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STATE OF NEW HAMPSHIRE
 DEPARTMENT OF BUSINESS AND ECONOMIC AFFAIRS
 OFFICE OF WORKFORCE OPPORTUNITY

172 Pembroke Road Concord, New Hampshire 03301
 Phone: 603-271-7275 www.nhworks.org

July 18, 2018

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

REQUESTED ACTION

Sole Source

Authorize Business and Economic Affairs (“BEA”), Office of Workforce Opportunity (“OWO”) to amend a contract for services with Southern NH Services, Inc. (SNHS) (VC#177198) 40 Pine Street, Manchester NH by increasing the contract limit by \$6,345,715.00 from \$18,306,331.00 to \$24,652,046.00 and extending the contract completion date from June 30, 2019 to June 30, 2020. Proposed changes shall be effective **RETROACTIVE** to July 1, 2018 upon Governor and Council approval through June 30, 2020. The original contract was approved by the Governor and Council on February 11, 2015, item #36, and amended on August 5, 2015, item#58 and June 6, 2018 item#96. **Funding Source: 100% Federal Funds**

Additional funds include: Workforce Innovation and Opportunity Act (WIOA) National Health Emergency Grant Funds in the amount of \$4,925,000.00 to help address NH’s Opioid Crisis; WIOA Mature Worker funds in the amount of \$960,715.00 allocated for the implementation of a Mature Worker demonstration project; and \$460,000 in WIOA Discretionary funds approved by the State Workforce Innovation Board (SWIB) to support business services specific to addressing the State’s opioid problem.

Funding in Fiscal Year 2019 is available and funding in Fiscal Year 2020 is contingent upon availability and continued appropriation with the authority to adjust encumbrances in each of the state fiscal years through the Budget Office if needed and justified:

	<u>FY 2019</u>	<u>FY2020</u>
03-22-22-220510-14530000		
Office of Workforce Opportunity		
102-500731 Contracts for Program Services	\$4,267,143.00	\$2,078,572.00

EXPLANATION

This amendment of an existing agreement increases available funding by \$6,345,715.00 (\$4,925,000.00 in National Health Emergency (NHE) grant funds; \$960,715.00 in WIOA Mature Worker funds; and \$460,000 in WIOA discretionary funds). Each of these efforts increase resources available to assist specific target populations (i.e., individuals and businesses affected by the opioid crisis and the aging

population) to effectively engage in employment related activities, which in turn will benefit employers in need of obtaining and/or retaining skilled workers.

New Hampshire is ranked as one of the healthiest states in the nation, but this recognition masks the crippling effects of alcohol and drug misuse. The state is currently experiencing one of the worst public health crises in its history. The striking escalation of illicit opioid misuse and addiction is overwhelming community and state care, from emergency departments and law enforcement to child protection and treatment services. The NHE plans for a statewide effort by creating state and local level partnerships with treatment service providers, and implementing innovative approaches to address the economic and workforce-related impacts of the opioid crisis, including the provision of training and support activities coordinated through the state's NH Works centers. The project proposes to serve four hundred (400) dislocated workers and new entrants in the workforce directly or indirectly impacted by the opioid crisis as well as workers seeking to enter professions that work with people in need of addiction-related services.

The Mature Work demonstration project shall be implemented in collaboration with the US Department of Labor as allowable under the terms of the federal grant agreement and consistent with activities allowable under WIOA. Services include on-line training and workshops offered in the local NH Works office along with on-the-job training opportunities for those in need of additional assistance in securing employment. This project is designed to address the re-employment issues specific to NH's aging workforce, assisting those that want to be employed in finding employment opportunities that meet their needs.

In addition, WIOA Discretionary Funds have been approved by the SWIB to support the State's effort to work with the business community to hire, train and/or retain workers. These funds will be used to cover costs associated with hiring three advisors for two years to support the Recovery Friendly Workplace initiative administered by BEA in collaboration with CDFA and Granite United Way.

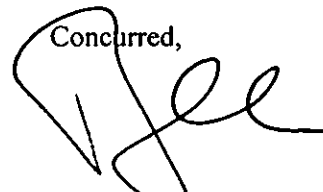
Combined these funds will provide necessary resources to attract, develop, motivate and retain productive, engaged employees for NH's businesses, as well as provide expanded opportunities for individuals (i.e., target populations) experiencing employment-related barriers to finding, getting and/or keeping a job.

Respectfully Submitted,



Wildolfo Arvelo,
Economic Development Director

Concurred,



Taylor Castwell,
Commissioner



**AMENDMENT OF CONTRACT WITH RESPECT TO
THE IMPLEMENTATION OF WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)**

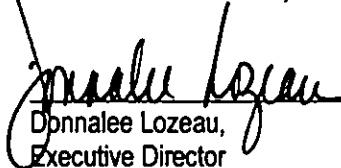
Business and Economic Affairs (BEA), Office of Workforce Opportunity (OWO) and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (# 1044520) for Workforce Innovation and Opportunity Act (WIOA) services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), amended on August 5, 2015 (Item #58), and June 6, 2018 (Item #96), with a completion date of June 30, 2019. This contract is 100% federal funding.

This amendment, the result of the award of two additional WIOA federal grants received by BEA, as well as the allocation of additional WIOA discretionary funds approved by the State Workforce Innovation Board (SWIB) to support the Recovery Friendly Workplace initiative, increases the existing agreement amount of \$18,306,331.00 by \$6,345,715.00 (i.e., \$4,925,000.00 in National Health Emergency Grant Funds to Address the Opioid Crisis (CFDA 17.280); \$960,715.00 in WIOA Mature Worker Funds to implement a Mature Worker demonstration project (CFDA 17.235) and \$460,000 in WIOA discretionary funds to support Recovery Friendly Workplace activities, (CFDA 17.258 and 17.278)) to \$24,652,046.00, and extends the original contract end date from June 30, 2019 to June 30, 2020 to allow for the two-year grant implementation period for each grant. SNHS is the designated service provider for the delivery of WIOA local funds statewide, as stipulated in RFP #02-DRED/OWOWIOA.

Specifically, this modification of a contract shall accomplish the following:

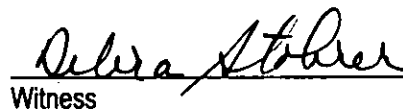
1. Increase the original grant award by \$6,345,715.00 from \$18,306,331.00 to \$24,652,046.00.
2. Extend the current contract period by one year, from an original end date of June 30, 2019 to June 30, 2020 to allow for a two-year performance period in which to fully expend new grant funds consistent with implementation plans approved by USDOL.
3. All funds awarded via this contract agreement shall be expended consistent with the Uniform Guidance – Office of Management and Budget (OMB) CFR Chapter II, Part 200, et.al.
4. Administration costs shall be charged to these additional funds consistent with SNHS's approved indirect cost rate at the time of expenditure.
5. All other terms and conditions of this contract shall remain the same in full force and effect as originally set forth; and
6. This amendment is subject to approval by the Commissioner of the Department of Business and Economic Affairs, the NH Attorney General and the Governor and Executive Council.

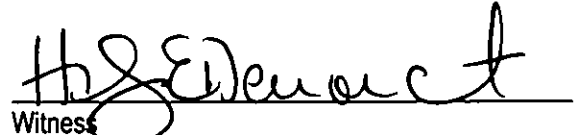
Southern NH Services, Inc. (SNHS)


Donnalee Lozeau, Executive Director
Date: August-21-2018

Business and Economic Affairs (BEA)


Taylor Caswell, Commissioner BEA
Date: 8/27/18


Witness


Witness

Approved by the Attorney General (Form, Substance and Execution)

Date: 9-7-18 By: 

Approved by the Governor and Council

Date: _____ Item # _____

State of New Hampshire

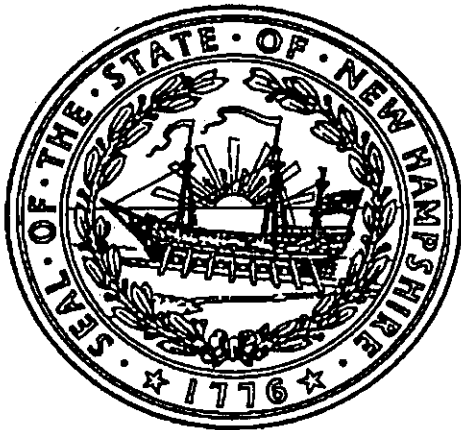
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65506

Certificate Number : 0004073347



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 2nd day of April A.D. 2018.

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Orville Kerr, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southern New Hampshire Services, Inc.
(Agency Name)

2. The following is a true copy of a resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on : September 9, 2017
(Date)

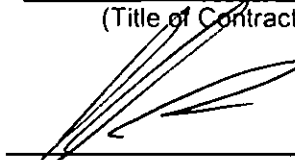
RESOLVED: That the Executive Director
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 21st day of August, 2018.
(Date Contract Signed)

4. Donnalee Lozeau is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.



Orville Kerr, Secretary

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 21st day of August, 2018

By Orville Kerr
(Name of Elected Officer of the Agency)



Notary Public

(NOTARY SEAL)

Commission Expires: _____

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



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/10/2018

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

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

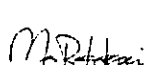
PRODUCER		CONTACT NAME: Teri Davis	
CGI Business Insurance		PHONE (A/C, No, Ext): (866)841-4600	FAX (A/C, No): (603)622-4618
171 Londonderry Turnpike		E-MAIL ADDRESS: tdavis@cgbusinessinsurance.com	
Hooksett NH 03106		INSURER(S) AFFORDING COVERAGE	
		INSURER A: Cincinnati Insurance Company	
		INSURER B: Eastern Alliance Insurance Group	
		INSURER C: Nautilus Insurance Company	
		INSURER D: Philadelphia Insurance	
		INSURER E:	
		INSURER F:	
INSURED			
Southern New Hampshire Services Inc			
PO Box 5040			
Manchester NH 03108			

COVERAGES **CERTIFICATE NUMBER:** 17-18 Master **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EPLI <input checked="" type="checkbox"/> Professional Liability GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: Crime: 250,000 limit			ETD 041 72 57	12/31/2016	12/31/2019	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Employee Benefits \$ 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> OTHER:			ETA0417260	12/31/2017	12/31/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Uninsured motorist BI \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			ETD 041 72 57	12/31/2016	12/31/2019	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N N	01-0000112165-00	12/31/2017	12/31/2018	E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000
C	Pollution Liability			CPL2004475-15	01/23/2017	01/23/2018	Aggregate 2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Additional Insurance:
 Carrier D: O&O/EPLI/Fiduciary Liability Coverage #PSD1304210 Effective 12/2/2017-12/2/2018 \$1,000,000 Aggregate Limit.

CERTIFICATE HOLDER	CANCELLATION
NH Department of Business & Economic Affairs 172 Pembroke Rd Concord NH 03301-1856	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 

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STATE OF NEW HAMPSHIRE
 DEPARTMENT OF BUSINESS AND ECONOMIC AFFAIRS
 OFFICE OF WORKFORCE OPPORTUNITY

172 Pembroke Road Concord, New Hampshire 03301
 Phone: 603-271-7275 www.nhworks.org

G&C
 6/6/18
 #96

May 2, 2018

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

REQUESTED ACTION

Authorize Business and Economic Affairs (“BEA”), Office of Workforce Opportunity (“OWO”) to amend a contract for services with Southern NH Services, Inc. (SNHS) (VC#177198) 40 Pine Street, Manchester NH by increasing the contract limit by \$25,000.00 from \$18,281,331.000 to \$18,306,331.00 with no change to the contract completion date for the provision of additional staff training, outreach and other allowable activities as described in the Workforce Innovation and Opportunity Act (WIOA) implementation grant (CFDA 17.281) effective upon approval of Governor and Council approval through June 30, 2019. The original contract was approved by the Governor and Council on February 11, 2015, item #36, and amended on August 5, 2015, item#58. **Funding Source: 100% Federal Funds**

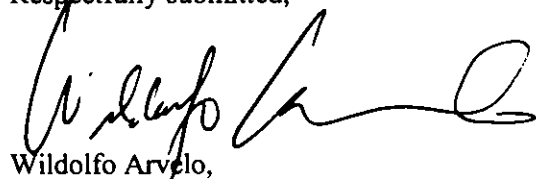
Funds to support this request are available as follows:

	<u>FY 2018</u>
03-22-22-220510-14530000	
Office of Workforce Opportunity	
102-500731 Contracts for Program Services	\$25,000

EXPLANATION

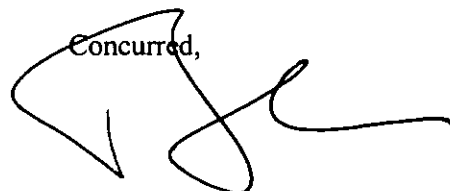
This amendment to an existing agreement allows for the expenditure of \$25,000 in WIOA Implementation Funds to cover the cost of staff training; WIOA outreach to business, participants and/or community partners to promote and inform regarding the implementation of WIOA; and other allowable activities as needed. WIOA requires efforts be undertaken to increase the knowledge and skills of individuals whose function it is to provide re-employment services as described under WIOA to individuals accessing services through the State’s network of NH Works American Job Centers. In addition, WIOA encourages expanded outreach activities to the community at large to promote the services available through the NH Works American Job Centers. These additional funds will be used to support training and outreach specific to WIOA, statewide and at the local level.

Respectfully submitted,



Wildolfo Arvelo,
 Economic Development Director

Concurred,



Taylor Caswell,
 Commissioner

Hay

**AMENDMENT OF CONTRACT WITH RESPECT TO
THE IMPLEMENTATION OF WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)**

The Department of Business and Economic Affairs, Office of Workforce Opportunity and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (# 1044520) for WIOA Services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), amended on August 5, 2015 (Item #58), a non-financial modification effective December 31, 2015 and a non-financial modification effective May 9, 2017, with a completion date of June 30, 2019. This contract is 100% federal funding.

This amendment of the existing agreement increases the funding by \$25,000 in WIOA Implementation Funding to cover the cost of staff training, outreach and other activities as approved by OWO specific to the final Implementation phase of WIOA, and as allowable under the terms of the federal contract agreement (CFDA 17.281). This modification of contract does not change the original effective or end date of the contract, and shall accomplish the following:

1. Increase the original grant award by \$25,000 for a total grant amount of \$18,306,331.00.
2. All funds awarded via this contract agreement shall be expended consistent with the Uniform Guidance - Office of Management and Budget (OMB) CFR Chapter II, Part 200, et.al.
3. These funds shall be expended as program funds, only. No administration costs shall be charged to these additional funds.
4. All other terms and conditions of this contract shall remain the same in full force and effect as originally set forth; and
5. This amendment is subject to approval by the Commissioner of the Department of Business and Economic Affairs, the NH Attorney General and the Governor and Executive Council.

Southern NH Services, Inc.

NH Department of Business and
Economic Affairs

DonnaLee Lozeau 3/28/18
Date
DonnaLee Lozeau,
Executive Director

Taylor Caswell 4/9/18
Date
Taylor Caswell,
Commissioner BEA

Ryan Clouthier 3-28-18
Witness
Ryan Clouthier

H. J. Edmوند
Witness

Approved by the Attorney General (Form, Substance and Execution)

Date: 4/25/18 By: [Signature]

Approved by the Governor and Council

Date: 6/6/19 Item # 56

CERTIFICATE OF VOTE

I, Orville Kerr, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southern New Hampshire Services, Inc.
(Agency Name)

2. The following is a true copy of a resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on : September 9, 2017
(Date)

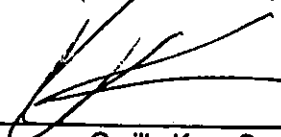
RESOLVED: That the Executive Director
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to
execute any and all documents, agreements and other instruments, and any amendments, revisions,
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 28th day of March, 2018.
(Date Contract Signed)

4. Donnalee Lozeau is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.



Orville Kerr, Secretary

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 28th day of March, 2018.

By Orville Kerr
(Name of Elected Officer of the Agency)



Notary Public

(NOTARY SEAL)

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

Commission Expires: _____

**AMENDMENT OF CONTRACT WITH RESPECT TO
THE IMPLEMENTATION OF WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)**

The Department of Business and Economic Affairs, Office of Workforce Opportunity and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (# 1044520) for WIOA Services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), amended on August 5, 2015 (Item #58),

with a completion date of June 30, 2019. This contract is 100% federal funding.

This amendment of the existing agreement increases the funding by \$25,000 in WIOA Implementation Funding to cover the cost of staff training, outreach and other activities as approved by OWO specific to the final implementation phase of WIOA, and as allowable under the terms of the federal contract agreement (CFDA 17.281). This modification of contract does not change the original effective or end date of the contract, and shall accomplish the following:

1. Increase the original grant award by \$25,000 for a total grant amount of \$18,306,331.00.
2. All funds awarded via this contract agreement shall be expended consistent with the Uniform Guidance – Office of Management and Budget (OMB) CFR Chapter II, Part 200, et.al.
3. These funds shall be expended as program funds, only. No administration costs shall be charged to these additional funds.
4. All other terms and conditions of this contract shall remain the same in full force and effect as originally set forth; and
5. This amendment is subject to approval by the Commissioner of the Department of Business and Economic Affairs, the NH Attorney General and the Governor and Executive Council.

Southern NH Services, Inc.

NH Department of Business and
Economic Affairs

DonnaLee Lozeau 3/28/18
Date
DonnaLee Lozeau,
Executive Director

Taylor Caswell 4/9/18
Date
Taylor Caswell,
Commissioner BEA

Ryan Clouthier 3-28-18
Date
Witness Ryan Clouthier

Witness
Witness

Approved by the Attorney General (Form, Substance and Execution)

Date: 4/25/18 By: [Signature]

Approved by the Governor and Council


Date: 6/6/19 Item # 96

**NON-FINANCIAL MODIFICATION (#2) OF CONTRACT WITH RESPECT TO
PROGRAM ADMINISTRATION FUNDS AT THE SUB- RECIPIENT CONTRACTING LEVEL**

The Department of Resources and Economic Development, Office of Workforce Opportunity and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (# 1044520) for WIOA Services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), amended on August 5, 2015 (Item #58) to increase funds and a non-financial modification (#1) effective December 31, 2015, with a completion date of June 30, 2019. This non-financial modification (#2) of an existing agreement does not change the funding or contract dates of the original agreement in any way and is hereby incorporated by reference to the existing agreement by the parties and must be attached to the said agreement, and shall accomplish the following:

1. Changes the 8% administration cap previously negotiated with the State Workforce Innovation Board (SWIB) to 10% effective July 1, 2016 per Board approval of the WIOA Master Budget document at the June 15, 2016 meeting.
2. Clarifies that the Unified OMB guidelines requires WIOA administrative entities (OWO) to allow a sub-recipient of federal funds (SNHS, Inc.) to charge the full amount (%) of their approved Indirect Cost Rate (ICR) to their WIOA approved grant. It is understood that the ICR may change annually and that SNHS shall apply the ICR current at the time of invoice.
3. Further clarifies that indirect costs calculated using the approved indirect cost rate, applicable within the annual budget cycle, shall be recorded on the approved annual line-item budget and reported on monthly invoices as a subset cost of the allowable 10% administrative cap. The total of direct administrative and the total of indirect costs together may not exceed the 10% administration cap.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year written below.



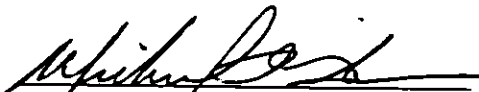
Witness




Jeffrey J. Rose, Commissioner

5/9/17

Date



Witness



James Chaisson, Chief Financial Officer

5-4-17

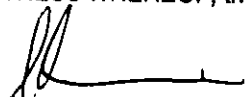
Date

NON-FINANCIAL MODIFICATION OF CONTRACT WITH RESPECT TO
THE IMPLEMENTATION OF WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) SUB-
RECIPIENT CONTRACTING REQUIREMENTS EFFECTIVE DECEMBER 31, 2015

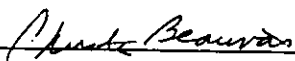
The Department of Resources and Economic Development, Office of Workforce Opportunity and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (# 1044520) for WIOA Services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), amended on August 5, 2015 (Item #58), with a completion date of June 30, 2019. This non-financial modification of an existing agreement does not change the funding or contract dates of the original agreement in any way and is hereby incorporated by reference to the existing agreement by the parties and must be attached to the said agreement, and shall accomplish the following:

1. Clarify that for the purposes of this agreement, SNHS, Inc. is a "sub-recipient" versus a contractor. All reference within the master contract agreement to sub-recipient/contractor is hereby changed to sub recipient. Funds allocated to SNHS, Inc. via this agreement are considered a "sub-award" and as such is responsible for adherence to applicable federal program requirements specified in WIOA law and regulation.
2. All funds awarded via this contract agreement shall be expended consistent with the Uniform Guidance – Office of Management and Budget (OMB) CFR Chapter II, Part 200, et.al.
3. Identify the FEIN number for the sub recipient within the contract document: SNHS, Inc. FEIN #02-0268285
4. Document the agreement between Southern NH Services, Inc. and the Office of Workforce Opportunity, on behalf of the State Workforce Innovation Board, to assign an 8% administration cap to be applied to the total funds allocated, exclusive of sub award funds, for each program year, as identified on the annual, approved line-item budget. SNHS, Inc. is informed of OMB guidance that allows sub-recipients to charge an approved federally recognized indirect cost rate negotiated between the sub-recipient and the Federal Government. A copy of the most recent approved indirect cost rate is attached for reference. For the purpose of this agreement, SNHS negotiated with the State Board for a fixed 8% ~~indirect cost~~ ^{Admin} charge for each fiscal year covered within the agreement.
5. Clarifies and provides consistency of message regarding Maintenance of Records and Record Retention requirements. SNHS, Inc. shall be responsible for maintaining all program and fiscal records for a minimum of three years. Records reviewed for Data Validation and/or Audit findings shall be maintained for a minimum of six years.
6. All other terms and conditions of this contract shall remain the same in full force and effect as originally set forth; and
7. This non-financial amendment is subject to approval by the Commissioner of the Department of Resources and Economic Development.

