Staff Development and Professional Fees	-	4,340	1,307	3,601	2,934	151,496	468	-	17,428	181,574
Other Program Costs	7,155	19,069	12,787	12,541	9,926	51,073	11,769	3,480	97,429	225,229
Occupancy	-	8,075	4,037	8,075	-	20,859	3,022	-	34,727	78,795
Direct Depreciation	-	7,786	2,596	7,316	298	21,036	4,403	867	40,961	85,263
<i>Total Program Services</i>	<u>15,065</u>	<u>288,315</u>	<u>126,529</u>	<u>153,753</u>	<u>395,655</u>	<u>600,420</u>	<u>102,282</u>	<u>22,289</u>	<u>1,041,435</u>	<u>2,745,743</u>
<i>Support Services</i>										
General Administrative	-	44,716	20,444	24,540	56,752	86,273	13,696	3,334	147,841	397,596
Loss on Disposal of Equipment	2,114	-	-	-	-	-	-	-	-	2,114
<i>Total Support Services</i>	<u>2,114</u>	<u>44,716</u>	<u>20,444</u>	<u>24,540</u>	<u>56,752</u>	<u>86,273</u>	<u>13,696</u>	<u>3,334</u>	<u>147,841</u>	<u>399,710</u>
<i>Total Expenses</i>	<u>17,179</u>	<u>333,031</u>	<u>146,973</u>	<u>178,293</u>	<u>452,407</u>	<u>686,693</u>	<u>115,978</u>	<u>25,623</u>	<u>1,189,276</u>	<u>3,145,453</u>
Excess (Deficiency) of Support and Revenues Over Expenses	15,021	(167,709)	91,388	112,337	(31,735)	(4,228)	(3,614)	(5,333)	(46,367)	(40,240)
<i>Net Assets, Beginning of Year</i>	<u>1,280,506</u>	<u>(695,018)</u>	<u>99,237</u>	<u>686,038</u>	<u>(35,848)</u>	<u>65,579</u>	<u>(71,348)</u>	<u>30,290</u>	<u>629,662</u>	<u>1,989,098</u>
<i>Net Assets, End of Year</i>	<u>\$1,295,527</u>	<u>\$ (862,727)</u>	<u>\$ 190,625</u>	<u>\$ 798,375</u>	<u>\$ (67,583)</u>	<u>\$ 61,351</u>	<u>\$ (74,962)</u>	<u>\$ 24,957</u>	<u>\$ 583,295</u>	<u>\$1,948,858</u>

See Independent Auditor's Report

SECOND START
SCHEDULE OF SUPPORT AND REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018

	<i>General & Building</i>	<i>Special Education</i>	<i>T.E.T Program</i>	<i>Alternative High School</i>	<i>Student Assistance</i>	<i>Adult Basic Education</i>	<i>Adult Learner</i>	<i>Welcoming Concord</i>	<i>Daycare</i>	<i>Total</i>
SUPPORT AND REVENUES										
Grants from Governmental Agencies	\$ -	\$ -	\$ -	\$ -	\$ 226,272	\$ 522,640	\$ 106,637	\$ -	\$ 220,707	\$1,076,256
Private Fees	-	-	-	-	-	-	-	-	915,953	915,953
Fees from Governmental Agencies	-	239,402	164,530	246,019	160,626	51,325	-	-	-	861,902
United Way	-	-	-	4,984	10,802	15,871	2,736	-	766	35,159
Miscellaneous Income	4,310	-	-	5,688	400	9,939	-	-	4,684	25,021
Grants-Private	-	-	-	-	-	-	-	20,000	-	20,000
Contributions	7,376	-	-	-	-	-	-	8,500	-	16,876
Interest Income	39	-	-	-	-	1,000	-	-	-	39
<i>Total Support and Revenues</i>	<u>11,725</u>	<u>239,402</u>	<u>164,530</u>	<u>256,691</u>	<u>398,100</u>	<u>600,775</u>	<u>109,373</u>	<u>28,500</u>	<u>1,142,110</u>	<u>2,951,206</u>
EXPENSES										
<i>Program Services</i>										
Instruction and Student Activities	16,511	230,866	82,907	128,734	355,491	299,330	85,927	18,371	847,362	2,065,499
Other Program Costs	6,551	18,635	13,474	20,152	7,700	51,446	9,510	4,411	98,885	230,764
Staff Development and Professional Fees	5,000	3,713	900	3,284	1,705	163,606	539	1,632	20,512	200,891
Occupancy Expense	-	9,226	4,422	9,232	180	25,378	4,191	-	33,743	86,372
Depreciation Expense	-	7,558	2,618	7,069	282	20,473	4,263	-	40,590	82,853
<i>Total Program Services</i>	<u>28,062</u>	<u>269,998</u>	<u>104,321</u>	<u>168,471</u>	<u>365,358</u>	<u>560,233</u>	<u>104,430</u>	<u>24,414</u>	<u>1,041,092</u>	<u>2,666,379</u>
<i>Support Services</i>										
General Administrative	-	41,089	15,436	23,788	52,871	81,470	14,318	4,102	139,738	372,812
<i>Total Support Services</i>	<u>-</u>	<u>41,089</u>	<u>15,436</u>	<u>23,788</u>	<u>52,871</u>	<u>81,470</u>	<u>14,318</u>	<u>4,102</u>	<u>139,738</u>	<u>372,812</u>
<i>Total Expenses</i>	<u>28,062</u>	<u>311,087</u>	<u>119,757</u>	<u>192,259</u>	<u>418,229</u>	<u>641,703</u>	<u>118,748</u>	<u>28,516</u>	<u>1,180,830</u>	<u>3,039,191</u>
Excess (Deficiency) of Support and Revenues Over Expenses	(16,337)	(71,685)	44,773	64,432	(20,129)	(40,928)	(9,375)	(16)	(38,720)	(87,985)
<i>Net Assets, Beginning of Year</i>	<u>1,296,843</u>	<u>(623,333)</u>	<u>54,464</u>	<u>621,606</u>	<u>(15,719)</u>	<u>106,507</u>	<u>(61,973)</u>	<u>30,306</u>	<u>668,382</u>	<u>2,077,083</u>
<i>Net Assets, End of Year</i>	<u>\$1,280,506</u>	<u>\$ (695,018)</u>	<u>\$ 99,237</u>	<u>\$ 686,038</u>	<u>\$ (35,848)</u>	<u>\$ 65,579</u>	<u>\$ (71,348)</u>	<u>\$ 30,290</u>	<u>\$ 629,662</u>	<u>\$1,989,098</u>