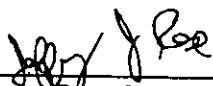
IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year written below.



Witness Christopher S. Marino
Administrator - Business Ops.




Witness Charles Beaudin



Jeffrey J. Rose, Commissioner
1/26/16

Date



Michael O'Shea, Chief Financial Officer
1-20-16

Date



G+C #58 8/5/15

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

172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

July 13, 2015

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

REQUESTED ACTION

Authorize the Department of Resources and Economic Development, Office of Workforce Opportunity (DRED/OWO), to amend a contract for services with Southern NH Services, Inc. (SNHS) (VC#177198) 40 Pine Street, Manchester NH by increasing the contract amount from \$16,000,000 to \$18,281,331 (an increase of \$2,281,331) for the delivery of additional Workforce Innovation and Opportunity Act (WIOA) services as a result of an award of National Emergency Grant (NEG) funds for Sector Partnership services effective upon G&C approval. The original contract was approved by the Governor and Executive Council on February 11, 2015, item #36. This program is 100% federal funding.

Funds to support this request are anticipated to be available in the following account in FY 2016 and FY2017 and pending budget approval for FY 2016, FY2017, FY2018 and FY 2019:

03-35-35-350510-53360000-102-500731

Office of Workforce Opportunity
Contract for Program Services

<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
\$5,000,000	\$5,281,331	\$4,000,000	\$4,000,000

EXPLANATION

This original contract between DRED/OWO and SNHS was approved for the delivery of Workforce Innovation Opportunity Act (WIOA) program services, including NEGs and was issued in response to Request for Proposals (RFP) # 02-DRED/OWO/WIOA issued September 26, 2014. DRED/OWO is the state grant recipient for WIOA federal funds awarded by the USDOL. This amendment request represents a budget adjustment to the SNHS contract in response to the receipt of an NEG for the purpose of Sector Partnership development to support the WIOA State planning process.

The State Workforce Investment Board (Board) is the oversight body established in federal regulation to oversee the appropriate use of WIOA federal funds received by DRED/OWO. In executing its responsibilities for WIOA Adult and Dislocated Worker funds, the Board through DRED/OWO designates specific operational and fiscal responsibilities for WIOA funds to SNHS through this contract agreement. As a condition of this agreement, SNHS assumes responsibility for the specific operational, fiscal, and monitoring responsibilities cited in the contract for the purpose of delivering services to WIOA eligible customers, and agrees to carry out these duties consistent with all the conditions and terms of this contract, and all applicable federal and state laws, regulations, and grant specific requirements.

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

Respectfully submitted,⁹⁻

Jeffrey J. Rose
Commissioner

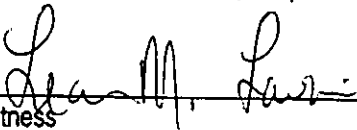
**MODIFICATION OF CONTRACT WITH RESPECT TO
WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) SERVICES**

The Department of Resources and Economic Development, Office of Workforce Opportunity and Southern NH Services, Inc. (SNHS), Manchester, NH (VC# 177198) hereby mutually agree to amend their contract (#1044520) for WIOA Services, which was originally approved by the Governor and Executive Council on February 11, 2015 (Item #36), with a completion date of June 30, 2019, as follows:

1. Increase current contract amount of \$16,000,000 to \$18,281,331.
2. Increase of \$2,281,331 awarded July 1, 2015 for WIOA Sector Partnership National Emergency Grant (CFDA# 17.277), to be used for only those activities approved by US DOL consistent with the SP NEG narrative and implementation plan; for which all deliverables are hereby incorporated by reference to this agreement.
3. Amend the language in the original contract by replacing all references to WIA with WIOA.
4. Amend Exhibit B of the original contract by adding the following: 21. SNHS shall adhere to applicable financial management guidance contained in the *Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (OMB "Super Circular")* in effect as of December 26, 2014. Guidance supersedes and consolidates requirements contained in OMB Circulars A-21, A-50, A-87, A-89, A-102, A-110, A-122 and A-133. Final guidance is located in Title 2 of the Code of Federal Regulations.
5. All other terms and conditions of this contract shall remain the same in full force and effect as originally set forth; and
6. This amendment is subject to approval by the Governor and Executive Council.

This modification of an existing agreement is hereby incorporated by reference to the existing agreement by the parties and must be attached to the said agreement.

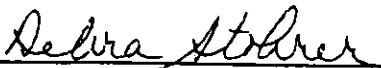
IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year written below.



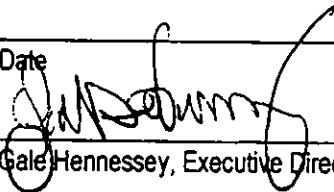
Witness



Jeffrey J. Rose, Commissioner



Witness

Date _____


Gale Hennessey, Executive Director

7-13-15

Date

Approved as to form, substance, and execution:



Asst. Attorney General

7/17/15

Date

Approved by Governor and Executive Council: At the / / meeting. Item #



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/23/2014

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

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

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Karen Shaughnessy
	PHONE (A/C No. Ext): (603) 669-3218 FAX (A/C No): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com
INSURED Southern NH Services P.O. Box 5040 Manchester NH 03108	INSURER(S) AFFORDING COVERAGE
	INSURER A: Philadelphia Ins Co
	INSURER B: MEMIC Indemnity Company 11030
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES

CERTIFICATE NUMBER: CL14122326339

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY			PHPK1273501	12/31/2014	12/31/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> Employee Benefits						PERSONAL & ADV. INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> Professional Liab					GENERAL AGGREGATE \$ 2,000,000	
	GENL AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMPIOP AGG \$ 2,000,000	
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					\$	
A	AUTOMOBILE LIABILITY			PHPK1273501	12/31/2014	12/31/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR					Underinsured motorist \$ 1,000,000	
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					EACH OCCURRENCE \$ 5,000,000	
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			PHUB484756	12/31/2014	12/31/2015	AGGREGATE \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			3102801290			<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N		(3a.) ME & NH			E.L. EACH ACCIDENT \$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N	N/A	All officers included	12/31/2014	12/31/2015	E.L. DISEASE - EA EMPLOYEE \$ 500,000
A	Crime			PHPK1273501	12/31/2014	12/31/2015	E.L. DISEASE - POLICY LIMIT \$ 500,000
							Fidelity: \$250,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

CANCELLATION

NH Department of Resources & Economic Dev
Office of Workforce Opportunity
172 Pembroke Road
PO Box 1856
Concord, NH 03302-1856

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

Laura Perrin/KS5

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

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

The Community Action Agency for Hillsborough and Rockingham Counties

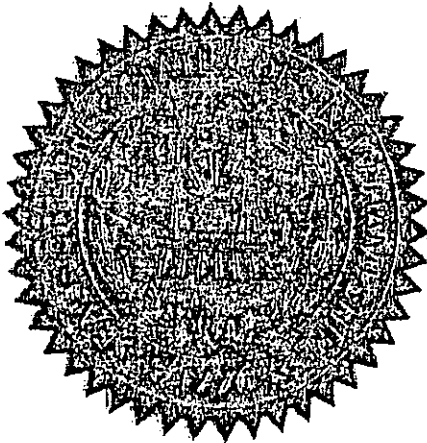
BOARD OF DIRECTORS ~ DECEMBER 2014

Public Sector	Private Sector	Low-Income Sector	HS Policy Council
<p><u>Representing Manchester</u> Lou D'Allesandro</p> <p>Vacant</p>	<p><u>Representing Manchester</u> German J. Ortiz <i>Term: 9/12-9/15</i></p> <p>Sarah Jacobs <i>Term: 9/14-9/17</i></p>	<p><u>Representing Manchester</u> James Brown <i>Term: 9/12-9/15</i></p> <p>Vacant</p>	<p>Tori Olszewski <i>Term: 12/14-12/16</i></p>
<p><u>Representing Nashua</u> Constance J. Erickson, Treasurer Timothy Lavoie</p>	<p><u>Representing Nashua</u> Dolores Bellavance, Vice-Chairman <i>Term: 9/12-9/15</i></p> <p>Wayne R. Johnson <i>Term: 9/12-9/15</i></p>	<p><u>Representing Nashua</u> Bonnie Henault <i>Term: 9/14-9/17</i></p> <p>Shirley Pelletier <i>Term: 9/14-9/17</i></p>	
<p><u>Representing Towns</u> Thomas Mullins Linda T. Foster</p>	<p><u>Representing Towns</u> Richard Delay, Sr., Chairman <i>Term: 9/12-9/15</i></p> <p>Mary M. Moriarty <i>Term: 9/12-9/15</i></p>	<p><u>Representing Towns</u> Martha Verville <i>Term: 9/13-9/16</i></p> <p>Deidre O'Malley <i>Term: 9/13-9/16</i></p>	
<p><u>Representing Rockingham County</u> Jill Jamro, Secretary</p> <p>Vacant</p>	<p><u>Representing Rockingham County</u> Dan McKenna <i>Term: 9/14-9/17</i></p> <p>Carrie Marshall Gross <i>Term: 12/14-9/17</i></p>	<p><u>Representing Rockingham County</u> Patti Ott <i>Term: 9/13-9/16</i></p> <p>Alicia Salisbury <i>Term: 12/13-9/16</i></p>	

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire nonprofit corporation formed May 28, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of April, A.D. 2015

William M. Gardner

William M. Gardner
Secretary of State

CERTIFICATE OF VOTE

I, Jill Jamro, do hereby certify that:
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Southern New Hampshire Services, Inc.
(Agency Name)

2. The following is a true copy of a resolution duly adopted at a meeting of the Board of Directors of
the Agency duly held on : September 22, 2014
(Date)

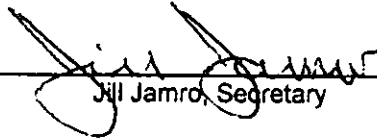
RESOLVED: That the Executive Director
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of
the 13th day of July, 2015.
(Date Contract Signed)

4. Gale F. Hennessy is the duly elected Executive Director
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.




Jill Jamro, Secretary

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 13th day of July, 2015.

By Jill Jamro
(Name of Elected Officer of the Agency)



Notary Public

(NOTARY SEAL)

Commission Expires: 12/8/15

DEBRA D. STOHRER, Notary Public
My Commission Expires December 8, 2015



G + C # 36
2/11/15

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

172 Pembroke Road P.O. Box 1856 Concord, New Hampshire 03302-1856

PG#
1044530

December 29, 2014

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

REQUESTED ACTION

Authorize the Department of Resources and Economic Development, Office of Workforce Opportunity (DRED/OWO), to enter into a contract for services with Southern NH Services, Inc. (SNHS) (VC#177198) 40 Pine Street, Manchester NH, for \$16,000,000, for the delivery of Workforce Investment Act (WIA) Adult and Dislocated Worker Program services effective July 1, 2015 through June 30, 2019 upon Governor and Council approval. The US Department of Labor (USDOL) funds this program. This program is 100% federal funding.

Funding for this contract is to be encumbered from account titled, Workforce Opportunity, as follows and pending budget approval for FY 2016, FY2017, FY2018 and FY 2019:

03-35-35-350510-53360000-102-500731 Contract for Program Services

<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000

EXPLANATION

This contract between DRED/OWO and SNHS for the delivery of Workforce Innovation Opportunity Act (WIOA) program services is issued in response to Request for Proposals (RFP) # 02-DRED/OWO/WIOA issued September 26, 2014. (See Attachment A for RFP details). DRED/OWO is the state grant recipient for WIOA federal funds awarded by the USDOL. The State Workforce Investment Board (Board) is the oversight body established in federal regulation to oversee the appropriate use of WIOA federal funds received by DRED/OWO.

In executing its responsibilities for WIOA Adult and Dislocated Worker funds, the Board through DRED/OWO designates specific operational and fiscal responsibilities for WIOA funds to SNHS through this contract agreement. As a condition of this agreement, SNHS assumes responsibility for the specific operational, fiscal, and monitoring responsibilities cited in the contract for the purpose of delivering services to WIOA eligible customers, and agrees to carry out these duties consistent with all the conditions and terms of this contract, and all applicable federal and state laws, regulations, and requirements.

This is a four-year cost-reimbursement contract for services to ensure program continuity. For major WIOA service contracts, efficiency in operation is a paramount policy consideration for the Board, as disruption in service would adversely affect program clientele. Funds are allocated for operating a standardized program that requires significant training and program management experience and understanding, along with sufficient resources to reimburse the state for any disallowed costs incurred as a result of erroneous eligibility determinations.

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

Respectfully submitted,

Jeffrey J. Rose
Commissioner

ATTACHMENT A –WIOA RFP# 02-DRED/OWO/WIOA DETAILS

Purpose of the RFP

The Department of Resources and Economic Development, Office of Workforce Opportunity (DRED) solicited a Request for Proposal (RFP) on behalf of the State Workforce Investment Board (Board). The purpose of the RFP is to identify an appropriate service provider to provide employment and training services for Workforce Innovation Opportunity Act (WIOA) Adult and Dislocated Worker activities on a statewide basis for four continuous years, contingent upon annual funding allocations from the US Department of Labor (DOL), and the continued successful performance of the contractor.

The re-employment services offered will be funded under WIOA and shall be delivered through the 12 NH Works Centers located throughout the State (i.e., One-Stop Centers or American Job Centers).

The first year award will be for Program Year 2015, beginning July 1, 2015 and ending June 30, 2016. Subsequent contract years (i.e., program years 2016-2018) will be for twelve months; July 1 to June 30 of each year consistent with the federal program year cycles. The last day of this contract agreement shall be June 30, 2019.

RFP Process Details

- On September 26, 2014, DRED/OWO issued a RFP for WIOA services on behalf of the State Workforce Investment Board.
- The purpose of the RFP was to identify a service provider to operate the statewide Workforce Innovation Opportunity Act program for Adult and Dislocated Workers (including National Emergency Grant awards) for four consecutive years (July 1, 2015 – June 30, 2019) consistent with federal and state policy and procedures.
- The WIOA adult program maintains an enrollment of approximately 1,600 individuals annually.
- To solicit appropriate entities interested in contracting with OWO for the purpose of serving as a contractor, a copy of the RFP was posted on the NH Works website and the State of NH procurement website. A Public Notice appeared in the Union Leader for three days. In addition, a copy of the RFP was sent via email to NH Works partner agencies and USDOL staff with instructions to share as appropriate.
- A sub-committee of the State Workforce Investment Board served as the RFP review panel. The following Board members served on the review committee:
 - Mr. Dick Anagnost – Chair, State Workforce Investment Board/ CEO/Owner Anagnost, Inc.
 - Mr. Dave Cioffi – Former Small Business Owner
 - Ms. Kelly Clark – AARP NE Regional Director
 - Mr. Lee Nyquist – Esquire Shaheen & Gordon, PA
 - Mr. Rick Wheeler – VP Human Resources Associated Grocers of NE
- Bonnie St.Jean, OWO Program Administrator served as staff to the review committee.
- The review panel evaluated each submitted proposal based on the following criteria:

Cover Page

Pass/Fail

Proposal Checklist

Pass/Fail

Organizational Experience and Past Performance

30 points

This category will evaluate past experience in providing services similar to those being proposed, including the ability to deliver as proposed, and attain and report performance.

- Compatibility between proposing entities mission and DRED/OWO/Board goals;
- Administrative experience and capacity, financial ability to support the program;
- Experience with WIA services, federal regulations, and performance measures;
- Success in meeting and exceeding performance measures;
- Organizational resources, that would further support program goals;
- The experience of contractor staff assigned to the program; and
- Demonstrated capacity to deliver standardized services state-wide.

Relationships and Collaboration

30 points

This category will evaluate how the proposer has planned to work with the mandated one-partners, community colleges, community organizations and other service providers to leverage funds and integrate services and staff functions. Evaluation of this section will include:

- Evidence of credible and realistic partnerships;
- Relationships with community organizations that serve target populations;
- Collaboration with WIOA Youth service providers to triage and seamlessly serve 18-24 year olds; and
- Collaboration with Employment Security, community college, and other mandated partners

Program Design

60 points

This category will evaluate the adequacy, creativity and plausibility of program design, services, and processes, including evaluation of:

- Program goals and relationship to the State WIOA/WP plan;
- The Contractor's understanding of the services described in Statement of Work section of this RFP;
- Evidence of the Contractor's ability to assume responsibility for current participants, with minimal disruption of services;
- Efforts at reaching and serving targeted populations;
- How the proposer will assist and support participants in moving towards self-sufficiency;
- How the proposer will ensure retention through training and job placement;
- How the proposer will prioritize and ensure effective performance for economic development projects initiated by the State;
- A plan to recruit participants for training in high-demand occupations;
- System integration efforts; and
- Leadership, creativity, flexibility, and innovation.

Program Cost and Performance

30 points

This category will evaluate the cost in relation to proposed services, number to be served and the degree to which expenditure of funds relates to performance outcomes, including the following:

- Budgets and performance numbers will be reviewed for accuracy and completeness;
- All proposals will be reviewed for costs and performance numbers that are reasonable, plausible, fully justified, and competitive as measured by the review of the line item budget, the program design, cost per participant, and comparison to all other proposals.
- Contractors understanding of Administration versus Program costs; and
- Emphasis on funding to support training. [Note: the Board strongly encourages that no less than 50% of available funds be allocated to support participant training costs (i.e. the cost of training and support services combined)]

Statement of Compliance Form

Pass/Fail

- Two organizations submitted a letter of intent in response to the WIOA RFP – Southern NH Services, Inc., Manchester, NH, and Public Consulting Group, Inc. 200 International Drive, Suite 201 Portsmouth, NH.
- The RFP review panel reviewed the proposal submitted by SNHS, Inc. The Public Consulting Group, Inc. did not submit a proposal for review.
- The final scores for SNHS are as follows:

Proposer:	SNHS, INC Final Scores				
Reviewer	Organizational Experience and Past Performance (30)	Relationships and Collaboration (30)	Program Design (60)	Program Cost and Performance (30)	Total (150)
Dick Anagnost	28	29	52	28	137
David Cioffi	28	30	60	25	143
Kelly Clark	30	30	60	30	150
Lee Nyquist	28	27	56	26	137
Rick Wheeler	28	30	55	30	143

- Based on the scores above, OWO/DRED on behalf of the State Workforce Board is proposing to award the WIOA Adult/Dislocated Worker Service Delivery contract to SNHS, Inc. contingent upon Governor and Council approval.

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

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

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement

those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

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

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

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

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

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

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8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of

termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer

identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

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

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

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

STANDARD EXHIBIT A

STATEMENT OF WORK

Contract Period: July 1, 2015 – June 30, 2019

Contractor: Southern NH Services, Inc. (SNHS)

SCOPE OF SERVICES

This cost reimbursement agreement for services between Southern NH Services and the NH Department of Resources & Economic Development, Office of Workforce Opportunity (OWO) will be for a term beginning July 1, 2015 and terminating on June 30, 2019. Total payments under this agreement shall not exceed **\$16,000,000** and shall be expended consistent with the line item budget negotiated annually with DRED/OWO upon receipt of grant funds from USDOL, for each program year covered under this contract.

Funds authorized under this agreement are for the sole purpose of implementing Workforce Innovation Opportunity Act (WIOA) services for Adults and Dislocated Workers (including National Dislocated Worker Grant funds) and shall not be used for any purpose other than those activities identified in the Statement of Work outlined in RFP # 02-DRED/OWO/WIOA issued September 26, 2014 and in accordance with US DOL WIOA program rules and regulations.

As a condition of this agreement, SNHS assumes responsibility for the specific operational, fiscal and monitoring responsibilities cited in this agreement for the purpose of delivering services to WIOA eligible participants, and agrees to carry out these duties consistent with all the conditions and terms of this agreement, as well as all applicable federal and state laws, regulations and requirements.

In addition, by signing this agreement SNHS acknowledges the substantial operational level oversight retained by the OWO under this agreement for the duration of the agreement performance period.

SNHS shall operate programs funded through the WIOA consistent with the policy and procedures approved by DRED, and/or the US Department of Labor and the terms and conditions as specified in, RFP # 02-DRED/OWO/WIOA incorporated by reference into this contract agreement.

SNHS will be responsible for the deliverables as specified in SECTION V Statement of Work of RFP # 02-DRED/OWO/WIOA, issued September 26, 2014.

The Contractor shall develop, implement, and maintain statewide WIOA Adult and Dislocated Worker services and/or programs consistent with WIOA regulations, NH's WIOA & Wagner-Peyser State Plan, the NH Works One-Stop Operators MOU, and DRED/OWO policy and procedures such as, but not limited to, the NH Works Guidance Letters.

In addition, SNHS will be responsible for adhering to terms and conditions specified in Attachment I Certifications and Assurances Exhibits D-L of RFP 02-DRED/OWO/WIOA.

**NH Department of Resources & Economic Development
Office of Workforce Opportunity**

STANDARD EXHIBIT B

TERMS AND CONDITIONS OF PAYMENT

Contractor's Name: **Southern New Hampshire Services, Inc.**

Contract Period: **July 1, 2015 to June 30, 2019.**

1. Subject to the Contractor's compliance with the terms and conditions of this agreement, and for services provided consistent with Exhibit A - Scope of Services, the Department of Resources & Economic Development (DRED/OWO) shall reimburse the contractor for allowable expenses up to a maximum total payment of \$16,000,000.
2. The contractor in collaboration with OWO/DRED administrative staff shall develop a line-item budget for cost-reimbursement on an annual basis for each year covered in this agreement, which shall be binding. The contractor shall not expend funds in addition or outside of an approved line-item budget for any contract year without written consent from OWO/DRED.
3. The total of all approved budgets within this contract period shall not exceed \$16,000,000 without written modification signed by the parties to this agreement and approved by the Governor and Council.
4. Annual funding amounts disbursed through this contract agreement shall be determined based on actual WIOA federal awards (Adult and Dislocated Worker (including National Emergency Grants)) received for each 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.
5. This contract is funded with federal funds from the US Department of Labor made available under the Catalog of Federal Domestic Assistance (CFDA) number: **17.258** WIA Adult Activities – States, and **17.278** WIA Dislocated Workers – Formula - States for the purpose of the delivery of WIOA services to eligible individuals.
6. Contractor use of funds in this contract must be in accordance with the Workforce Innovation Opportunity Act (WIOA) program assurances. See Exhibit C and attachments for specifics.
7. The Contractor must have written authorization from DRED/OWO 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.
8. 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, 2019 shall not be accepted for payment.

9. Expenditures shall be in accordance with an annual line item budget, which shall be submitted to DRED/OWO for final approval no later than June 30 for each program year covered under this agreement. In the event that line-item budgets are adjusted within a program year, such adjustments shall not exceed the approved administration cost for each program year.
10. The Contractor agrees that all financial reports shall at a minimum be itemized by administrative, program and NH Works shared cost (MOU) expenses.
11. Invoices must be submitted monthly within 30 days of the end of the previous month and be submitted in a format consistent with the approved budget. The payment of invoices is subject to receipt by DRED/OWO of required reports as stated in Exhibit A – Scope of Services.
12. 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.

13. Invoices shall be sent to:

Julianne Pelletier Fiscal Administrator
Office of Workforce Opportunity
Department of Resources & Economic Development
172 Pembroke Road/PO Box 1856
Concord, NH 03302-1856

Invoices shall be paid to:
Southern NH Services, Inc.
40 Pine Street
Concord, NH 03302-1016
Attention: Denise Vallancourt, Staff Accountant

14. The Contractor shall maintain sufficient documentation on file in their offices to support invoices, and make such documentation available for review by authorized DRED/OWO staff and/or its auditors.
15. The Contractor shall report expenditures by program year and will be responsible for achieving the financial performance goal of 100% expenditure of total funds awarded in this agreement for each program year funded (e.g., July 1st – June 30th), unless otherwise agreed to in writing by DRED/OWO.
16. DRED/OWO 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 DRED/OWO and/or the State of New Hampshire.
17. The Contractor shall adhere to all cash management policies and procedures stipulated in the body of this agreement, and all other applicable WIA federal, State and DRED/OWO cash management regulations and policies, including quarterly accrual reporting.
18. The Contractor is solely responsible for paying to DRED/OWO any disallowed costs associated with the misappropriation of federal funds and/or costs expended on individuals who were erroneously determined to be eligible for WIA services. Disallowed costs may not be paid with federal funds, regardless of the funding source.

19. DRED/OWO 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.

20. The Contractor is prohibited from using federal funds awarded under this contract for the following items and/or activities: automobiles; lobbying; real property and improvements; cost of interest payments; membership dues; professional license; annual professional dues or fees; finance charges, late fees or penalties; and depreciation charges. This is not intended to be an all-inclusive list, the contractor must review any proposed cost outside of the approved line item budget with the Director for the Office of Workforce Opportunity.

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

STANDARD EXHIBIT C

SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms and/or case managements systems provided by the OWO for that purpose and shall be made and remade at such times as are prescribed by the OWO.
3. **Documentation:** In addition to the determination forms required by the OWO, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the OWO requests, particularly for data validation purposes. The Contractor shall furnish OWO with all forms and documentation regarding eligibility determinations and services that OWO may request or require.
4. **Grievance Procedures/Customer Complaints:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with the required grievance policy.
 - a. The Contractor shall ensure that all applicants for WIOA funded services receive a written grievance procedure notice, and that a signed copy attesting to the receipt of this information is included in each applicant's hard copy file.
 - b. The Contractor shall ensure that all personnel funded with WIOA funds are trained in the grievance policy and procedure applicable for the funding source supporting this contract agreement.
 - c. The Contractor shall ensure that the OWO (Office of Workforce Opportunity) EO Officer is informed immediately of any formal grievance filed by a program applicant or participant.
 - d. The Contractor shall respond either verbally or in writing to any complaint that does not constitute a formal grievance within two days from receipt of such complaint.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is

determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor/Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
 - a. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to OWO, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by OWO.
 - b. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to OWO to obtain payment for such services.
 - c. **Record Retention:** Complete paper ("hard copy") participant files shall be maintained by the contractor for no less than three years as required under federal regulation. OWO may require the retention of hard copy files for up to six years, if the participant file is selected for a data validation review or other formal audits. The Contractor shall not destroy any participant files without written permission from OWO.
8. **Audit:** Contractor shall submit an annual audit report to OWO within 60 days after the close of the agency fiscal year. The report must be prepared in accordance with the provisions of the Office of Management and Budget Super Circular, "Audits of States, Local Governments, and Non-Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
 - a. **Audit and Review:** During the term of this Contract and the period for retention hereunder, OWO, the United States Department of Labor, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - b. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to OWO, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
9. **Confidentiality of Records:** The Contractor agrees to maintain the confidentiality of any information regarding participants and their immediate families that may be obtained through application forms, interviews, tests, reports from public agencies or counselors, or any other source.

Without the permission of the applicant/participant such information shall be divulged only as necessary for purposes related to the performance or evaluation of this agreement, and to persons having responsibilities under the agreement.

- a. The Contractor is responsible for taking reasonable steps to ensure the physical security of such data under its control.
 - b. The Contractor is responsible for ensuring each of its employees, vendors or sub-recipients having any involvement with personal data or other confidential information are informed in the laws and regulations relating to confidentiality.
 - c. Each employee funded through this contract agreement shall be required to sign a confidentiality statement, which shall be maintained in local personnel files.
10. **Reports: Program and Fiscal:** The Contractor agrees to submit the following reports at the following times and/or if requested by the OWO.
- a. **Quarterly Progress Reports:** Written reports containing a detailed description of all planned versus actual program performance to the date of the report and containing such other information as shall be deemed satisfactory by the OWO to justify the rate of payment hereunder. Such Reports shall be submitted on a form deemed satisfactory by the OWO.
 - b. **Annual Report:** An annual report shall be submitted within sixty (60) days after the end of each program year covered under this Contract. The Report shall be in a form satisfactory to the OWO and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the OWO.
11. **Completion of Services:** The Contractor will be legally obligated to turn over complete data files in the specified electronic format, as well as hard copy case files, to OWO at the time that the Contractor ceases to operate the program/project funded through this contract agreement.
12. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
- The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Resources & Economic Development, with funds provided by the United States Department of Labor.
13. **Veterans' Priority Provisions:** The Contractor agrees to comply with the provisions of the "Jobs for Veterans Act" (JVA), Public Law 107-288 (38 USC 4215), as implemented by the Final Rule published on December 19, 2008 at 73 Fed. Reg. 78132. The JVA provides priority of service to veterans and spouses of eligible veterans for the receipt of employment, training, and placement services. Agreement by a program operator to implement priority of service is a condition of receipt of DOL funds.
14. **Buy American Notice Requirement:** To the greatest extent practicable, and the extent to which purchases are allowable in this agreement, the Contractor agrees to purchase American made equipment and products. (See WIOA Section 505—Buy American Requirements).
15. **Salary and Bonus Limitations:** In compliance with Pub. L. 111-117 (Division D, sec. 107), none of the funds made available under this agreement shall be used by the Contractor, or sub-recipient of the Contractor to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II.

16. **Intellectual Property Rights:** The Federal Government reserves a paid-up, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use for federal purposes: i) the copyright in all products developed with WIOA funds, including a sub-grant or contract under the Contractor; and ii) any rights of copyright to which the Contractor purchases ownership with WIOA funds (including but not limited to curricula, training models, technical assistance products, and any related materials). Such uses include, but are not limited to, the right to modify and distribute such products worldwide by any means, electronically or otherwise. Federal funds may not be used to pay any royalty or licensing fee associated with such copyrighted material, although they may be used to pay costs for obtaining a copy which is limited to the developer/seller costs of copying and shipping. If revenues are generated through selling products developed with Contract funds, including intellectual property, these revenues are program income. Program income is added to the Contract and must be expended for allowable Contract activities.
17. **Mandated Data Entry Systems:** The Contractor will be legally obligated to enter data required by OWO and/or the US Department of Labor, relating to all participants served during the contract period in the case management system mandated by OWO (i.e., E-Teams for WIOA services). Contractors shall be responsible for keeping participants files up-to-date, especially in time to meet quarterly reporting deadline requirements.
18. **Disallowed Costs:** The Contractor will be solely responsible for paying OWO any and all disallowed costs associated with the misappropriation of federal funds and/or costs expended on participants who were erroneously determined to be eligible for services. Disallowed costs may not be paid with any other federal funds.

NH Department of Resources and Economic Development

STANDARD EXHIBIT D

CERTIFICATION REGARDING LOBBYING

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

US DEPARTMENT OF LABOR - CONTRACTORS

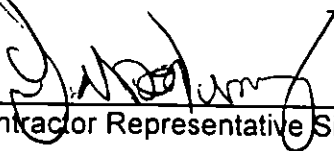
Programs (indicate applicable program covered):
Title IB Workforce Investment Act (WIA) Programs

Contract Period: July 1, 2015 through June 30, 2019

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

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

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


(Contractor Representative Signature)

Gale F. Hennessy, Executive Director
(Authorized Contractor Representative Name & Title)

Southern NH Services, Inc.
(Contractor Name)

13-23-14
(Date)

NH Department of Resources and Economic Development

STANDARD EXHIBIT E

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Resources & Economic Development (DRED) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DRED determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DRED may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to DRED to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DRED.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and

Voluntary Exclusion - Lower Tier Covered Transactions," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DRED may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

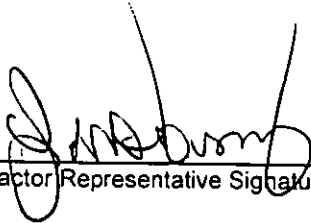
- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 -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

LOWER TIER COVERED TRANSACTIONS

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

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

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



(Contractor Representative Signature)

Gale F. Hennessy, Executive Director

(Authorized Contractor Representative Name & Title)

Southern NH Services, Inc.

(Contractor Name)

12-23-14

(Date)

NH Department of Resources and Economic Development

STANDARD EXHIBIT F

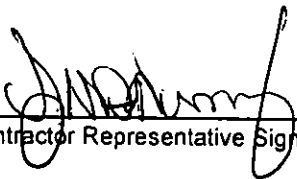
**CERTIFICATION REGARDING
COMPLIANCE WITH SECTIONS 504 OF THE REHABILITATION ACT OF 1973, as
AMENDED AND AMERICANS WITH DISABILITIES ACT OF 1990**

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

The Contractor hereby agrees that it will comply with Section 504 of the Rehabilitation Act of 1973, as amended, and American's with Disabilities Act of 1990, as amended, and all requirements imposed by the applicable regulations (45 CFR Part 84) and guidelines and interpretations issued pursuant thereto.

Pursuant to subsection 84.5(a) of the regulations (45 CFR 84.5(a)), the Contractor gives this Assurance in consideration of and for the purpose of obtaining any and all federal grants, loans, contracts, (except procurement contracts and contracts of insurance or guaranty), property, discounts, or other federal financial assistance extended by DRED after the date of this Assurance, including payments or other assistance made after such date on applications for federal financial assistance that were approved before such date. The Contract recognizes and agrees that such federal financial assistance will be extended in reliance on the representation and agreements made in this Assurance and that the United States will have the right to enforce this Assurance through lawful means. This Assurance is binding on the Contractor, its successors, transferees, and assignees, and the person or person whose signatures appear below are authorized to sign this Assurance on behalf of the recipient.

This Assurance obligates the recipient for the period during which federal financial assistance is extended to it by DRED or, where the assistance is in the form of real property for the period provided for in subsection 84.5(b) of the regulation (45CRF 84.5(b)).



(Contractor Representative Signature)

Gale F. Hennessy, Executive Director

(Authorized Contractor Representative Name & Title)

Southern NH Services, Inc.

(Contractor Name)

12-23-14

(Date)

NH Department of Resources and Economic Development

STANDARD EXHIBIT G

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

BUSINESS ASSOCIATE AGREEMENT

(1) **Definitions.**

- a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).

- j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) **Use and Disclosure of Protected Health Information.**

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide

services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) **Obligations and Activities of Business Associate.**

- a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any security incident involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.
- b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401, and Sec.13404.
- c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3) b and (3) k herein. The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.
- e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.

- g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- h. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- k. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity; all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or

disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to standard provision #10 of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, and the HITECH Act as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule and the HITECH Act.
- e. **Segregation.** If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. **Survival.** Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit G.

Department of Resources & Economic Development

Southern NH Services, Inc.

The State Agency Name

Name of the Contractor

DRM

Jeffrey J. Rose

Gale F. Hennessy

Signature of Authorized Representative

Signature of Authorized Representative

Jeffrey J. Rose, Commissioner

Gale F. Hennessy, Executive Director

Name of Authorized Representative

Name of Authorized Representative

12/30/14

12-23-14

Date

Date

NH Department of Resources and Economic Development

STANDARD EXHIBIT H

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

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

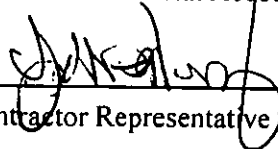
In accordance with 2 CFR Part 170 (*Reporting Sub-award and Executive Compensation Information*), the Department of Resources and Economic Development (DRED) must report the following information for any sub-award or contract award subject to the FFATA reporting requirements:

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

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

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

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Resources and Economic Development and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.


Gale F. Hennessy, Executive Director

 (Contractor Representative Signature) (Authorized Contractor Representative Name & Title)

Southern NH Services, Inc. 12-23-10

 (Contractor Name) (Date)

FORM A

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

1. The DUNS number for your entity is: **088584065**

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

YES X

NO _____

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

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

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

YES X

NO _____

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

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

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

Name: _____

Amount:

Name: _____

Amount:

Name: _____

Amount:

Name: _____

Amount:

Name: _____

Amount:

NH Department of Resources and Economic Development

STANDARD EXHIBIT I

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF LABOR - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to: NH Department of Resources & Economic Development, Office of Workforce Opportunity, 172 Pembroke Road, Concord, NH 03302.

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

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

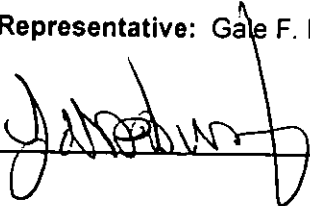
(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance: NH Works Offices located throughout the State; 45 Pine St. Manchester, NH

Period Covered by this Certification: From: July 1, 2015 To: June 30, 2019

Contractor Name: Southern NH Services, Inc.

Name & Title of Authorized Contractor Representative: Gale F. Hennessy, Executive Director

Contractor Representative Signature:  _____ **Date:** 12-23-14

NH Department of Resources and Economic Development

STANDARD EXHIBIT J

STATEMENT OF CONFIDENTIALITY

Every client has the right to privacy and confidentiality of his or her record. Information contained in an individual's case record is designated confidential under state and federal law.

All staff and employees of the Department of Resources and Economic Development (DRED), including agencies under contract with DRED, are under an equal obligation to treat as confidential any information they may acquire, by any means, about an applicant, a recipient or former recipient.

The fact that an individual is a current or past participant in any US Department of Labor funded program administered by DRED is considered confidential information. Information about a client may be shared among staff of DRED (or contract agency) only as is necessary for the administration of the program(s) from which the individual is receiving services.

No information is to be shared outside of DRED (or the contract agency) with anyone except with the informed written authorization of the client or the person authorized to give consent on the client's behalf. Clients must be advised of the information that will be shared and the time period this sharing will take place.

Contract agencies and DRED shall share information with one another that is related to the service(s) provided and administration of the program as described in the contract without an additional release.

Without a specific release, discussions cannot include mention of any client names or facts that would identify an individual. Information cannot be given over the phone unless it is given directly to the client or an individual whom the client has designated, in writing, to act in their behalf. This prohibition applies to police officers, legislators, lawyers and others who assert a need to know confidential information. All third parties must provide written authorization of the client to discuss or receive confidential information.

Breaches of confidentiality will be regarded as a serious offense and grounds for disciplinary action.

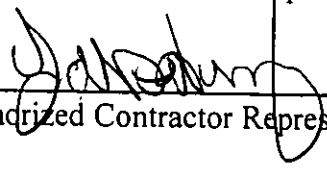
The contractor agrees to ensure that a signed confidentiality form is placed in the personnel file of all staff funded with Workforce Innovation Opportunity Act (WIOA) funds.

Southern NH Services, Inc.

Contractor Name

Gale F. Hennessy, Executive Director

Authorized Contractor Representative Name and Title



Authorized Contractor Representative Signature

12-23-11

Date

EXHIBIT K

WIOA ASSURANCES AND CERTIFICATIONS- 2015

The contractor assures and certifies that they will comply with applicable WIOA assurances once fully implemented:

1. WIOA Statute: is incorporated herein as if fully written.
2. WIOA Regulations: is incorporated herein as if fully written.
3. Federal Standards and Uniform Administrative Requirements for State and Local Governments, Institutions of Higher Education and Other Non-Profit Organizations and OMB Super Circular in effect January 2015

In addition, all procurement contracts and other transactions must be conducted only on a cost reimbursement basis. No provision for profit is allowed. A modified cost reimbursement process, which allows for regular estimated payments, is permitted as long as a reconciliation of expenses and cash drawn is conducted no less frequently than quarterly.

4. WIA/WIOA State Policy - All the terms and conditions of its contract with DRED and the State of New Hampshire Unified Workforce Development Plan as said plan applies to the program services provided by the sub-recipient/contractor are by this reference incorporated herein as if fully written.

Further the sub-recipient/contractor shall abide by and follow the directions of the WIA/WIOA Policy and Procedures developed by DRED as issued and/or all subsequent WIA/WIOA Policy and Procedure revisions and modifications thereto.

Hereinafter, the term "WIA/WIOA Policy" is inclusive of the contract, plan and policies and procedures previously mentioned, unless otherwise specified.

5. Conflict - In the event that a term or condition of this contract is incompatible with WIOA authorizing legislation, applicable Federal Regulations, and State Policy, then the terms of WIOA shall supersede that term or condition and govern the performance of the parties under that part.
6. Amendments -The sub-recipient/contractor further assures and certifies that if the Federal Regulations or State Policy is amended, it shall comply with same or notify DRED in writing within 15 days after promulgation of the amendments that it cannot so comply, so that DRED may take such action as it deems necessary.

It is the responsibility of DRED to notify the sub-recipient/contractor in writing of any proposed or promulgated amendments of the Act, Federal Regulations, or State Policy to allow the sub-recipient/contractor a reasonable time to effect compliance.

7. Other Applicable Statutes-The sub-recipient/contractor shall comply with the provisions of:

- 29 CFR Part 37 Nondiscrimination and Equal Opportunity Requirements
- OMB "Super Circular" Audits of States, Local Governments and Non-Profit Organizations
- The Americans with Disabilities Act of 1990 (Pub. L. 101-336, 104 Stat. 327,42 U.S.C 12101-12213 and 47 U.S.C 225 and 611)
- Hatch Act (5 U.S.C. Subsection 1501 -1508 and 7324-7328) which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds
- Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 as amended (P.L.91-616)
- Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. Section 794, 29 CFR Part 32)
- Title IX of the Education Amendments Act of 1972, as amended (20 U.S.C. Subsection 1681-1683, and 1685 and 1686)
- The Age Discrimination Act of 1975 as amended (42 U.S.C. Section 101-61 07) Title VI of the Civil Rights Act of 1964 (P.L. 88-352 / 29 CFR Part 31)
- Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255)as amended
- Davis-Bacon Act (40 U.S.C. Subsection 276a to 276a-7) regarding labor standards for federally assisted construction sub-agreements
- Copeland Act (40 U.S.C. Subsection 276C and 18 U.S.C. Subsection 874) regarding labor standards for federally assisted construction sub-agreements
- Contract Work Hours and Safety Standards Act (40 U.S.C. Subsections 327-333) regarding labor standards for federally assisted construction sub-agreements
- Occupational Safety and Health Act, including State and Federal law which are applicable to similarly employed employees of the same employer who are not participants in programs under WIA/WIOA.
- Implementation of the Priority of Service provisions of the Jobs For Veterans Act (73 fed. Reg. 78132)

8. Political Activities- The sub-recipient/contractor shall not provide financial assistance for any program under this Act, which involves the following political activities:

- No participant may engage in any political activities during hours for which the participant is paid with funds under the Act.
- No participant may, at any time engage in any political activities in which such participant represents himself/herself as a spokesperson of any program under this Act.
- No participant may be employed or out stationed in the Office of a member of Congress, of a state or local legislator or on any staff of a legislative committee.
- No participant may be employed or out stationed in the immediate office of any chief-elected executive official (or officials, if the office of chief executive is shared by more than one person) of the State or unit of general local government, except that:
 - Sub-recipient/contractors in rural areas may employ participants in such positions provided that documentation is presented to and approved by DRED which makes clear that such positions are non-political; and
 - Where positions are technically in such office, but are actually program activities not in any way involved in political functions, documentation attesting to thenon-political nature of the position is to be provided to DRED for approval prior to enrollment of participants in such positions.

- Sub-recipient/contractors shall develop safeguards to ensure that participants placed in these positions are not involved in political activities.

9. Nepotism- No individual may be placed in a WIOA employment activity if a member of his/her immediate family is engaged in an administrative capacity for the employment agency.

To the extent that an applicable State or local legal requirement regarding nepotism is more restrictive than this provision, such State or local requirement shall be followed.

"Administrative capacity" includes those persons who have overall administrative responsibility for a program, including: all elected and appointed officials who have any responsibility for the obtaining of and/or approval of any grant funded under the Act, as well as other officials who have influence or control over the administration of the program, such as project directors, and persons who have selection, hiring, placement or supervisory responsibilities for participants.

"Immediate family" means wife, husband, son, daughter, mother, father, brother, brother-in-law, sister, sister-in-law, son-in-law, daughter-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, step-parent and step-children.