See Independent Auditor's Report

Second Start Board of Directors

Updated December 2019

Matt Nadeau
Concord, NH

Associate Accountant
Nathan Wechsler & Company
70 Commercial Street, Suite 401
Concord, NH 03301-5031
[REDACTED]

President

Member since 2012

Tom Painchaud
Concord, NH

Senior VP of Distribution Services
New Hampshire Distributors
65 Regional Drive
PO Box 267
Concord, NH 03302-0267
[REDACTED]

Vice President

Member since 2012

Ashley Kinville
Auburn, NH

Supervising Senior
Nathan Wechsler & Company
70 Commercial Street, Suite 401
Concord, NH 03301-5031
[REDACTED]

Treasurer

Member since 2020

Nat Morse
Concord, NH

Attorney
Orr & Reno, P.A.
45 South Main Street
Concord, NH 03301
[REDACTED]

Secretary

Member since 2019

Frank Lemay
Chichester, NH

President
Millstone Engineering & Construction, Inc.
1 Horseshoe Pond Lane
PO Box 2279
Concord, NH 03302-2279
[REDACTED]

Member since 2006

Helmut Koch
Concord, NH

Retired Chairman/Director
Exacom Inc.
99 Airport Road
Concord, NH 03301
[REDACTED]

Member since 2008

Will Brunkhorst
Hopkinton, NH

Software Consultant
[REDACTED]

Member since 2008

Maria del Mar Acebron
Bow, NH

Senior Teller
Merrimack County Savings Bank
Business Center
190 North Main Street
Concord, NH 03301

Member since 2012

Dodd Griffith
Concord, NH

Attorney
Gallagher, Callahan & Gartrell
214 North Main Street
PO Box 1415
Concord, NH 03302

Member since 2014

Andrew Grosvenor
Concord, NH

Attorney
Merritt, Merritt, and Moulton
60 Lake Street
Burlington, VT 05401

Member since 2016

Caroline Brown
Contoocook, NH

Attorney
Tarbell & Brodich, PA
45 Centre Street
Concord, NH 03301

Member since 2017

Joseph Shoemaker
Concord, NH

Division Director
State of NH – Office of Professional Licensure & Certification
Division of Technical Professions
121 South Fruit Street, Suite 201
Concord, NH 03301

Member since 2019

Clement Senga Kigugu
Concord, NH

Executive Director
Overcomers Support Services
90 Airport Road, Room 25
P.O. Box 2941
Concord, NH 03302

Member since 2019

Betsy Peabody
Concord, NH

Guidance
Concord High School
170 Warren Street
Concord, NH 03301

Member since 2020