10. Political Patronage -The sub-recipient/contractor shall not select, promote, or reject a participant, vendor, or sub- recipient/contractor based on political affiliations or belief. The selection or advancement of employees as a reward for political services or as a form of political patronage is prohibited whether or not the political service or patronage is partisan in nature.
11. Conflicts of Interest - The sub-recipient/contractor shall be aware of, and abide by, any and all conflict of interest policies currently in place, or later established by DRED.
12. Kickbacks- No officer, employee, or agent of any sub-recipient/contractor shall solicit or accept gratuities, favors, or anything of monetary value from any actual or potential participant or any of its potential sub-sub-recipient/contractors.
13. Unionization and Anti-unionization Activities/Work Stoppages -
- No funds under the Act shall be used in any way to either promote or oppose unionization.
 - No individual shall be required to join a union as a condition for enrollment in a program in which only institutional training is provided, unless such institutional training involves individuals employed under a collective bargaining agreement which contains a union security provision.
 - No participant may be referred to or placed into, or remain working in any position which is affected by labor disputes involving work stoppage. If such a work stoppage occurs during the grant period, participants in affected positions must: (a) be relocated to positions not affected by the dispute; (b) be suspended through administrative leave; or (c) where participants belong to the labor union involved in the work stoppage, be treated in the same manner as any other union member except such members must not remain working in the affected position. The sub-recipient/contractor shall make every effort to relocate participants, who wish to remain working, into suitable positions unaffected by the work stoppage.

14. Fees - No funds under this Act shall be used for payment of a fee charged to an individual for the placement of that individual in a training or employment program under the Act. The sub-recipient/contractor shall not charge a fee to any individual for the referral or placement of that individual in any program.
15. Consultation with Labor Organizations - Any assistance program conducted with funds made available under this Act which will provide services to a substantial number of members of a labor organization shall be established only after full consultation with such labor organizations.
16. Displacement Funds- provided under this Act shall only be used for activities that are in addition to those which would otherwise be available in the area in the absence of such funds.

No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits).

WIOA participants will not be enrolled in employment activities which violate existing contracts for services or collective bargaining agreements. Where an employment activity would violate a collective bargaining agreement, the affected labor organization and employer must provide written concurrence before the employer activity can be undertaken.

No participant shall be employed or a job opening filled: (1) when any other individual is on layoff from the same or any substantially equivalent job within the same organizational unit, or (2) when the employer has terminated the employment of any regular employee or otherwise reduced its work force with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized under this Act.

No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

Regular employees or program participants alleging displacement may file a complaint.

17. Financial Management- GAAP shall be used, or in absence of such system, the sub-recipient/contractor shall maintain a financial and accounting system that provides adequate internal controls and records to allow DRED, USDOL, State auditors, etc. to audit and monitor the sub-recipient/contractor's programs.
 - Bank accounts shall have FDIC coverage.
 - Funding advances are discouraged. Cost reimbursement is the preferred method. However, should advances be approved, minimal time between fund requests and expenditures shall exist, and in NO event shall advances exceed 10% of sub-recipient/contractor's contract.
 - All grant expenditures shall be supported with source documentation such as cancelled checks, invoices, etc. Sufficient internal controls shall exist to prevent fraud and program abuse.
 - Any person with knowledge of fraud, abuse, or criminal activity shall report such activity to DRED within three(3) working days of obtaining such knowledge.

18. Program Income- The addition method shall be required for use of all program income earned under WIOA grants.

The cost of generating program income shall be subtracted from the amount earned to establish the amount of the program income available for use under the grants.

19. Record Retention- The sub-recipient/contractor shall retain all records pertinent to the grant including participant, employee, financial, statistical, and non-expendable property records and supporting documents for a period of three years beginning on the date of the sub-recipient/contractor's submission of the final report to DRED, or for up to six years if selected for Data Validation review.

If, prior to the expiration of the three-year retention period, any litigation or audit is begun or a claim is instituted involving the grant covered by the records, the sub-recipient/contractor shall retain the records beyond the three-year period until the litigation, audit findings, or claim has been finally resolved;

Upon written request of DRED, records with long-term retention value (beyond the six-year period) shall be transferred to DRED;

The sub-recipient/contractor shall carry out the destruction or disposal of any or all documentation, in a manner so as to preserve the confidentiality of said material;

- Records including books of account for the expenditure of WIA/WIOA/WIOA funds to enable DRED, the State, or USDOL to audit and monitor the program.
- Records concerning each employee and participant involved in a WIA/WIOA/WIOA program. Records shall provide information required by DRED and outlined in the contract.

The sub-recipient/contractor shall observe the Federal and State regulatory policies regarding public access to records and confidentiality of personnel records maintained for a program under this grant.

20. Title to Property- Title to any and all real or non-expendable personal property received or acquired by the sub- recipient/contractor under this grant or through use of funds or proceeds from funds provided under this grant are subject to the terms and conditions of use and disposition as set forth in WIOA and State surplus property regulations.
21. Relocations - The sub-recipient/contractor shall not use funds under the Act to assist in relocating establishments, or parts thereof, from one area to another unless such relocations will not result in an increase in unemployment in the area of original location or in any other area.
22. Program Management - The sub-recipient/contractor shall monitor its programs monthly. Written policies and procedures shall be established, implemented, in effect, and followed. Policies shall include procedures for collecting performance information, assessing performance problems, developing and implementing appropriate remedial actions, and shall provide descriptions of each activity and service provided under the contract.

Sufficient management systems shall exist to provide regular and continuous assessment and monitoring of all program and fiscal systems covered under the contract, as well as grievance and hearing procedures. Monitoring shall ensure compliance with the Act, federal regulations, state policy, and any subsequent amendments thereto, and such assessments shall include any and all subcontractors. Sub-recipient/contract shall take appropriate corrective actions on any of the

above issues, if necessary between regularly scheduled reporting dates, written notification of problems, delays, or other adverse conditions, which may materially affect contract performance, shall be submitted to DRED. Such notification shall include a statement of remedial actions taken or contemplated, and any assistance needed from DRED to resolve the situation. Should favorable developments or events occur, such information shall also be submitted to DRED.

The sub-recipient/contractor shall fully cooperate with authorized DRED and Federal representatives who visit to review program accomplishments and/or provide technical assistance.

23. DRED Monitoring and Evaluation of Sub-recipient/contractors -DRED will periodically monitor, evaluate and review through on-site visits, and program administration and management practices supported with funds under the Act in order to ensure compliance with the Act, the Regulations and the terms of any subcontracts entered into under the contract. Examples of monitored areas are:
- Reviewing all systems for controlling program administration
 - Reviewing pay records and attendance reports to ensure controls are established for preventing unauthorized payments
 - Interviewing participants
 - Examining work sites and work conditions
 - Reviewing plans and procedures and sub-recipient/contractor capability to carry out programs and activities
 - Monitoring sub-recipient/contractor maintenance of records on all expenditures of funds
 - Reviewing EEO procedures as applicable
 - DRED will document its findings and make recommendations for corrective action whenever it identifies noncompliance with the Act Regulations, or terms of the contract.
 - The sub-recipient/contractor shall review all material submitted to it by DRED and respond to DRED with respect to the action taken or planned in response to the recommendations made.

24. Sub-recipient/Contractor monitoring- The sub-recipient/contractor is responsible for monitoring all of its subcontractors to ensure compliance with:
- The Act and the Regulations
 - The provisions of its contract
 - The provisions of agreements awarded by it

All monitoring activities shall be appropriately documented and reported to DRED.

25. Bonding Sub-recipient/contract shall show evidence of a bond (or self-insured status) for every officer, director, agent, or employee of the sub-recipient/contractor or its sub- sub-recipient/contractors, if any, authorized to act on behalf of the sub-recipient/contractor or its sub-sub-recipient/contractors for the purpose of receiving or depositing funds into program accounts, or issuing financial documents, checks, or other instruments of payments for program costs. The amount of the coverage shall be \$100,000.00.
26. Eligibility The sub-recipient/contractor shall establish effective systems to ensure accurate participant eligibility review determinations exist. Changes in eligibility status may only be done by designated eligibility staff.

27. Assessment - Once enrolled, the sub-recipient/contractor shall make or have made a more detailed assessment for each participant. Specific assessment requirements are outlined in the contract body.
28. Participants Rights and Benefits Every participant, prior to entering a WIOA activity shall be informed of that individual's rights and benefits in connection with the activity including but not limited to:
- Working conditions; Nondiscrimination;
 - Confidentiality of personnel participant information;
 - Personnel policies applicable to the individual participant's circumstances;
 - The WIA/WIOA complaint and Hearing Procedure: and if the participant is still active in a partners' services, the sub- recipient/contractor must provide information pertinent to the complaint to DRED, and attend and testify on behalf of DRED at the fair hearing if so requested; and
 - The complaint procedures provided by the sub-recipient/contractor. (O.J.T. participants will first follow specific complaint hearing procedures of their employers.)
29. Termination - Nothing in this section shall restrict a sub-recipient/contractor from effecting terminations for cause, or from effecting suspensions or transfers; under such terms and conditions determined appropriate under the Policy and/or directions of DRED. If a participant is being terminated involuntarily and for cause other than completion of program intent, the sub-recipient/contractor shall provide the participant with written notice of the impending termination from his/her particular program activity or from the total WIOA program and a contact person for questions and further information at least two (2) weeks prior to the effective date of termination. A dated copy of the notice shall be maintained in the participant's file. The sub-recipient/contractor will cooperate in assisting DRED staff in conciliation if so warranted.
30. Payment of Wages- Participants in On-the-Job Training shall be compensated by the employer at such rates, including periodic increases, as are reasonable, considering such factors as industry, geographic region and the participant's skills. In no event shall the wage rate be less than the highest of the following:
- The minimum wage rate specified in section (6) (a) (1) of the Fair Labor Standards Act;
 - The prevailing wage rate for persons similarly employed;
 - The minimum entrance wage rate for inexperienced workers in the same occupation in the establishment or, if the occupation is new to the establishment, the prevailing entrance wage rate for the occupation in other establishments in the area;
 - The wage rate required by an applicable collective bargaining agreement; or
 - The prevailing wage rate established by the Department of Labor in accordance with the Davis-Bacon Act
31. Working Conditions- Each participant shall be assured that:
- Conditions of employment and training shall be appropriate and reasonable, in light of such factors as the type of work, geographical region and proficiency of the participant;
 - No participant shall be required or permitted to be trained or receive services in buildings or surroundings or under work conditions which are unsanitary, hazardous, or dangerous to the participant's health or safety. The sub- recipient/contractor agrees to abide by all relevant Federal and State "Safety" laws. Participants employed or trained for inherently

dangerous occupations, e.g., fire or police jobs, shall be assigned to work in accordance with reasonable safety practices;

- All individuals employed in subsidized jobs shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work; and;
- No funds available under this Act may be used for contributions on behalf of any participant to retirement systems or plans.

32. Confidential Information- Where possible, the identity of any person who has furnished information relating to, or assisted in, an investigation of a possible violation of the Act will be held in confidence. Where the disclosure of the person's identity is essential to assure a fair determination of the issues or where necessary to effectively accomplish responsibilities under the Act, the Inspector General, the Solicitor, Regional Administrator for WIOA, the Administrative Law Judge, New Hampshire State Judiciary or DRED Hearing Officer presiding over a hearing in which the matter arises, may disclose such identity upon such conditions as shall promote the continued receipt of confidential information by DRED and effectuate the protection and policies of the Act. No person is entitled under the Act, the Regulations, or terms and conditions of this grant because such person has filed any complaint instituted or caused to be instituted and proceeding under or related to the Act, has testified or is to testify in any such proceedings or investigation or has provided information or assisted in an investigation.

33. Access to Records/Audits- All WIOA records shall be accessible to authorized Federal and State staff. Further, if subject to an audit performed under the guidelines of Federal Office of Management and Budget Super Circular, such audit shall include any and all funds provided by DRED to sub-recipient/contractor during the period of time covered by such audit. Sub-recipient/contractor assures that a copy of the final audit which pertains to such funds shall be forwarded to DRED within thirty (30) days following the final audit's issuance date.

34. Sanctions -In the event of noncompliance with the contract or these Assurances, DRED may, with written notice to the sub-recipient/contractor stating the reasons therefore, immediately terminate, suspend or transfer all or part of the funding provided under this contract or take action, or direct such other action be taken by the sub- recipient/contractor, pertaining to program or financial operations as DRED deems necessary. If the sub- recipient/contractor has been found to be in violation of the non-discrimination and/or equal opportunity provisions of WIOA, DRED shall follow their policy, based on the administrative procedures set forth in the Act.

35. Reimbursement to DRED- The sub-recipient/contractor shall be responsible for refund, repayment, and reimbursement for funds under the following conditions:

- When any or all monies provided under this contract or under any previous contract have been expended by the sub-recipient/contractor in a manner or for a purpose determined by DRED as a result of audit or monitoring to be in violation of the provisions of the contract, Act, Federal Regulation, or State Policy, such sum shall be due and owing to DRED and shall be repaid to DRED immediately, upon demand, from non-federal funds; and
- When any cost charged to or any expenditure of, funds or proceeds of funds provided under this contract or under previous contract is not supported, documented or otherwise accounted for by the sub-recipient/contractor as required by the contract, Act, Federal Regulations, or State Policy, and is determined by DRED not to be an allowable or allocable

cost or expenditure, such sum shall be due and owing DRED and shall be repaid to DRED immediately, upon demand, from non-federal funds.

36. Additional Standards - DRED may, in lieu but not to the exclusion of suspension or termination, or transfer, impose additional standards of performance on the sub-recipient/contractor if DRED determines on the basis of monitoring, audits or evaluation, that the sub-recipient/contractor has a history of poor performance; is not financially stable; or has a management system which does not meet DRED standards as set forth in this contract.

A meeting between DRED and the sub-recipient/contractor will occur for discussion of DRED's concerns regarding the sub-recipient/contractor's performance before DRED imposes additional standards of performance upon the sub-recipient/contractor.

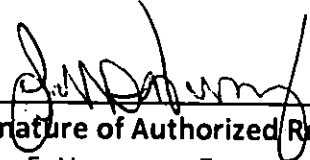
In imposing additional standards of performance, DRED shall notify the sub-recipient/contractor of the additional standards imposed; an explanation as to why the standards are needed; and any corrective actions which must be taken by the sub-recipient/contractor to have the additional standards removed.

37. Cessation or Transfer of Activities -In the event of notification to the sub-recipient/contractor of termination, suspension or transfer by DRED, the sub-recipient/contractor shall, at the direction of DRED, immediately cease and desist from any and all expenditure, commitment or encumbrance of any and all monies received by the sub- recipient/contractor under this or any previous contract with DRED. Any monies so received by this sub- recipient/contractor and remaining at the time of termination, suspension or transfer shall be immediately refunded or otherwise disposed of by the sub-recipient/contractor in accordance with the directions of DRED.

In the event of termination, suspension or transfer, the sub-recipient/contractor warrants that it will fully cooperate with and provide all reasonable assistance to DRED in effecting or maintaining continuity of services to participants, including, but not limited to, the efficient and orderly transfer of services, benefits, funds, and administration of programs and activities to such other parties or organizations as directed by DRED.

To the extent that reasonable and allowable expenses are incurred after the cessation of the contract in effecting and maintaining continuity of participant services as above described and there having been no funding already provided to cover these expenses by DRED the sub-recipient/contractor shall be reimbursed for those expenses.

By signing below, I certify that SNHS currently complies with each of the listed requirements and will remain in compliance for the duration of the contract period.



Signature of Authorized Representative Date
Gale F. Hennessy, Executive Director

12-23-14

STATEMENT OF WORK DIRECT SERVICES

The Contractor shall develop, implement, and maintain statewide WIOA Adult and Dislocated Worker services and/or programs consistent with WIOA regulations, NH's WIOA & Wagner-Peyser State Plan, the NH Works One-Stop Operators MOU, and DRED/OWO policy and procedures such as, but not limited to, the NH Works Guidance Letters. In carrying out the direct service requirements listed below the Contractor shall:

- ensure WIOA funds are charged to only those individuals determined to be WIOA eligible in accordance with WIOA law and regulations;
- develop and implement all WIOA-funded services consistent with the goals and objectives of the NH Works system and the NH Works branding; and
- coordinate services to avoid duplication of services with NH Works partner agencies

The primary direct service requirements for the Contractor shall be as follows:

<input checked="" type="checkbox"/>	A. To provide Career and Training Services to eligible Adults and Dislocated Workers as defined in WIOA.
<input checked="" type="checkbox"/>	B. To provide for the application process for adults and dislocated workers who are interested in accessing WIOA services. The application process will be performed according to rules as issued by the DRED/OWO and/or the U.S. Department of Labor. The DRED/OWO case management system (e-Teams) shall be the only system used in this process.
<input checked="" type="checkbox"/>	C. To provide eligibility determination for adults and dislocated workers entering WIOA programs. This determination will be performed according to rules as issued by DRED/OWO, consistent with U. S. Department of Labor regulations. The e-Teams system shall be the only system used in this process.
<input checked="" type="checkbox"/>	D. To provide assessment services including assessment of basic skills, abilities, interests, evaluation of work history, evaluation of support service needs and other assessment instruments that might be of value in assisting the customer. All assessment processes and tools must be approved by DRED/OWO prior to implementation and must be applied in a consistent and equitable manner.
<input checked="" type="checkbox"/>	E. To provide for individual employment plans required for participation in WIOA programs. These plans will be documented in the eTeams case management system. Each customer receiving WIOA career services will jointly develop an IEP (Individual Employment Plan) with the assistance of a counselor/case manager.
<input checked="" type="checkbox"/>	F. To provide case management for customers. This means frequent contact according to rules established by DRED/OWO. Case management efforts will be documented in the e-Teams system.
<input checked="" type="checkbox"/>	G. To provide supportive services determined to be necessary for the customer's participation.
<input checked="" type="checkbox"/>	H. To provide other intensive services determined to be necessary or that

	are prescribed by DRED/OWO.
<input checked="" type="checkbox"/>	I. To assist customers in making informed customer choice in the selection of service providers for training.
<input checked="" type="checkbox"/>	J. To deliver or assist DRED/OWO in the delivery of rapid response services to dislocated workers.
<input checked="" type="checkbox"/>	K. To refer customers to other services when the customer is not eligible for participation in WIOA activities.
<input checked="" type="checkbox"/>	L. To provide information on the full array of applicable or appropriate services that are available through the local NH Works office, other eligible providers or One-Stop Partners.
<input checked="" type="checkbox"/>	M. To enroll all Trade Act eligible customers in WIOA Dislocated Worker programs as appropriate, and ensure that services are non-duplicative of those services provided for and/or funded through the Trade Act program.
<input checked="" type="checkbox"/>	N. To provide follow-up services for all participants who exit the program, consistent with WIOA regulations.
<input checked="" type="checkbox"/>	O. To adhere at all times to the Priority of Service policy and procedures established by the NH Works Consortium.
STAFF REQUIREMENTS	
<input checked="" type="checkbox"/>	A. All staff funded with WIOA funds shall have a written job description with roles and responsibilities specific to the delivery of WIOA services as specified in this RFP. The Contractor may not assign WIOA-funded staff to any duties or responsibilities beyond the comprehensive delivery of WIOA services without the express written consent of DRED/OWO.
<input checked="" type="checkbox"/>	B. The Contractor must have sufficient staff to ensure direct access to services in each of the 12 NH Works offices.
<input checked="" type="checkbox"/>	C. The Contractor shall submit a staffing plan to DRED/OWO for approval on an annual basis. The staffing plan shall be sufficient to provide for staff to deliver services on a statewide basis through the NH Works offices, yet cost effective to ensure the maximum use of funds for participant training.
<input checked="" type="checkbox"/>	D. The Contractor must be willing to maintain maximum staff flexibility to allow for the mobilization of appropriate staff to meet new and/or unexpected service delivery demands within the state.
<input checked="" type="checkbox"/>	E. The Contractor shall notify DRED/OWO immediately of any vacant WIA position; when new staff is expected to be hired, and be committed to filling staff vacancies with qualified candidates without delay.
<input checked="" type="checkbox"/>	F. The Contractor shall assign a statewide administrator to serve as the contract manager to work with DRED/OWO on all issues related to carrying out the terms and conditions of the contract between DRED/OWO and Contractor
<input checked="" type="checkbox"/>	G. The Contractor shall ensure that WIOA funded staff , at a minimum, have the following skills, knowledge and/or abilities:

<input checked="" type="checkbox"/>	a. customer services skills
<input checked="" type="checkbox"/>	b. computer literacy skills sufficient to perform <u>accurate and timely</u> data entry and other data collection functions
<input checked="" type="checkbox"/>	c. knowledge of labor market information and resource tools
<input checked="" type="checkbox"/>	d. knowledge of skills and work readiness assessment techniques and tools
<input checked="" type="checkbox"/>	e. skilled in techniques for coaching others
<input checked="" type="checkbox"/>	f. ability to succeed in "team-work" environment
<input checked="" type="checkbox"/>	g. knowledge of history and purpose of workforce development programs
<input checked="" type="checkbox"/>	h. fiscal staff knowledgeable in OMB guidelines applicable to basic cost allocation plans, budgeting, system payment processes, training payments, etc.
<input checked="" type="checkbox"/>	H. The Contractor shall ensure that all staff hired to work under this contract are trained in the following areas:
<input checked="" type="checkbox"/>	a. WIOA process and procedures, specifically WIOA eligibility procedures, employment plans and assessment.
<input checked="" type="checkbox"/>	b. conducting intensive assessments, including the use of specific assessment tools approved for use by USDOL and/or DRED/OWO
<input checked="" type="checkbox"/>	c. planning for successful performance outcomes
<input checked="" type="checkbox"/>	d. information on re-employment services available through NH Works system
<input checked="" type="checkbox"/>	e. the use of specific USDOL workforce development/one-stop service Internet tools (e.g. Americas Career Net Tool, Americas Service Locator, ONET)
<input checked="" type="checkbox"/>	f. the use of Labor Market Information in determining career goals
<input checked="" type="checkbox"/>	g. the use of the e-Teams case management system, e-Teams reporting requirements and interpretation of e-Teams report data
<input checked="" type="checkbox"/>	h. the rules and procedures governing confidentiality, and ensure a signed confidentiality form is included in the personnel file of each WIOA-funded staff person
<input checked="" type="checkbox"/>	I. The Contractor shall ensure that all staff funded through this contract have undergone a criminal background check and do not have any violations or convictions that could adversely affect the participants served under this program.
<input checked="" type="checkbox"/>	J. The Contractor shall ensure that all staff read and sign the Statement of Confidentiality form provided by DRED/OWO, and that all such forms are filed in the individual personnel files maintained by the Contractor.
<input checked="" type="checkbox"/>	K. The Contractor shall maintain full-time staff positions assigned to perform local quality assurance functions, including internal compliance monitoring of WIOA services and data validation responsibilities.
<input checked="" type="checkbox"/>	L. Any sub-contracted staff shall be identified as such by the Contractor,

	and shall meet or exceed the staffing requirements articulated herein.																		
PROGRAM PERFORMANCE REQUIREMENTS																			
<input checked="" type="checkbox"/>	<p>A. The Contractor shall be responsible for achieving WIOA program performance goals. Performance goals shall be revised each contract year on an annual basis. Performance goals are established by USDOL. Performance goals are tracked through the Quarterly Performance Report. The chart below is an example of WIA performance goals based on current measures.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Common Measure</th> <th>Program</th> <th>Goal</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Entered Employment Rate</td> <td>Adults</td> <td>75%</td> </tr> <tr> <td>Dislocated Workers</td> <td>82%</td> </tr> <tr> <td rowspan="2">Six Month Retention Rate</td> <td>Adults</td> <td>85.5%</td> </tr> <tr> <td>Dislocated Workers</td> <td>91.5%</td> </tr> <tr> <td rowspan="2">Average Earnings</td> <td>Adults</td> <td>\$11,802</td> </tr> <tr> <td>Dislocated Workers</td> <td>\$16,500</td> </tr> </tbody> </table>	Common Measure	Program	Goal	Entered Employment Rate	Adults	75%	Dislocated Workers	82%	Six Month Retention Rate	Adults	85.5%	Dislocated Workers	91.5%	Average Earnings	Adults	\$11,802	Dislocated Workers	\$16,500
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	Dislocated Workers	\$16,500																	
<input checked="" type="checkbox"/>	<p>B. The Contractor must demonstrate achievement of the above outcomes on at least an annual basis and no more frequently than a quarterly basis. In the event an outcome target is not reached, the Contractor shall provide DRED/OWO with a detailed plan for corrective action within thirty (30) days. Corrective action plans shall be subject to DRED/OWO approval. Failure to obtain an approved corrective action plan, or to reach outcome targets after an approved corrective action plan has been implemented, may be considered unsatisfactory Contractor performance. DRED/OWO reserves the right to terminate the contract, or any portion thereof, with sixty (60) days advance written notice, due to unsatisfactory Contractor performance.</p>																		
<input checked="" type="checkbox"/>	<p>C. Regarding performance goals and reporting requirements, the Contractor shall:</p>																		
<input checked="" type="checkbox"/>	<p>a. achieve all performance WIOA goals/measures as specified in the contract agreement</p>																		
<input checked="" type="checkbox"/>	<p>b. conduct follow-up services for all WIOA participant exiters and report on results as defined by WIOA regulation and/or DRED/OWO policy</p>																		
<input checked="" type="checkbox"/>	<p>c. work in concert with the Performance Accountability and Customer Information Agency (PACIA), a subdivision of NHES' Economic and Labor Market Information (ELMI) Bureau to populate the Workforce Investment Act Standard Record Data (WIASRD) through e-Teams and to assure that the appropriate data is collected and tracked to support the PACIA unit in developing the quarterly and annual performance reports</p>																		
<input checked="" type="checkbox"/>	<p>d. assist DRED/OWO in conducting data validation activities consistent with federal requirements</p>																		

PROGRAM /FINANCIAL REPORTING & MANAGEMENT REQUIREMENTS	
<input checked="" type="checkbox"/>	A. Reporting requirements shall include both program and financial reports and will include but not be limited to the following:
	Programmatic:
<input checked="" type="checkbox"/>	a. Timely and accurate data entry in the eTeams case management system to ensure current information is available for Quarterly and Final Quarterly Performance Reports (QPRs).
<input checked="" type="checkbox"/>	b. Contractors will be required to use eTeams tracking and performance report modules to manage system performance on the local level.
<input checked="" type="checkbox"/>	c. Quarterly plan versus actual enrollment reports.
<input checked="" type="checkbox"/>	d. Mid-year and year end performance and expenditure reports.
<input checked="" type="checkbox"/>	e. A written year-end program performance report by no later than the last day of August following the program year end date.
<input checked="" type="checkbox"/>	f. Corrective action reports as deemed necessary.
<input checked="" type="checkbox"/>	g. Ad-hoc reports requested by USDOL and/or DRED/OWO as deemed necessary.
	Financial:
<input checked="" type="checkbox"/>	a. Invoice for services and related expenses <u>shall be billed monthly</u> . Invoices are due by the last day of the month following the reporting month.
<input checked="" type="checkbox"/>	b. The Contractor shall use the invoice format provided by DRED/OWO
<input checked="" type="checkbox"/>	c. The Contractor shall maintain sufficient documentation on file in their offices to support invoices, and make such documentation available for review by authorized DRED/OWO staff and/or its auditors. DRED/OWO reserves the right to require the Contractor to attach detailed documentation to support invoice costs at any point during the contract period.
<input checked="" type="checkbox"/>	d. Reporting Administration costs separate from Program costs consistent with federal cash management policies and procedures.
<input checked="" type="checkbox"/>	e. The Contractor must report financial expenditure on an ACCRUAL basis (accrual reporting is required).
	Property Management:
<input checked="" type="checkbox"/>	a. The Contractor must maintain a fixed asset inventory system that clearly identifies all non-expendable property with a life expectancy of one year or more and a unit price of \$100 or more which is purchased or leased with WIOA funds.
<input checked="" type="checkbox"/>	b. The Contractor will be required to submit to DRED/OWO a complete property inventory report that identifies all property (defined as a unit cost of \$250 or more) and equipment (defined as a unit cost of \$5,000 or more) at the end of each program year.
<input checked="" type="checkbox"/>	A. DRED/OWO reserves the right to adjust reporting requirements, upon mutual agreement with the Contractor, if such adjustments are deemed necessary to meet program objectives.

<input checked="" type="checkbox"/>	B. Regarding system management requirements and reporting, the Contractor shall:
<input checked="" type="checkbox"/>	a. Develop and maintain effective financial systems for the planning and budgeting of WIOA funds in accordance with WIOA regulations and applicable OMB guidelines.
<input checked="" type="checkbox"/>	b. Maintain participant hard copy and electronic case management system files in compliance with WIOA rules and regulations, and DRED/OWO procedures and policies.
<input checked="" type="checkbox"/>	c. Utilize the e-Teams system at the time of registration/intake to avoid incomplete information and/or re-work, and ensure that all WIOA customer information is entered into the e-Teams system within a specified period of time in accordance with DRED/OWO policy and procedures.
<input checked="" type="checkbox"/>	d. Assign an appropriate staff person to assist in the ongoing development of the e-Teams case management system, and to provide ongoing technical assistance and training for field staff on the e-Teams system.
<input checked="" type="checkbox"/>	e. Notify DRED/OWO in writing of any e-Teams case management system problems, or any other State-level system management issues that may interfere with the Contractor's ability to monitor and/or report on local performance in a timely manner.
<input checked="" type="checkbox"/>	f. Comply with all established reporting requirements, ensuring accurate and timely submissions.
MARKETING/PROMOTIONS/OUTREACH ACTIVITIES	
<input checked="" type="checkbox"/>	A. The Contractor shall submit a minimum of two written "customer success stories" to DRED/OWO for each program year of the agreement.
<input checked="" type="checkbox"/>	B. The Contractor shall coordinate any publicity and other promotional activities specific to WIOA activities with DRED/OWO, who shall be informed in advance of any promotional plans.
<input checked="" type="checkbox"/>	C. The Contractor shall clearly state that DRED/OWO is the sponsor of WIOA programs/services and related activities on all written and electronic materials developed with WIOA funds or promoting WIOA services/performance, including Contractor annual reports.
<input checked="" type="checkbox"/>	D. The Contractor shall comply with the disclaimer requirements of 29 CRF 37 (Equal Opportunity) on all solicitations, advertisements, or promotional activities.
<input checked="" type="checkbox"/>	E. The Contractor shall use the NH Works logo as the heading on all program forms and written correspondence to WIOA customers/participants.
<input checked="" type="checkbox"/>	F. Regarding recruitment/outreach to participants and employers, the Contractor shall -
<input checked="" type="checkbox"/>	a. Develop a recruitment/outreach plan to reach potential WIOA eligible customers, including traditional Adult target populations (e.g., TANF, mature worker, economically disadvantaged, seasonal migrant farm workers, etc.).

<input checked="" type="checkbox"/>	b. Develop an annual enrollment plan by activity for DRED/OWO approval.
<input checked="" type="checkbox"/>	c. Promote the full array of services available in the NH Works office on all recruitment/outreach efforts.
<input checked="" type="checkbox"/>	d. Implement a local recruitment/outreach plan in sufficient time to help meet full enrollment and expenditure/obligation performance goals for the annual contract period.
<input checked="" type="checkbox"/>	e. Budget sufficient WIOA funding to support local recruitment/outreach plans to participants and employers, subject to administrative spending restrictions.
<input checked="" type="checkbox"/>	f. Coordinate recruitment/outreach plans with other NH Works partners.

LOCAL PROGRAM MONITORING

Regarding local program monitoring and outcome management responsibilities, the Contractor shall:

<input checked="" type="checkbox"/>	A. Conduct a comprehensive internal monitoring of WIOA program operations a minimum of twice per year (December (mid-point) and June (end-point)), using the monitoring tool approved by DRED/OWO, and submit a complete copy of each monitoring report to DRED/OWO for each monitoring activity.
<input checked="" type="checkbox"/>	B. Conduct monitoring of each NH Works office at least once within the program year to ensure program compliance; including the monitoring of any Contractor/sub-recipient relationships. A complete copy of each monitoring report shall be submitted to DRED/OWO.
<input checked="" type="checkbox"/>	C. Conduct pro-active management and monitoring of end-of-program performance outcome projections on the local level and make <u>timely</u> program/service delivery system adjustments as needed to achieve planned outcomes.
<input checked="" type="checkbox"/>	D. Conduct a comprehensive internal fiscal monitoring review at least once per program year that includes a fiscal review of any and all sub-contracts funded in full or part with WIOA funds.
<input checked="" type="checkbox"/>	E. Cooperate with DRED/OWO monitoring, and allow for full access to information, records and staff for compliance monitoring purposes.
<input checked="" type="checkbox"/>	F. Respond to monitoring report findings and/or corrective action directives within the time frames specified.
<input checked="" type="checkbox"/>	G. Assist with problem resolution for any audit and/or federal compliance findings.

CONTRACTING RESPONSIBILITIES

Regarding contracting responsibilities/requirements, the Contractor shall:

<input checked="" type="checkbox"/>	A. Develop appropriate documents for the payment of WIOA Adult and Dislocated Worker funds to eligible training providers and support service Contractors prior to authorizing any payments.
<input checked="" type="checkbox"/>	B. Provide both WIOA programmatic and financial technical assistance to eligible training providers and/or support service Contractors in WIOA Adult and Dislocated Worker issues, rules and regulations.

<input checked="" type="checkbox"/>	C. Ensure that no assignment or subcontracting of any of the rights or responsibilities of the Contractor is initiated unless approved in writing by DRED/OWO, or unless clearly described in the Statement of Work as written in the Contract agreement.
POLICIES AND PROCEDURES	
Regarding policies and procedures, the Contractor shall:	
<input checked="" type="checkbox"/>	A. Develop appropriate operational and fiscal policies and reporting procedures to ensure federal and state goals, objectives, and performance measures are met. Prior to implementation, all policies must be reviewed and approved by DRED/OWO.
<input checked="" type="checkbox"/>	B. Ensure that all staff are sufficiently trained in WIOA operational policies and reporting procedures.
<input checked="" type="checkbox"/>	C. Provide staff, in each NH Works local office, access to both hard copy and electronic copies of all policies and procedures developed.
<input checked="" type="checkbox"/>	D. Ensure that all newly developed policies and procedures are shared with all staff within 10 days of the policy/procedure effective date.
<input checked="" type="checkbox"/>	E. Engage other NH Works partners in developing new policy and procedures that impact how WIA/WIOA services are delivered in the NH Works Center.
<input checked="" type="checkbox"/>	F. Assign administrative level staff to assist in the development/revision of the State WIA/WIOA Plan, implementation of pilot projects or other undertakings identified and agreed upon by DRED, NH Works Consortium members and the Contractor.
PARTICIPANT CONFIDENTIALITY	
Regarding participant confidentiality, the Contractor shall -	
<input checked="" type="checkbox"/>	A. Maintain participant confidentiality at all times. Confidentiality requirements include any information regarding project applications or participants and their immediate families that may be obtained through application forms, interviews, tests, reports from public agencies or counselors, or any other source.
<input checked="" type="checkbox"/>	B. Take reasonable steps to ensure the physical security of all data gathered, and inform each of its employees, Contractors, and sub-recipients having any involvement with personal data or other confidential information, of the laws and regulations relating to confidentiality.
RAPID RESPONSE SERVICES	
<input checked="" type="checkbox"/>	A. The Contractor shall train staff about, and comply with, the Rapid Response Memo of Understanding (MOU) negotiated by the NH Works Consortium.
<input checked="" type="checkbox"/>	B. The Contractor shall provide timely rapid response services to dislocated workers consistent with the terms of the Rapid Response MOU, and any and all dislocated worker services within the agreement.
<input checked="" type="checkbox"/>	C. The Contractor shall inform DRED of all planned rapid response activities in advance.
<input checked="" type="checkbox"/>	D. The Contractor shall assign specific staff to participate on the local

	rapid response teams, and ensure this staff is readily available to plan and implement rapid response services that meet both company and individual dislocated worker needs.
<input checked="" type="checkbox"/>	E. The Contractor shall conduct all rapid response sessions and/or workshops in a highly professional manner with quality information and presentation materials that meet business standards.
ELIGIBLE TRAINING PROVIDER SYSTEM (ETP)	
<input checked="" type="checkbox"/>	A. The Contractor shall train staff in the ETP process in the role of assisting participants in understanding the ETP process.
<input checked="" type="checkbox"/>	B. The Contractor shall ensure that participants are only enrolled in training programs that will lead to employment in an occupation in demand in accordance with the State issued occupations in-demand list.
<input checked="" type="checkbox"/>	C. The Contractor shall train staff in the use of the Consumer Report System (www.NSCITE.org) and utilize this tool to assist customers interested in training services.
<input checked="" type="checkbox"/>	D. The Contractor shall place in the local policy/procedures handbook, all ETP policy and procedures, both state and local level, including exception/waiver provisions that exist, or may be developed, and train staff in these policies and procedures.
WORKFORCE DEVELOPMENT SYSTEM COMMITTEE MEETINGS	
<input checked="" type="checkbox"/>	A. The Contractor shall assign the WIA/WIOA administrative/management staff to serve on the Interagency Director's Group.
<input checked="" type="checkbox"/>	B. The Contractor shall designate a staff person to represent the service provider on the interagency teams assigned by DRED (e.g., Youth Vision, etc.)
<input checked="" type="checkbox"/>	C. The Contractor shall designate a staff person to serve on the e-Teams user group committee, as needed.
<input checked="" type="checkbox"/>	D. The Contractor shall ensure consistent attendance at assigned meetings. (Costs for attending meetings are included in the Contract for services, and may not be billed separate of the agreement).
<input checked="" type="checkbox"/>	E. The Contractor will assign staff to coordinate and convene quarterly local one-stop partner meetings.
GRIEVANCE PROCEDURES/CUSTOMER COMPLAINTS	
<input checked="" type="checkbox"/>	A. The Contractor shall provide all applicants for WIA/WIOA services a written grievance procedure notice, and ensure that a signed copy attesting to the receipt of this information is included in each applicant's hard copy file.
<input checked="" type="checkbox"/>	B. The Contractor shall train all staff in the WIA/WIOA grievance procedure process, <u>which shall take precedence over any other Contractor-specific grievance procedures and policies when applied to WIA/WIOA funded participants/employees</u> , and ensure that copies of all grievance policy and procedures are available in each NH Works office.

<input checked="" type="checkbox"/>	C. The Contractor shall inform DRED immediately of all complaints oral and written, formal or informal, which are received by or about any WIA/WIOA funded staff.
<input checked="" type="checkbox"/>	D. The Contractor shall respond to all oral or informal e-mail "complaints" received directly, or forwarded by DRED within two days from receipt of the complaint.
DUPLICATE FUNDING	
<input checked="" type="checkbox"/>	A. The Contractor shall submit to DRED copies of all requests for Federal, State, or local grants that may materially affect the quality of cost or the services provided under this contract, prior to submitting the request to the funding source. Contractor shall also inform the Board of the receipt of any such grant, in which event the Board shall have the right to renegotiate the price or deliverable performance of this contract.
<input checked="" type="checkbox"/>	B. Contractor costs or earnings claimed in one contract or grant may not also be claimed under any other contract or grant.

In addition to the Direct Service Requirements listed above, the Contractor understands and agrees to the following conditions related to the contract agreement and performance:

DISPUTE RESOLUTION	
<input checked="" type="checkbox"/>	A. The Contractor agrees to use administrative processes and negotiation in attempting to resolve disputes arising from a contract. The Contractor shall continue performance of the contract activities during such dispute and shall immediately submit written request for informal review and consultation to DRED. Should the dispute not be resolved at this level within thirty (30) calendar days of such request, the Board, through its committee, shall review the disputed matter and after consultation with the Board Chair, and the Contractor, shall resolve same in accordance with standards as set forth in WIA Section 184, and such decision shall be rendered in writing and become binding to all parties. Nothing in this paragraph shall imply that the Contractor is prevented from appealing to DRED or State decisions pursuant to WIOA regulations.
DE-OBLIGATION/RE-OBLIGATION/EXTENSIONS	
<input checked="" type="checkbox"/>	A. Throughout the contract year DRED will compare the Contractor's actual performance with planned performance as set forth in the Contractor's proposal and in accordance with WIA/WIOA, and the local plan. If the Contractor's actual performance is below planned performance, the Contractor shall implement corrective action, and shall inform DRED of the action and expected results.

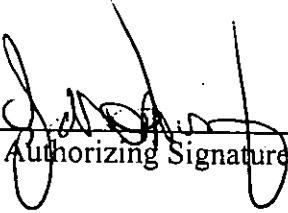
<input checked="" type="checkbox"/>	B. Modifications reducing the budget levels of any contract may be considered and implemented during the course of the contract if and when a Contractor fails to meet expenditure, client, outcome goals, or notification from the DRED or the U.S. Department of Labor of a funding reduction. It is anticipated that if a Contractor falls below 90% of planned expenditures, DRED may de-obligate the unspent portion and require a revised budget from the Contractor.
<input checked="" type="checkbox"/>	C. Either party may terminate a contract without cause after giving the other party sixty (60) days advance written notice of their intent to terminate this agreement. However, no termination is allowable without cause within the 30 day period immediately prior to the beginning date of the contract.
<input checked="" type="checkbox"/>	D. A contract may be terminated, in whole or in part, without limiting remedies, by either party to this agreement if the other party fails to perform in accordance with the terms of contract. Performance does not mean only actual delivery of the product or service specified in the contract. It is meant to include the delivery of the product or service in a manner, which would be appropriate for good quality. In this event, the aggrieved party shall deliver three (3) working days advance written notice to the other party specifying the performance failure and the intent to terminate. The Contractor will have ten (10) days from the receipt of such notice to correct the condition to DRED's satisfaction. If the condition is not corrected within the ten (10) day period, the Contractor will be determined to be in breach of contract.
<input checked="" type="checkbox"/>	E. The Board may unilaterally terminate or negotiate modification of an agreement at any time if its Federal or State grants are suspended, reduced, or terminated before or during the contract period, or if Federal or State Grant terms and regulations change significantly.
<input checked="" type="checkbox"/>	F. In the event of early termination initiated by either party for whatever reason, the Contractor is entitled to payment earned through the date of contract termination. Only reimbursement for costs incurred under contract from the contract beginning date through the date of contract termination will be eligible for payment.
CORRECTIVE ACTION	
<input checked="" type="checkbox"/>	A. DRED reserves the right to conduct monitoring and evaluation of the performance provided under contract. DRED will notify the Contractor in writing of any deficiencies noted during such review, and may withhold or disallow payments as appropriate based upon such deficiencies. DRED will provide technical assistance to the Contractor related to the deficiencies noted. DRED shall conduct follow-up visits to review the previous deficiencies and to assess the efforts made to correct them. If such deficiencies persist, DRED may terminate the contract.

LEGAL AUTHORITY

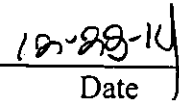
<input checked="" type="checkbox"/>	A. Contractor assures and guarantees that it possesses the legal authority pursuant to any proper, appropriate and official motion, resolution or action passed or taken, giving Contractor legal authority to enter into a contract, receive the payments authorized under contract, and to perform the work Contractor has obligated itself to perform under contract.
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INDEPENDENT CONTRACTORS

<input checked="" type="checkbox"/>	A. It is expressly understood and agreed by both parties that DRED/OWO is subcontracting with the Contractor as an independent Contractor and that the Contractor agrees to indemnify DRED/OWO against all disallowed costs or other claims which may be established by the Contractor or any third party occurring in connection with the services to be provided by the Contractor under contract.
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Authorizing Signature



Date

**STATEMENT OF WORK
ORGANIZATION/AGENCY REQUIREMENTS**

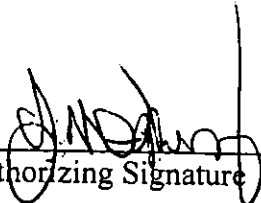
Successful Contractors to this RFP must demonstrate the capacity to effectively manage statewide services consistent with the NH Works one-stop service delivery model; commit to several program elements deemed by the Board to be required components of the Adult and Dislocated Worker program design; and recognize the direct oversight and leadership role that DRED/OWO shall maintain in managing service delivery contracts.

To be eligible to operate a WIOA service delivery program, an agency or organization must:

<input checked="" type="checkbox"/>	A. Have the management and fiscal capacity to administer a complicated federal grant program statewide, as well as demonstrated experience in the operation of employment and training programs on a statewide level.
<input checked="" type="checkbox"/>	B. Understand that only costs directly related to the operation of the grant program, and properly justified with supporting documentation will be allowable charges to this program. Required supporting documentation such as properly completed time cards, time sheets, travel reports, invoices, receipts, etc., must be maintained. Funds provided under WIOA shall not be used to supplant or duplicate facilities or services available in the area from federal, state, or local sources.
<input checked="" type="checkbox"/>	C. Demonstrate a working knowledge of the Act, Final Rules and Regulations, the key program services required under WIOA, an understanding of the required performance measures and strategies for achieving measures, and how the effective delivery of Adult and Dislocated Worker Program services helps to align workforce and economic development efforts in the State.
	D. An agency or organization awarded a contract for the delivery of WIOA services shall:
<input checked="" type="checkbox"/>	1. Have demonstrated ability to be flexible and adapt quickly to change. Specifically, the agency or organization must operate within an infrastructure that can support the mobilization of existing staff, as well as the ability to ramp up staffing on short notice, to meet the demand for specialized/customized services in response to mass layoffs and/or new program services – conversely, a contractor must be able to reduce staff as necessary.
<input checked="" type="checkbox"/>	2. Be subject to an extensive set of fiscal and programmatic reporting and oversight requirements, which shall include the use of specific forms and reports required to carry out the monitoring and evaluation of programs as mandated by the federal regulations and/or DRED/OWO policy and procedures.
<input checked="" type="checkbox"/>	3. Be liable for any disallowed or illegal expenditure of funds or program operations conducted under their contract - resources used to reimburse disallowed/illegal expenses may not come from federal funds.

☒	4. Be required to use the WIOA eTeams case management system, as well as maintain hardcopy participant files. All books, records, documents, and papers (including participant files) relating to WIOA service delivery shall be retained by the contractor for a minimum period of three (3) years following submission of the final expenditure report, participant exit or data validation date, or until such time as any litigation, audit findings or other claims have been resolved and so certified by DRED/OWO.
☒	5. Be required to sign a Contract for services, which will provide for the full indemnification and hold harmless of any liability to DRED/OWO and/or the Board for any activities conducted by the contractor. This includes a full statement of responsibility for reimbursing DRED/OWO for any costs or expenditures which are disallowed in an audit, or any other claims which might be made against a program operator by a WIOA participant or other interested party. The contractor shall also be required to subscribe to the WIOA assurances and certifications.
☒	6. Be required to assign staff whose sole responsibility and commitment is the delivery of comprehensive WIOA services. WIOA services shall be implemented as a "whole" service consistent with the intent of WIOA rules and regulations. No other federal, state or local program services offered by the contractor shall be allowed to take precedence over the intent of WIOA service delivery. Careful scrutiny of contractors with an inherent conflict of interest resulting from the operation of programs with conflicting mandates.
☒	7. Be required to ensure that all staff funded under contract is adequately trained in WIOA regulations, process and procedures, including EO and confidentiality procedures consistent with US DOL requirements.
☒	8. Be required to have the capacity to provide consistent content and quality of services on a statewide basis – i.e., in each of the 12 NH Works offices.
☒	9. Be required to ensure timely data entry of participant enrollment and case management information into the electronic WIOA case management system (eTeams) to ensure complete and accurate data is available to meet performance and reporting requirements.
☒	10. Be required to achieve established performance goals on an annual bases; failure to meet performance goals shall require corrective action and/or be used as a factor in determining future contract awards.
☒	11. Be required to ensure that participant confidentiality is maintained at all times.
☒	12. Be required to recruit and enroll eligible individuals consistent with established enrollment goals.
☒	13. Be required to develop local operational and fiscal policies and reporting procedures, to ensure federal and state goals, objectives and

	performance measures for WIOA funds are met.
<input checked="" type="checkbox"/>	E. The Contractor must be able to offer cost-effective services; preference will be given to those who combine Adult and Dislocated Worker services to maximize limited resources.
<input checked="" type="checkbox"/>	F. The Contractor must have an existing financial infrastructure sufficient to support the processing of WIOA financial reports, WIOA participant training and support service payments, and the availability of non-federal financial resources to cover any costs incurred as a result of erroneous eligibility determinations and/or disallowed program activities.
<input checked="" type="checkbox"/>	G. The Contractor shall be registered (and in good standing) to conduct business in the State of New Hampshire, and must not be the subject of any past or current federal suspension or disbarment proceedings.
<input checked="" type="checkbox"/>	H. The Contractor shall carry appropriate liability and workers compensation insurances.
<input checked="" type="checkbox"/>	I. The Contractor must have the ability to carry out the Direct Service Requirements as defined in this RFP.
<input checked="" type="checkbox"/>	J. In addition, Contractors shall abide by State procedures that recognize DRED/OWO as the <u>sole</u> contact with the U.S. Department of Labor (USDOL) for all issues related to the implementation and management of WIOA funded activities in the State of New Hampshire. As such, all contractor communication with USDOL regarding WIOA issues must be directed through DRED/OWO.



 Authorizing Signature

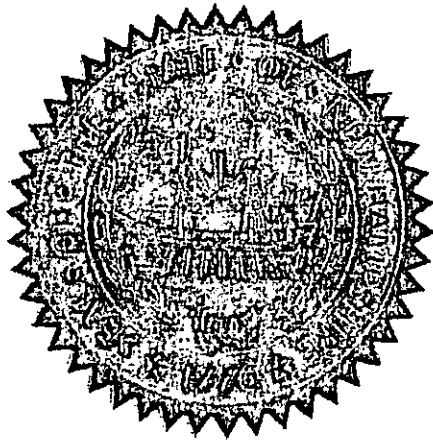
12-23-14

 Date

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire nonprofit corporation formed May 28, 1965. I further certify that it is in good standing as far as this office is concerned, having filed the return(s) and paid the fees required by law.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 3rd day of April, A.D. 2015

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

William M. Gardner
Secretary of State

State of New Hampshire
Department of State

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

William M. Gardner
Secretary of State

CERTIFICATE OF VOTES

(Corporate Authority)

I, Jill Jamro, Clerk/Secretary of Southern New Hampshire Services, Inc.
(name) (corporation name)

(hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly
(state)
elected and acting Clerk/Secretary of the Corporation; (2) I maintain and have custody and am familiar with the
minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such
books; (4) that the Board of Directors of the Corporation have authorized, on September 22, 2014, such authority
(date)
to be in force and effect until June 30, 2019.
(contract termination date)

The person(s) holding the below listed position(s) are authorized to execute and deliver on behalf of the
Corporation any contract or other instrument for the sale of products and services:

Gale F. Hennessy
(name)

Executive Director
(position)

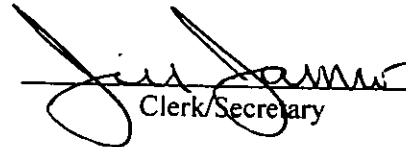
Michael O'Shea
(name)

Fiscal Officer
(position)

(5) the meeting of the Board of Directors was held in accordance with New Hampshire
(state of incorporation)

law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded
and continues in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this
23rd day of December, 2014.


Clerk/Secretary

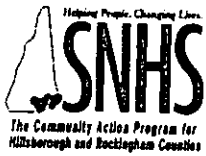
STATE OF NEW HAMPSHIRE
COUNTY OF HILLSBOROUGH

On this 23rd day of December, 2014, before me, Diane P. Erikson the
undersigned Officer, personally appeared Jill Jamro who acknowledged her/himself to be
the Secretary of Southern New Hampshire Services, Inc., a corporation and that
she/he as such Secretary being authorized to do so, executed the foregoing instrument for the
purposes therein contained.

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


Notary Public

Commission Expiration Date:



SOUTHERN NEW HAMPSHIRE SERVICES, INC.
The Community Action Agency for Hillsborough and Rockingham Counties

Mailing Address: P.O. Box 5040, Manchester, NH 03108
40 Pine Street, Manchester, NH 03103
(603) 668-8010 Fax: (603) 645-6734

RESOLUTIONS
(Approved by Board of Directors 9/22/14)

Resolved: The Board of Directors of Southern New Hampshire Services, Inc. authorizes Gale F. Hennessy, Executive Director/Chief Executive Officer, Michael O'Shea, Fiscal Officer/Chief Financial Officer, Deborah Gosselin, Chief Operating Officer or, in their absence, Denise Vallancourt, Accounting Manager to sign contracts, checks and other documents on behalf of the Agency with the following:

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

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

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

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

The Community Action Agency for Hillsborough and Rockingham Counties

BOARD OF DIRECTORS ~ DECEMBER 2014

Public Sector	Private Sector	Low-Income Sector	HS Policy Council
<u>Representing Manchester</u> Lou D'Allesandro Vacant	<u>Representing Manchester</u> German J. Ortiz <i>Term: 9/12-9/15</i> Sarah Jacobs <i>Term: 9/14-9/17</i>	<u>Representing Manchester</u> James Brown <i>Term: 9/12-9/15</i> Vacant	Tori Olszewski <i>Term: 12/14-12/16</i>
<u>Representing Nashua</u> Constance J. Erickson, <i>Treasurer</i> Timothy Lavoie	<u>Representing Nashua</u> Dolores Bellavance, <i>Vice-Chairman</i> <i>Term: 9/12-9/15</i> Wayne R. Johnson <i>Term: 9/12-9/15</i>	<u>Representing Nashua</u> Bonnie Henault <i>Term: 9/14-9/17</i> Shirley Pelletier <i>Term: 9/14-9/17</i>	
<u>Representing Towns</u> Thomas Mullins Linda T. Foster	<u>Representing Towns</u> Richard Delay, Sr., <i>Chairman</i> <i>Term: 9/12-9/15</i> Mary M. Moriarty <i>Term: 9/12-9/15</i>	<u>Representing Towns</u> Martha Verville <i>Term: 9/13-9/16</i> Deidre O'Malley <i>Term: 9/13-9/16</i>	
<u>Representing Rockingham County</u> Jill Jamro, <i>Secretary</i> Vacant	<u>Representing Rockingham County</u> Dan McKenna <i>Term: 9/14-9/17</i> Carrie Marshall Gross <i>Term: 12/14-9/17</i>	<u>Representing Rockingham County</u> Patti Ott <i>Term: 9/13-9/16</i> Alicia Salisbury <i>Term: 12/13-9/16</i>	



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/23/2014

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

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

PRODUCER FIAI/Cross Insurance 1100 Elm Street Manchester NH 03101		CONTACT NAME: Karen Shaughnessy PHONE (A/C No. Ext.): (603) 669-3218 FAX (A/C No.): (603) 645-4331 E-MAIL ADDRESS: kshaughnessy@crossagency.com	
INSURED Southern NH Services P.O. Box 5040 Manchester NH 03108		INSURER(S) AFFORDING COVERAGE INSURER A: Philadelphia Ins Co INSURER B: MEMIC Indemnity Company INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC #	11030

COVERAGES CERTIFICATE NUMBER: CL14122326339 REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY		PHPK1273501	12/31/2014	12/31/2015	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> Employee Benefits					PERSONAL & ADV INJURY \$ 1,000,000
	<input checked="" type="checkbox"/> Professional Liab					GENERAL AGGREGATE \$ 2,000,000
	GENL AGGREGATE LIMIT APPLIES PER:					PRODUCTS - COMP/OP AGG \$ 2,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC					\$
A	AUTOMOBILE LIABILITY		PHPK1273501	12/31/2014	12/31/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS				BODILY INJURY (Per person) \$
	<input type="checkbox"/> HIRED AUTOS					BODILY INJURY (Per accident) \$
						PROPERTY DAMAGE (Per accident) \$
						Underinsured motorist \$ 1,000,000
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR		PHUB484756	12/31/2014	12/31/2015	EACH OCCURRENCE \$ 5,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$
	DED RETENTION \$					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		3102801290			<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	(3a.) ME & NH All officers included	12/31/2014	12/31/2015	E.L. EACH ACCIDENT \$ 500,000
						E.L. DISEASE - EA EMPLOYEE \$ 500,000
						E.L. DISEASE - POLICY LIMIT \$ 500,000
A	Crime		PHPK1273501	12/31/2014	12/31/2015	Fidelity: \$250,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER**CANCELLATION**

NH Department of Resources & Economic Dev Office of Workforce Opportunity 172 Pembroke Road PO Box 1856 Concord, NH 03302-1856	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 Laura Perrin/KS5 <i>Laura Perrin</i>

Pelletier, Julianne

From: Lavoie, Leanne
Sent: Wednesday, August 05, 2015 12:30 PM
To: Simpkins, Brad; Perry, Rhonda; Francher, Susan; Bryce, Philip; Crete, Monique; Wolek, Gail; Wilson, Benjamin; Levesque, Julie; Lorentz, Carmen; Cimino, Victoria; Bassett, Amy; Denoncourt, Hilary; Goff, Catherine; Heuser, Jacqueline; Pelletier, Julianne; Nolin, Carmela
Cc: Marino, Christopher; Corriveau, Linda
Subject: Governor and Executive Council Meeting 8/5/15

FYI - All items passed. Please share with anyone I may have missed notifying within your office.

GOVERNOR AND EXECUTIVE COUNCIL AGENDA
State House, Concord, New Hampshire
August 5, 2015, 10:00 a.m.

CONSENT CALENDAR AGENDA

#1 MOP 150, I, B (1): Expenditure Approvals

DEPARTMENT OF RESOURCES AND ECONOMIC DEVELOPMENT

#D. Authorize the Office of Workforce Opportunity to renew a membership for the *National Association of State Liaisons for Workforce Development Partnerships*, within the National Governors Association, Washington, DC, in the amount of \$14,850. Effective upon G&C approval through June 30, 2017. **100% Federal Funds.**

REGULAR AGENDA

DEPARTMENT OF RESOURCES AND ECONOMIC DEVELOPMENT

#54 Authorize the Division of Travel and Tourism to transfer funds in the amount of \$375,000 for anticipated shortages in grants, subsidies and relief for the Fiscal Year 2016. Effective upon G&C approval through December 31, 2015. **100% General Funds. Fiscal Committee approved.**

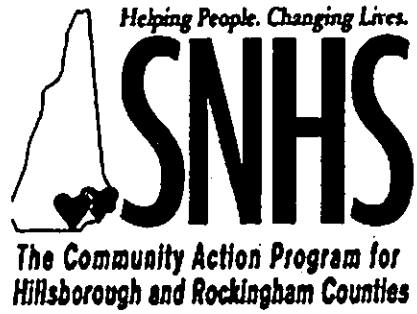
#55 Authorize the Division of Parks and Recreation to make a **retroactive** payment to the NH Campground Owners Association, Epsom, NH, in the amount of \$3,664 for an unpaid invoice for membership renewal dated September 1, 2014. **100% Park Funds.**

#56 Authorize the Office of Workforce Opportunity to enter into a **retroactive** contract with Thomas P. Miller & Associates LCC, Indianapolis, IN, for the provision of Workforce Innovation and Opportunity Act State Plan development services, in the amount of \$79,493. Effective July 1, 2015 through June 30, 2016. **100% Federal Funds.**

#57 Authorize the Bureau of Historic Sites to accept a monetary donation of \$30,000 from the Wentworth-Coolidge Commission Inc., as their portion of a 50% match for restoration of the windows in the Wentworth-Coolidge Mansion in Portsmouth, NH. Funds will be deposited in the Historic Sites Fund. (2) Further authorize to contract with Winn Mountain Restorations LLC, Lyndeborough, NH, for the repair and restoration of the windows in the Wentworth-Coolidge Mansion, in the amount of \$50,591. Effective upon G&C approval through September 30, 2017. (3) Further authorize a contingency in the amount of \$9,409 to cover any unforeseen issues that may arise. **50% Agency Income (Conservation Plate), 50% Private Local Funds (Historic Sites Fund).**

#58 Authorize the Office of Workforce Opportunity to amend a contract for services with **Southern NH Services, Inc., Manchester, NH**, (originally approved by G&C on 2-11-15, item #36), for the delivery of additional Workforce Innovation and Opportunity Act services as a result of an award of National Emergency Grant funds for Sector Partnership services, by increasing the amount from \$16,000,000 to \$18,281,331, an increase of \$2,281,331. Effective upon G&C approval. **100% Federal Funds.**

#58A Authorize the Division of Travel and Tourism Development to award grants to the organizations as detailed in letter dated July 20, 2015, in the total amount of \$375,000 for their 2016-2017 in-state and out-of-state marketing projects under the Joint Promotional Program. Effective upon G&C approval. **100% General Funds.**



A handwritten signature, possibly "JH", is written vertically on the right side of the page. Below it, there are some initials, possibly "MP".

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

FOR THE YEARS ENDED JULY 31, 2013 AND 2012

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

FINANCIAL STATEMENTS

JULY 31, 2013 AND 2012

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OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Keith H. Allen, C.P.A., M.S.T.
Mark R. Carrier, C.P.A., C.V.A.
George A. Roberge, C.P.A.

Gary A. Wigant, C.P.A.
C. Joseph Wolverton, C.P.A., C.V.A.

Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) which comprise the statement of financial position as of July 31, 2013, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 Southern New Hampshire Services, Inc. as of July 31, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

The financial statements of Southern New Hampshire Services, Inc. as of July 31, 2012, were audited by other auditors and are presented for comparative purposes. Those auditors expressed an unmodified opinion on those financial statements in their report dated April 30, 2013.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining schedule of financial position and the combining schedule of activities 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 30, 2014 on our consideration of Southern New Hampshire Services, Inc.'s internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern New Hampshire Services, Inc.'s internal control over financial reporting and compliance.

Ouellette & Associates, P.A.
Certified Public Accountants

April 30, 2014
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICE, INC.

COMBINED STATEMENTS OF FINANCIAL POSITION

FOR THE YEARS ENDED JULY 31, 2013 AND 2012

<i>ASSETS</i>		
	<u>2013</u>	<u>2012</u>
CURRENT ASSETS		
Cash	\$ 5,903,425	\$ 6,278,621
Investments	5,132,222	2,560,800
Contracts receivable (net)	3,267,955	3,544,555
Accounts receivable (net)	171,722	38,961
Prepaid expenses	156,403	286,022
Total current assets	<u>14,631,727</u>	<u>12,708,959</u>
FIXED ASSETS		
Land	6,174,907	6,110,865
Buildings and improvements	74,682,375	64,963,007
Vehicles and equipment	2,266,784	2,054,043
Construction in progress	-	3,130,363
Total fixed assets	<u>83,124,066</u>	<u>76,258,278</u>
Less - accumulated depreciation	<u>(20,615,347)</u>	<u>(18,512,172)</u>
Net fixed assets	<u>62,508,719</u>	<u>57,746,106</u>
OTHER ASSETS		
Restricted cash	3,949,332	3,690,350
Miscellaneous other assets	428,401	438,349
Total other assets	<u>4,377,733</u>	<u>4,128,699</u>
TOTAL ASSETS	<u>\$ 81,518,179</u>	<u>\$ 74,583,764</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 357,265	\$ 534,375
Accrued payroll and payroll taxes	725,726	489,653
Accrued compensated absences	623,845	700,421
Accrued other liabilities	588,848	538,991
Deferred revenue	2,036,804	2,955,714
Over applied overhead	115,916	402,758
Tenant security deposits	283,073	272,432
Current portion of long-term debt	288,892	185,875
Total current liabilities	<u>5,020,369</u>	<u>6,080,219</u>
LONG-TERM LIABILITIES		
Long-term debt, less current portion	5,522,103	5,812,225
Capital advances	66,264,647	59,363,943
Total long-term liabilities	<u>71,786,750</u>	<u>65,176,168</u>
TOTAL LIABILITIES	<u>76,807,119</u>	<u>71,256,387</u>
NET ASSETS		
Unrestricted	<u>4,711,059</u>	<u>3,327,377</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 81,518,178</u>	<u>\$ 74,583,764</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2013 AND 2012

	2013	2012
REVENUES		
Grant and contract support	\$ 35,821,702	\$ 39,204,276
Program service fees	658,277	773,869
Local funding	380,790	261,222
Rental income	6,979,990	6,455,382
Gifts and contributions	387,790	211,906
Interest and dividend income	65,515	5,229
Unrealized gain on investments	506,268	16,620
Transfer from RCA Acquisition	-	(99,592)
Miscellaneous	2,142,561	1,792,784
TOTAL REVENUES	46,942,893	48,621,696
EXPENSES		
Program services:		
Child Development	6,673,078	6,407,361
Community Services	1,244,487	1,401,685
Economic and Workforce Development	7,883,459	10,547,632
Energy	13,577,165	16,080,759
Hispanic-Latino Community Services	657,522	664,332
Housing and Homeless	234,137	229,264
Nutrition and Health	2,245,555	2,527,568
Special Projects	1,745,817	666,624
Volunteer Services	142,073	116,397
SNHS Management Corporation	2,181,224	1,728,474
Housing Corporations	7,424,231	6,586,162
Total program services	44,008,748	46,956,258
Support services:		
Management and general	1,550,463	1,716,731
TOTAL EXPENSES	45,559,211	48,672,989
CHANGE IN NET ASSETS	1,383,682	(51,293)
NET ASSETS - AUGUST 1, AS RESTATED	3,327,377	3,378,670
NET ASSETS - JULY 31	\$ 4,711,059	\$ 3,327,377

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2013

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Hispanic-Lat. Community Services	Housing and Homeless	Nutrition and Health
Payroll	\$ 3,959,212	\$ 745,436	\$ 2,428,233	\$ 1,454,628	\$ 374,012	\$ 103,890	\$ 985,597
Payroll taxes	409,538	66,982	233,804	148,681	41,032	10,520	96,576
Fringe benefits	929,261	84,874	354,882	284,221	37,199	11,809	165,184
Workers comp. insurance	29,186	3,579	6,678	7,088	2,433	1,232	12,529
Retirement benefits	207,343	55,452	116,693	71,561	7,150	4,306	53,826
Consultant and contractual	32,008	9,131	1,293,726	1,332,302	41,041	25,847	15,658
Travel and transportation	73,072	22,397	68,873	47,847	16,937	6,337	56,221
Conferences and meetings	596	15,498	4,700	6,102	4,106	150	690
Occupancy	471,197	27,029	839,883	109,710	49,206	-	113,483
Advertising	1,791	-	6,932	344	-	-	5,489
Supplies	200,700	56,561	52,798	62,897	5,989	43	63,751
Equip. rentals and maintenance	10,853	5,861	185,691	19,483	12,643	-	19,503
Insurance	12,655	30,155	4,322	11,262	1,485	-	5,314
Telephone	57,564	29,411	40,062	45,013	8,102	766	35,554
Postage	4,667	423	2,529	35,357	212	-	7,118
Printing and publications	7,554	3,319	479	1,258	1,156	-	8
Subscriptions	35	1,839	109	54	-	-	-
Program support	-	33,080	8,558	-	4,475	4,050	-
Interest	15,521	-	-	-	-	-	-
Depreciation	58,851	2,708	6,533	13,116	5,643	-	14,631
Assistance to clients	12,535	4,952	1,688,804	9,923,493	8,342	64,900	279,547
Other direct expense	124,642	32,107	538,091	1,906	-	280	312,319
Miscellaneous	53,561	13,693	1,079	842	36,359	7	2,557
In-kind	1,477,987	-	-	-	-	-	-
Loss on disposal of assets	736	-	-	-	-	-	-
SUBTOTAL	\$ 8,151,065	\$ 1,244,487	\$ 7,883,459	\$ 13,577,165	\$ 657,522	\$ 234,137	\$ 2,245,555
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(1,477,987)	-	-	-	-	-	-
TOTAL	\$ 6,673,078	\$ 1,244,487	\$ 7,883,459	\$ 13,577,165	\$ 657,522	\$ 234,137	\$ 2,245,555

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2013

	Program Services				Total Program Services	Support Services	Total Expenses
	Special Projects	Volunteer Services	SNHS Management Corporation	Housing Corporations		Management and General	
Payroll	\$ 90,034	\$ 88,776	\$ 358,451	\$ 1,414,854	\$ 12,003,123	\$ 1,184,977	\$ 13,188,100
Payroll taxes	8,512	8,490	40,498	140,825	1,205,458	100,143	1,305,601
Fringe benefits	11,949	11,655	75,199	253,502	2,219,735	149,888	2,369,623
Workers comp. insurance	1,121	187	35,530	41,374	140,937	7,348	148,285
Retirement benefits	6,649	4,203	23,391	94,275	644,849	100,709	745,558
Consultant and contractual	1,539,448	239	285,309	634,971	5,209,680	170,886	5,380,566
Travel and transportation	3,614	935	109,805	17,981	424,019	14,729	438,748
Conferences and meetings	8,369	1,630	45,009	2,097	88,947	2,450	91,397
Occupancy	7,235	-	148,955	2,493,111	4,259,809	64,516	4,324,325
Advertising	-	-	-	2,676	17,232	-	17,232
Supplies	488	13,248	8,361	49,437	514,273	38,454	552,727
Equip. rentals and maintenance	789	152	11,607	3,886	270,468	912	271,380
Insurance	101	977	17,162	356,154	439,587	6,102	445,689
Telephone	2,011	1,738	8,011	70,962	299,194	16,273	315,467
Postage	1	1,172	3,853	6,807	62,139	23,270	85,409
Printing and publications	4,950	1,343	1,064	-	21,131	7	21,138
Subscriptions	-	-	24	-	2,061	27	2,088
Program support	-	-	609,817	-	659,980	-	659,980
Interest	-	-	47,574	180,614	243,709	-	243,709
Depreciation	6,000	-	248,100	1,962,663	2,318,245	3	2,318,248
Assistance to clients	51,389	1,032	51,616	-	12,086,610	-	12,086,610
Other direct expense	2,761	689	300	11,454	1,024,549	684	1,025,233
Miscellaneous	396	5,607	15,749	9,155	139,005	1,027	140,032
In-kind	-	-	-	-	1,477,987	-	1,477,987
Loss on disposal of assets	-	-	12,920	134,657	148,313	-	148,313
SUBTOTAL	\$ 1,745,817	\$ 142,073	\$ 2,158,305	\$ 7,881,455	\$ 45,921,040	\$ 1,882,405	\$ 47,803,445
Over applied indirect costs	-	-	22,919	-	22,919	(331,942)	(309,023)
Eliminations	-	-	-	(457,224)	(1,935,211)	-	(1,935,211)
TOTAL	\$ 1,745,817	\$ 142,073	\$ 2,181,224	\$ 7,424,231	\$ 44,008,748	\$ 1,550,463	\$ 45,559,211

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2012

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Hispanic-Lat. Community Services	Housing and Homeless	Nutrition and Health
Payroll	\$ 3,825,074	\$ 787,269	\$ 2,143,949	\$ 1,546,141	\$ 421,040	\$ 91,718	\$ 1,159,479
Payroll taxes	398,437	70,054	203,063	158,256	48,567	9,885	120,138
Fringe benefits	890,191	109,347	320,183	325,680	40,891	13,275	183,241
Workers comp. insurance	31,080	3,260	4,504	8,675	2,496	934	14,818
Retirement benefits	191,077	62,962	107,908	82,722	8,433	833	51,764
Consultant and contractual	75,795	56,713	4,100,891	3,369,661	39,896	27,638	50,755
Travel and transportation	70,247	12,042	70,790	74,137	24,722	5,330	73,996
Conferences and meetings	2,329	16,569	3,999	15,544	3,217	-	939
Occupancy	444,161	34,853	876,462	97,122	21,829	4,518	131,349
Advertising	1,559	-	2,400	310	259	-	4,250
Supplies	169,401	10,460	30,241	46,386	9,687	-	79,612
Equip. rentals and maintenance	32,047	14,387	208,001	19,127	(219)	1	11,207
Insurance	20,692	52,303	3,770	27,856	113	-	10,285
Telephone	57,683	32,917	49,721	43,737	7,144	1,074	44,620
Postage	5,838	1,175	5,807	41,881	447	423	5,883
Printing and publications	8,958	585	1,039	43	2,149	-	-
Subscriptions	-	2,318	-	-	-	-	-
Program support	-	44,710	4,755	-	4,250	39,227	-
Interest	15,706	-	-	-	-	-	-
Depreciation	26,746	2,708	5,857	20,338	2,608	-	14,444
Amortization	-	-	-	-	-	-	-
Assistance to clients	5,770	-	2,103,841	10,164,607	200	29,543	247,078
Other direct expense	98,570	33,741	299,220	37,491	-	-	319,809
Miscellaneous	36,000	53,312	1,231	1,045	26,603	4,865	3,901
In-kind	1,151,924	-	-	-	-	-	-
Loss on disposal of assets	-	-	-	-	-	-	-
SUBTOTAL	\$ 7,559,285	\$ 1,401,685	\$ 10,547,632	\$ 16,080,759	\$ 664,332	\$ 229,264	\$ 2,527,568
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(1,151,924)	-	-	-	-	-	-
TOTAL	\$ 6,407,361	\$ 1,401,685	\$ 10,547,632	\$ 16,080,759	\$ 664,332	\$ 229,264	\$ 2,527,568

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED JULY 31, 2012

	Program Services				Total Program Services	Support Services	Total Expenses
	Special Projects	Volunteer Services	SNHS Management Corporation	Housing Corporations		Management and General	
Payroll	\$ 94,033	\$ 82,042	\$ 371,332	\$ 1,341,642	\$ 11,863,719	\$ 1,081,576	\$ 12,945,295
Payroll taxes	8,789	7,658	37,975	133,346	1,196,168	90,219	1,286,387
Fringe benefits	5,875	14,437	80,227	277,691	2,261,038	145,437	2,406,475
Workers comp. insurance	912	172	5,812	38,192	110,855	6,401	117,256
Retirement benefits	8,035	4,290	27,788	89,313	635,125	92,451	727,576
Consultant and contractual	463,876	237	230,704	604,923	9,021,089	114,264	9,135,353
Travel and transportation	4,188	706	111,389	20,336	467,883	18,969	486,852
Conferences and meetings	15,102	-	49,899	3,975	111,573	4,889	116,462
Occupancy	7,736	-	303,213	2,312,369	4,233,612	70,232	4,303,844
Advertising	-	-	-	1,782	10,560	-	10,560
Supplies	1,027	1,978	8,877	35,200	392,869	33,998	426,867
Equip. rentals and maintenance	765	128	(20,715)	2,049	266,778	1,359	268,137
Insurance	-	936	30,877	382,291	529,123	9,705	538,828
Telephone	1,950	2,110	11,571	64,062	316,589	14,375	330,964
Postage	28	971	1,333	6,420	70,206	19,258	89,464
Printing and publications	4,880	350	685	-	18,689	-	18,689
Subscriptions	-	-	295	-	2,613	-	2,613
Program support	-	-	105,285	-	198,227	-	198,227
Interest	-	-	48,355	205,972	270,033	-	270,033
Depreciation	6,000	-	230,651	1,411,375	1,720,727	626	1,721,353
Amortization	-	-	-	6,808	6,808	-	6,808
Assistance to clients	42,309	106	44,948	-	12,638,402	-	12,638,402
Other direct expense	-	152	349	15,841	805,173	1,381	806,554
Miscellaneous	1,119	124	13,735	5,336	147,271	22,639	169,910
In-kind	-	-	-	-	1,151,924	-	1,151,924
Loss on disposal of assets	-	-	33,889	56,501	90,390	-	90,390
SUBTOTAL	\$ 666,624	\$ 116,397	\$ 1,728,474	\$ 7,015,424	\$ 48,537,444	\$ 1,727,779	\$ 50,265,223
Over applied indirect costs	-	-	-	-	-	(11,048)	(11,048)
Eliminations	-	-	-	(429,262)	(1,581,186)	-	(1,581,186)
TOTAL	\$ 666,624	\$ 116,397	\$ 1,728,474	\$ 6,586,162	\$ 46,956,258	\$ 1,716,731	\$ 48,672,989

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

SOUTHERN NEW HAMPSHIRE SERVICES

COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2013 AND 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets -	\$ 1,383,682	\$ (51,293)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,318,248	1,721,353
Amortization	-	6,808
Loss on disposal of assets	148,313	90,390
Unrealized gain on investments	(506,268)	(16,620)
(Increase) decrease operating assets:		
Contracts receivable	276,600	1,660,191
Accounts receivable	(132,761)	293,924
Prepaid expenses	129,619	37,031
Increase (decrease) in operating liabilities:		
Accounts payable	(177,107)	(108,207)
Accrued payroll and payroll taxes	236,075	(30,413)
Accrued comp. absences	(76,575)	(57,606)
Accrued other liabilities	49,858	266,479
Deferred revenue	(918,912)	(441,061)
Over applied overhead	(286,842)	14,159
Tenant security deposits	10,642	7,096
Total adjustments	1,070,890	3,443,524
NET CASH FLOWS FROM OPERATING ACTIVITIES	2,454,572	3,392,231
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(7,229,171)	(8,082,032)
Purchase of investments	(2,065,154)	(345,888)
Deposit to restricted cash accounts	(258,995)	(627,723)
Other financing activities	9,947	(146,310)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(9,543,368)	(9,201,953)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	-	7,787,152
Payments on long-term debt	(187,105)	(1,126,123)
Net proceeds from capital advances	6,900,704	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	6,713,599	6,661,029
 CHANGE IN CASH AND CASH EQUIVALENTS	(375,197)	851,307
 CASH AND CASH EQUIVALENTS - AUGUST 1	6,278,621	5,427,314
 CASH AND CASH EQUIVALENTS - JULY 31	\$ 5,903,424	\$ 6,278,621
 SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	\$ 243,709	\$ 270,033

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

NOTES TO COMBINED FINANCIAL STATEMENTS

JULY 31, 2013 AND 2012

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Nature of the Organization**

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

Southern New Hampshire Services, Inc.
 SNHS Management Corporation
 SNHS Elderly Housing, Inc.
 SNHS Elderly Housing II, Inc.
 SNHS Elderly Housing III, Inc.
 SNHS Elderly Housing IV, Inc.
 SNHS Elderly Housing V, Inc.
 SNHS Elderly Housing VI, Inc.
 SNHS Elderly Housing VII, Inc.
 SNHS Elderly Housing VIII, Inc.
 SNHS Elderly Housing IX, Inc.
 SNHS Elderly Housing X, Inc.

SNHS Elderly Housing XI, Inc.
 Rural Housing for the Elderly, Inc.
 Rural Housing for the Elderly II, Inc.
 Sundial Elderly Housing, Inc.
 SNHS Ashland Elderly Housing, Inc.
 SNHS Farmington Elderly Housing, Inc.
 SNHS Greenfield Elderly Housing, Inc.
 SNHS North Berwick Elderly Housing, Inc.
 SNHS Northwood Elderly Housing, Inc.
 SNHS Pittsburg Elderly Housing, Inc.
 SNHS Raymond Elderly Housing, Inc.

Basis of Presentation

The Organization prepares its combined financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Unrestricted net assets of the Organization are net assets that are neither permanently restricted nor temporarily restricted by donor-imposed restrictions.

Temporarily restricted net assets – Temporarily restricted net assets are net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently restricted net assets – Permanently restricted net assets are net assets resulting from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

The Organization has no temporarily restricted or permanently restricted net assets at July 31, 2013 and 2012.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS

JULY 31, 2013 AND 2012

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

Combined Financial Statements

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

Southern New Hampshire Services, Inc.
SNHS Management Corporation
SNHS Elderly Housing, Inc.
SNHS Elderly Housing II, Inc.
SNHS Elderly Housing III, Inc.
SNHS Elderly Housing IV, Inc.
SNHS Elderly Housing V, Inc.
SNHS Elderly Housing VI, Inc.
SNHS Elderly Housing VII, Inc.
SNHS Elderly Housing VIII, Inc.
SNHS Elderly Housing IX, Inc.
SNHS Elderly Housing X, Inc.

SNHS Elderly Housing XI, Inc.
Rural Housing for the Elderly, Inc.
Rural Housing for the Elderly II, Inc.
Sundial Elderly Housing, Inc.
SNHS Ashland Elderly Housing, Inc.
SNHS Farmington Elderly Housing, Inc.
SNHS Greenfield Elderly Housing, Inc.
SNHS North Berwick Elderly Housing, Inc.
SNHS Northwood Elderly Housing, Inc.
SNHS Pittsburg Elderly Housing, Inc.
SNHS Raymond Elderly Housing, Inc.

Use of Estimates

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

Cash and Cash Equivalents

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

Revenue Recognition

The Organization's revenue is recognized primarily from federal and state grants and contracts generally structured as reimbursed contracts for services and therefore revenue is recognized based on when their individual allowable budgeted expenditures occur. Federal and state grant revenue comprised 73% and 79% of total revenue in the fiscal years ended July 31, 2013 and 2012, respectively.

Accounts and Contracts Receivable

All accounts and contracts receivable are stated at the amount management expect to collect from balances outstanding at year-end. Receivables are recorded on the accrual basis of accounting primarily based on reimbursable contracts, grants and agreements. Balances outstanding after management has used reasonable collection efforts are written off through a charge to bad debt expense and a credit to the applicable accounts receivable. Management does not believe an allowance for uncollectible accounts receivable is necessary at July 31, 2013 and 2012.

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Contributions and In-Kind Donations**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statements of activities as net assets released from restrictions. In-kind revenues and expenses represent fair market value of volunteer services and non-paid goods which were donated to the Organization during the current fiscal year. All in-kind revenues in the fiscal year 2013 and 2012 were generated through the Head Start programs.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities.

Fixed Assets

Fixed assets acquired by the Organization are capitalized at cost if purchased or fair value if donated. It is the Organization's policy to capitalize expenditures for these items in excess of \$5,000. Major additions and renewals are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line basis over the estimated useful lives of the assets, which range from three to forty years. Depreciation expense for July 31, 2013 and 2012 was \$2,318,248 and \$1,721,353, respectively.

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

Inventory

Inventory is stated at lower of cost or market. Cost is determined generally on the first-in, first-out basis.

Current Vulnerabilities Due to Certain Concentrations

The Organization maintains its cash balances at several financial institutions located in New Hampshire and Maine. The balances are insured by the Federal Deposit Insurance Organization (FDIC) up to \$250,000 per financial institution. In addition, on October 2, 2008, the Organization entered into an agreement with its principal banking partner to collateralize deposits in excess of the FDIC insurance limitation on some accounts. As of July 31, 2013 and 2012, uninsured cash balances amounted to \$120,538 and \$0, respectively. It is the opinion of management that the solvency of the referenced financial institutions is not of particular concern at this time.

Advertising

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

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

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

Functional Allocation of Expenses

The costs associated with providing program services and management and general support services are presented by natural classification on the combined statement of functional expenses and have been summarized on a functional basis on the combined statements of activities.

Income Taxes

The Organization qualifies as an organization exempt from income tax under Section 501 (c) (3) of the Internal Revenue Code.

Management has evaluated the Organization's tax positions and concluded that as of July 31, 2013 and 2012, the Organization does not believe that it has taken any tax positions that would require the recording of any additional tax benefits or liabilities within the next twelve months. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization's tax returns will not be challenged by the taxing authorities and that the Organization will not be subject to additional tax, penalties and interest as a result of such challenge. Generally, the Organization's tax returns remain subject to examination for three years after they were filed.

Subsequent Events

Management has made an evaluation of subsequent events through April 30, 2014, which represents the date on which the combined financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these combined financial statements.

Reclassifications

Certain reclassifications have been made to the 2012 combined financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

NOTE 2: RESTRICTED CASH

The housing projects are required to set aside amounts for the replacement of property and other expenditures. These amounts are set aside in separate accounts and generally are not available for operating purposes.

The housing projects are also required to put any surplus cash into a separate account. These accounts are also not available for operating purposes.

NOTE 3: FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures* establish a framework to measuring fair value within generally accepted accounting principles (GAAP). That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements).

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2013 and 2012.

Mutual Funds and Money Markets: Valued at the closing price reported on the active market on which the individual securities are traded.

The fair value by level of the Organization's investments consisted of the following as of July 31:

			<u>2013</u>		
			<u>Fair Value at reporting date</u>		
<u>Description</u>	<u>Cost</u>	<u>Fair Value</u>	Quoted prices in active markets for identical assets <u>(Level 1)</u>	Significant other observable inputs <u>(Level 2)</u>	Significant un- observable inputs <u>(Level 3)</u>
Money Market	\$2,000,000	\$2,000,000	\$2,000,000		
Mutual Funds	<u>2,148,867</u>	<u>3,132,222</u>	<u>3,132,222</u>	\$ _____	\$ _____
Total	<u>\$4,148,867</u>	<u>\$5,132,222</u>	<u>\$5,132,222</u>	<u>\$ _____</u>	<u>\$ _____</u>
			<u>2012</u>		
			<u>Fair Value at reporting date</u>		
<u>Description</u>	<u>Cost</u>	<u>Fair Value</u>	Quoted prices in active markets for identical assets <u>(Level 1)</u>	Significant other observable inputs <u>(Level 2)</u>	Significant un- observable inputs <u>(Level 3)</u>
Mutual Funds	\$2,087,825	\$2,560,800	\$2,560,800	\$ _____	\$ _____
Total	<u>\$2,087,825</u>	<u>\$2,560,800</u>	<u>\$2,560,800</u>	<u>\$ _____</u>	<u>\$ _____</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 4: INVESTMENTS

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

	2013			2012		
	Cost	Fair Market Value	Unrealized Gains	Cost	Fair Market Value	Unrealized Gains
Money Market	\$2,000,000	\$2,000,000	\$ -	\$ -	\$ -	\$ -
Mutual Funds	<u>2,148,867</u>	<u>3,132,222</u>	<u>983,355</u>	<u>2,087,825</u>	<u>2,560,800</u>	<u>472,975</u>
Total	<u>\$4,148,867</u>	<u>\$5,132,222</u>	<u>\$983,355</u>	<u>\$2,087,825</u>	<u>\$2,560,800</u>	<u>\$472,975</u>

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

	2013	2012
Fair Value – August 1	\$2,560,800	\$2,198,292
Additions	2,065,154	345,888
Distributions	-	-
Realized gains	-	-
Unrealized gains	<u>506,268</u>	<u>16,620</u>
Fair Value – July 31	<u>\$5,132,222</u>	<u>\$2,560,800</u>

NOTE 5: CONTINGENT LIEN J. BROWN HOMESTEAD PROPERTY

In 1999, the town of Raymond, New Hampshire, conveyed land and buildings to Rockingham Community Acton (RCA) for \$1 and a mortgage lien of \$604,418. The buildings contain four apartments limited to low-income seniors, office space for the Outreach operations, space for the Food Pantry operation, and a common meeting room for use by Town of Raymond organizations. The Town of Raymond included a requirement that the property be used for a social service center for a period of 20 years, called the benefit period, after which this requirement terminates.

RCA granted the Town of Raymond a lien on the property, such lien to be paid from the proceeds of any sale in the event that RCA sells or otherwise conveys the property within 20 years from the date of the mortgage (1999), or if not paid at the time of the sale will run with the land to any subsequent purchaser for the remaining benefit period. This mortgage lien has no scheduled principle or interest payments and is forgivable at a rate of 1/20 each year of the benefit period until it is completely forgiven in year 2019. The value of this lien at July 31, 2013 and 2012 is \$211,547 and \$241,768, respectively.

The appraised value of the land and buildings at the time of the donation was \$220,000. RCA has operated its Raymond Community Action Center at the property since the transfer and plans to continue to do so. Therefore, since RCA has no plans to sell or transfer this property the contingent mortgage lien liability has not been included on these financial statements.

SOUTHERN NEW HAMPSHIRE SERVICE INC.

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 6: LONG-TERM DEBT

	<u>2013</u>	<u>2012</u>
<u>SNHS, Inc.</u>		
Mortgage payable to City of Manchester, secured by real estate located in Manchester, NH. A balloon payment of \$11,275 was due on June 30, 2010. Interest is at 0.000%.	\$ 11,275	\$ 11,275
Mortgage payable to bank, secured by real estate located on Temple St., Nashua, NH, payable in fixed monthly principal installments of \$1,833 plus interest through 2020. Interest is at 4.000%.	370,669	392,669
<u>SNHS Management Corporation</u>		
Mortgage payable to bank, secured by real estate located on Allds St., Nashua, NH, payable in monthly installments of \$1,789 including interest through 2013. Interest is at 6.480%.	-	17,879
Mortgage payable to bank, secured by real estate located on Pine St., Manchester, NH, payable in monthly installments of \$2,678 including interest through 2013. Interest is at 6.460%.	-	18,320
Mortgage payable to bank, secured by real estate located on West Pearl St., Nashua, NH. Mortgage will be forgiven only if real estate remains low income housing for 40 years. Interest is at 0.000%.	170,000	170,000
Mortgage payable to bank secured by real estate located on Silver St., Manchester, NH, payable in monthly installments of \$2,731 including interest through 2014. Interest is at 6.030%.	154,688	177,246
Mortgage payable to bank, secured by real estate located on Allds St., Nashua, NH, payable in fixed monthly principal installments of \$2,613 plus interest through 2016. Interest is at 2.996%.	245,625	276,981
Mortgage payable to MH Parsons and Sons Lumber, secured by real estate located in Derry, NH, payable in monthly installments of \$3,715 including interest through 2031. Interest is at 5.500%.	<u>512,740</u>	<u>528,637</u>
Subtotal	<u>\$ 1,464,997</u>	<u>\$1,593,007</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 6: LONG-TERM DEBT (Continued)

	<u>2013</u>	<u>2012</u>
Subtotal Carried Forward	\$ 1,464,997	\$1,593,007
<u>Housing Corporations</u>		
Mortgage payable between Key Bank and SNHS Rural Housing for the Elderly, Inc., secured by real estate located in Greenville, NH, payable in monthly installments of \$14,044 including interest through 2040. Interest is at 5.120%.	2,473,538	2,514,282
Mortgage payable between Oppenheimer and SNHS Elderly Housing, Inc., secured by real estate located in Epping, NH, payable in monthly installments of \$5,932 including interest through 2047. Interest is at 3.950%.	1,327,460	1,345,811
Mortgage payable between the Town of Northwood and SNHS Northwood Elderly Housing, Inc., secured by real estate located in Northwood, NH. Mortgage will be forgiven if real estate remains low income housing for 20 years and the entity does not generate residual receipts. Interest is at 0.000%.	95,000	95,000
Mortgage payable between NHHFA and SNHS Greenfield Elderly Housing, Inc., secured by real estate located in Greenfield, NH. Mortgage payments are based upon surplus cash. Remaining balance due in 2040 or upon sale of the property. Interest is at 0.000%.	<u>450,000</u>	<u>450,000</u>
	\$ 5,810,995	\$ 5,998,100
Less: Current Portion	<u>288,892</u>	<u>185,875</u>
Long-term debt, net of current portion	<u>\$ 5,522,103</u>	<u>\$ 5,812,225</u>

Principal maturities for long-term debt for the subsequent fiscal years from July 31, 2013, are as follows:

2014	\$ 288,892
2015	138,160
2016	293,874
2017	115,331
2018	119,923
Thereafter	<u>4,854,815</u>
Total	<u>\$5,810,995</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 7: CAPITAL ADVANCES

	<u>2013</u>	<u>2012</u>
<u>Housing Corporations</u>		
Capital advance between HUD and Rural Housing for the Elderly II, Inc., secured by real estate located in Nashua, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	\$ 3,167,200	\$ 3,167,200
Capital advance between HUD and Sundial Elderly Housing, Inc., secured by real estate located in Nashua, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is 0.000%.	4,081,600	4,086,600
Capital advance between HUD and SNHS Northwood Elderly Housing, Inc., secured by real estate located in Northwood, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	3,460,700	3,460,700
Capital advance between HUD and SNHS Farmington Elderly Housing, Inc., secured by real estate located in Manchester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,827,000	2,827,000
Capital advance between HUD and SNHS Elderly Housing V, Inc., secured by real estate located in Manchester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,948,700	2,948,700
Capital advance between HUD and SNHS Elderly Housing II, Inc., secured by real estate located in Rochester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%	2,485,859	2,485,859
Capital advance between HUD and SNHS Elderly Housing III, Inc., secured by real estate located in Rochester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	<u>3,522,500</u>	<u>3,522,500</u>
Subtotal	<u>\$ 22,493,559</u>	<u>\$22,498,559</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 7: CAPITAL ADVANCES (Continued)

	<u>2013</u>	<u>2012</u>
Subtotal Carried Forward	\$ 22,493,559	\$22,498,559
Capital advance between HUD and SNHS Elderly Housing II, Inc., secured by real estate located in Rochester, NH. Capital advance will be forgiven in real estate remains low income housing for 40 years. Interest is at 0.000%.	2,966,900	2,966,900
Capital advance between HUD and Rural Housing for the Elderly II, Inc., secured by real estate located in Nashua, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,337,800	2,337,800
Capital advance between HUD and SNHS Elderly Housing IV, Inc., secured by real estate located in Nashua, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	4,412,500	4,412,500
Capital advance between HUD and SNHS Raymond Elderly Housing, Inc., secured by real estate located in Raymond, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	1,773,900	1,773,900
Capital advance between HUD and SNHS Pittsburg Elderly Housing, Inc., secured by real estate located in Pittsburg, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	1,481,082	1,479,700
Capital advance between HUD and SNHS North Berwick Elderly Housing, Inc., secured by real estate located in North Berwick, ME. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,016,800	2,016,800
Capital advance between HUD and SNHS Greenfield Elderly Housing, Inc., secured by real estate located in Greenfield, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	<u>1,545,300</u>	<u>1,545,300</u>
Subtotal	<u>\$ 39,027,841</u>	<u>\$39,031,459</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 7: <u>CAPITAL ADVANCES</u> (Continued)	<u>2013</u>	<u>2012</u>
Subtotal Carried Forward	\$ 39,027,841	\$39,031,459
Capital advance between HUD and Ashland Elderly Housing, Inc., secured by real estate located in Ashland, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	3,426,100	3,426,100
Capital advance between HUD and SNHS Elderly Housing VI, Inc., secured by real estate located in Bristol, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,711,900	2,711,900
Capital advance between HUD and SNHS Elderly Housing VII, Inc., secured by real estate located in Manchester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	5,143,400	5,143,400
Capital advance between HUD and SNHS Elderly Housing VII, Inc., secured by real estate located in Manchester, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	3,242,700	3,242,700
Capital advance between HUD and SNHS Elderly Housing VII, Inc., secured by real estate located in Manchester, NH. The advance is expected to be converted into a mortgage once construction has been completed. The Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,530,404	-
Capital advance between HUD and SNHS Elderly Housing VIII, Inc., secured by real estate located in Campton, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	<u>2,352,500</u>	<u>2,537,080</u>
Subtotal	<u>\$ 58,434,845</u>	<u>\$56,092,639</u>

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 7: CAPITAL ADVANCES (Continued)

	<u>2013</u>	<u>2012</u>
Subtotal Carried Forward	\$ 58,434,845	\$56,092,639
Capital advance between HUD and SNHS Elderly Housing IX, Inc., secured by real estate located in Plymouth, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	2,341,700	1,911,105
Capital advance between HUD and SNHS Elderly Housing XI, Inc., secured by real estate located in Lancaster, NH. Capital advance will be forgiven in real estate remains low income housing for 40 years. Interest is at 0.000%.	3,136,902	-
Capital advance between HUD and SNHS Elderly Housing X, Inc., secured by real estate located in Woodstock, NH. Capital advance will be forgiven if real estate remains low income housing for 40 years. Interest is at 0.000%.	<u>2,351,200</u>	<u>1,360,199</u>
Total	<u>\$66,264,647</u>	<u>\$59,363,943</u>

NOTE 8: OPERATING LEASES

The Organization leases various facilities and equipment under several operating leases. Total lease payments for the years ended July 31, 2013 and 2012 equaled \$834,208 and \$942,574, respectively. The leases expire at various times through August 2015. Some of the leases contain renewal options that are contingent upon federal funding and some contain renewal options subject to renegotiation of lease terms.

The following is a schedule of future minimum lease payments for the operating leases as of July 31, 2013:

2014	\$184,383
2015	124,117
2016	<u>20,322</u>
Total	<u>\$328,822</u>

NOTE 9: ACQUISITION

On July 1, 2011, Rockingham Community Action (RCA), a New Hampshire corporation, was acquired by the Organization. The merger is classified as an acquisition by SNHS of RCA for no monetary consideration. The Organization assumed all the assets, rights, powers, properties, debts, liabilities and obligations of RCA. The acquisition was recorded in two phases, phase one was recorded on July 1, 2011, resulting in a gain on acquisition of \$1,582,641. Phase two was recorded on November 1, 2011 and resulted in a loss on acquisition of \$99,592.

SOUTHERN NEW HAMPSHIRE SERVICE, INC.

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2013 AND 2012

NOTE 10: RETIREMENT BENEFITS

The Organization has an Employer-Sponsored 403(b) plan offering coverage to all of its employees. Participating employees must contribute at least 5% of their wages, while the Organization contributes 10% of their wages. The pension expense for the years ended July 31, 2013 and 2012 was \$745,558 and \$727,576, respectively.

NOTE 11: RISKS AND UNCERTAINTIES

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

NOTE 12: CONTINGENCIES

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

NOTE 13: RESTATEMENT OF PRIOR YEAR NET ASSETS

The carrying value of the Capital Advance account, as related to Sundial Elderly Housing, Inc., was reduced to reflect additional information received from HUD subsequent to the issue date of the July 31, 2012 financial statements. The restatement changed the beginning net assets for the year ending July 31, 2012, but did not affect the change in net assets for that year. The restatement is as follows:

Net Assets – July 31, 2011, Previously Reported	\$ 3,187,052
Capital Advance correction	<u>191,618</u>
Net Assets – July 31, 2011, Restated	3,378,670
Change in Net Assets – Reported	<u>(51,293)</u>
Net Assets – July 31, 2012, Restated	<u>\$ 3,327,377</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF FINANCIAL POSITION
 JULY 31, 2013

Schedule A

	10/14/15/30/40/ 50/80/81/82/81 0/845/1275			
	105		110	
	SNHS Management Corporation	Rural Housing for the Elderly II Landing II	Rural Housing for the Elderly	
SNHS, Inc.				
ASSETS				
CURRENT ASSETS				
Cash	\$ 324,607	\$ 4,341,831	\$ 57,957	\$ 131,577
Investments	-	5,132,222	-	-
Contracts receivable (net)	3,101,953	160,854	-	5,088
Accounts receivable (net)	-	171,722	-	-
Prepaid expenses	27,129	17,773	13,641	17,539
Inventory	-	-	-	-
Due from other corporations	2,335,165	869,303	-	-
Total current assets	<u>5,788,854</u>	<u>10,693,705</u>	<u>71,598</u>	<u>154,204</u>
FIXED ASSETS				
Land	219,849	1,320,953	2,898	166,890
Buildings and improvements	1,525,302	4,835,349	3,249,909	3,638,598
Vehicles and equipment	820,345	446,227	20,879	280,036
Construction in progress	-	-	-	-
Total fixed assets	<u>2,565,496</u>	<u>6,602,529</u>	<u>3,273,686</u>	<u>4,085,524</u>
Less - accumulated depreciation	<u>(1,168,580)</u>	<u>(2,430,482)</u>	<u>(1,031,352)</u>	<u>(2,363,231)</u>
Net fixed assets	<u>1,396,916</u>	<u>4,172,047</u>	<u>2,242,334</u>	<u>1,722,293</u>
OTHER ASSETS				
Restricted cash	12,372	202,529	175,234	659,015
Miscellaneous other assets	-	137,555	-	145,918
Total other assets	<u>12,372</u>	<u>340,084</u>	<u>175,234</u>	<u>804,933</u>
TOTAL ASSETS	<u>\$ 7,198,142</u>	<u>\$ 15,205,836</u>	<u>\$ 2,489,166</u>	<u>\$ 2,681,430</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 303,805	\$ 7,565	\$ 1,884	\$ 7,429
Accrued payroll and payroll taxes	361,235	312,462	3,180	5,984
Accrued compensated absences	-	623,845	-	-
Accrued other liabilities	239,460	1,757	4,200	24,861
Deferred revenue	2,026,194	-	23	1,525
Over applied overhead	115,916	-	-	-
Tenant security deposits	11,908	11,603	17,607	20,737
Due to other corporations	1,647,126	1,247,837	26,930	59,621
Current portion of long-term debt	24,255	202,913	-	42,697
Total current liabilities	<u>4,729,899</u>	<u>2,407,982</u>	<u>53,824</u>	<u>162,854</u>
LONG-TERM LIABILITIES				
Long-term debt, less current portion	357,690	880,139	-	2,430,841
Capital advances	-	-	3,167,200	-
Total long-term liabilities	<u>357,690</u>	<u>880,139</u>	<u>3,167,200</u>	<u>2,430,841</u>
TOTAL LIABILITIES	<u>5,087,589</u>	<u>3,288,121</u>	<u>3,221,024</u>	<u>2,593,695</u>
NET ASSETS				
Unrestricted	2,110,553	11,917,715	(731,858)	87,735
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,198,142</u>	<u>\$ 15,205,836</u>	<u>\$ 2,489,166</u>	<u>\$ 2,681,430</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF FINANCIAL POSITION
 JULY 31, 2013

Schedule A (Continued)

	120	130	140 SNHS Northwood Elderly Housing	145 SNHS Elderly Housing VII
ASSETS				
CURRENT ASSETS				
Cash	\$ 29,642	\$ 73,459	\$ 41,945	\$ 57,935
Investments	-	-	-	-
Contracts receivable (net)	50	10	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	2,541	16,856	4,205	4,482
Inventory	-	-	-	-
Due from other corporations	-	-	-	-
Total current assets	32,233	90,325	46,150	62,417
FIXED ASSETS				
Land	85,542	342,450	75,801	662,211
Buildings and improvements	1,106,277	4,020,210	3,479,774	4,419,703
Vehicles and equipment	30,733	43,109	20,831	35,003
Construction in progress	-	-	-	-
Total fixed assets	1,222,552	4,405,769	3,576,406	5,116,917
Less - accumulated depreciation	(639,024)	(1,689,379)	(661,771)	(373,583)
Net fixed assets	583,528	2,716,390	2,914,635	4,743,334
OTHER ASSETS				
Restricted cash	288,144	259,988	82,684	110,928
Miscellaneous other assets	138,678	-	-	4,028
Total other assets	426,822	259,988	82,684	114,956
TOTAL ASSETS	\$ 1,042,583	\$ 3,066,703	\$ 3,043,469	\$ 4,920,707
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 969	\$ 3,391	\$ 1,076	\$ 906
Accrued payroll and payroll taxes	1,849	5,123	1,870	1,628
Accrued compensated absences	-	-	-	-
Accrued other liabilities	6,435	6,435	6,435	13,951
Deferred revenue	640	524	725	1,420
Over applied overhead	-	-	-	-
Tenant security deposits	6,309	26,743	10,356	11,408
Due to other corporations	102,576	39,823	34,300	16,775
Current portion of long-term debt	19,027	-	-	-
Total current liabilities	137,805	82,039	54,762	46,088
LONG-TERM LIABILITIES				
Long-term debt, less current portion	1,308,433	-	95,000	-
Capital advances	-	4,081,600	3,460,700	5,143,400
Total long-term liabilities	1,308,433	4,081,600	3,555,700	5,143,400
TOTAL LIABILITIES	1,446,238	4,163,639	3,610,462	5,189,488
NET ASSETS				
Unrestricted	(403,655)	(1,096,936)	(566,993)	(268,781)
TOTAL LIABILITIES AND NET ASSETS	\$ 1,042,583	\$ 3,066,703	\$ 3,043,469	\$ 4,920,707

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF FINANCIAL POSITION
 JULY 31, 2013

Schedule A (Continued)

	146	147	149	150
	OLPH II		OLPH IIA Construction	SNHS Farmington Elderly Housing
ASSETS				
CURRENT ASSETS				
Cash	\$ 41,999	\$ 5,183	\$ 50	\$ 63,426
Investments	-	-	-	-
Contracts receivable (net)	-	-	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	2,779	-	-	2,174
Inventory	-	-	-	-
Due from other corporations	-	-	447,553	-
Total current assets	44,778	5,183	447,603	65,600
FIXED ASSETS				
Land	570,320	-	-	267,538
Buildings and improvements	2,634,254	16,744	2,105,306	2,716,410
Vehicles and equipment	24,100	-	18,124	28,403
Construction in progress	-	-	-	-
Total fixed assets	3,228,674	16,744	2,123,430	3,012,351
Less - accumulated depreciation	(135,950)	-	-	(1,113,223)
Net fixed assets	3,092,724	16,744	2,123,430	1,899,128
OTHER ASSETS				
Restricted cash	67,442	14,971	-	76,847
Miscellaneous other assets	2,222	-	-	-
Total other assets	69,664	14,971	-	76,847
TOTAL ASSETS	\$ 3,207,166	\$ 36,898	\$ 2,571,033	\$ 2,041,575
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 191	\$ 559	\$ 37	\$ 2,117
Accrued payroll and payroll taxes	1,696	-	-	2,318
Accrued compensated absences	-	-	-	-
Accrued other liabilities	10,966	557	40,592	22,104
Deferred revenue	386	-	-	-
Over applied overhead	-	-	-	-
Tenant security deposits	7,169	4,912	-	13,329
Due to other corporations	27,895	27,466	-	18,027
Current portion of long-term debt	-	-	-	-
Total current liabilities	48,303	33,494	40,629	57,895
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	-	-	-
Capital advances	3,242,700	-	2,530,404	2,827,000
Total long-term liabilities	3,242,700	-	2,530,404	2,827,000
TOTAL LIABILITIES	3,291,003	33,494	2,571,033	2,884,895
NET ASSETS				
Unrestricted	(83,837)	3,404	-	(843,320)
TOTAL LIABILITIES AND NET ASSETS	\$ 3,207,166	\$ 36,898	\$ 2,571,033	\$ 2,041,575

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF FINANCIAL POSITION
 JULY 31, 2013

Schedule A (Continued)

	155	160	170	175
	SNHS Elderly Housing V	SNHS Elderly Housing II - Roberge	SNHS Elderly Housing III	SNHS Elderly Housing II - Chasse
ASSETS				
CURRENT ASSETS				
Cash	\$ 63,536	\$ 57,954	\$ 68,623	\$ 55,620
Investments	-	-	-	-
Contracts receivable (net)	-	-	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	1,950	-	5,885	5,307
Inventory	-	-	-	-
Due from other corporations	-	-	-	-
Total current assets	<u>65,486</u>	<u>57,954</u>	<u>74,508</u>	<u>60,927</u>
FIXED ASSETS				
Land	150,000	126,045	288,401	7,420
Buildings and improvements	2,731,835	2,479,717	3,333,599	2,977,084
Vehicles and equipment	82,274	31,722	21,327	23,377
Construction in progress	-	-	-	-
Total fixed assets	<u>2,964,109</u>	<u>2,637,484</u>	<u>3,643,327</u>	<u>3,007,881</u>
Less - accumulated depreciation	(549,817)	(1,144,542)	(1,252,726)	(755,422)
Net fixed assets	<u>2,414,292</u>	<u>1,492,942</u>	<u>2,390,601</u>	<u>2,252,459</u>
OTHER ASSETS				
Restricted cash	63,820	125,477	301,994	148,549
Miscellaneous other assets	-	-	-	-
Total other assets	<u>63,820</u>	<u>125,477</u>	<u>301,994</u>	<u>148,549</u>
TOTAL ASSETS	<u>\$ 2,543,598</u>	<u>\$ 1,676,373</u>	<u>\$ 2,767,103</u>	<u>\$ 2,461,935</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 1,984	\$ 4,812	\$ 2,177	\$ 727
Accrued payroll and payroll taxes	1,918	2,680	3,532	2,662
Accrued compensated absences	-	-	-	-
Accrued other liabilities	29,044	4,874	6,435	4,175
Deferred revenue	380	482	701	692
Over applied overhead	-	-	-	-
Tenant security deposits	9,392	13,266	17,711	11,755
Due to other corporations	14,398	33,412	32,146	22,818
Current portion of long-term debt	-	-	-	-
Total current liabilities	<u>57,116</u>	<u>59,526</u>	<u>62,702</u>	<u>42,829</u>
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	-	-	-
Capital advances	2,948,700	2,485,859	3,522,500	2,966,900
Total long-term liabilities	<u>2,948,700</u>	<u>2,485,859</u>	<u>3,522,500</u>	<u>2,966,900</u>
TOTAL LIABILITIES	<u>3,005,816</u>	<u>2,545,385</u>	<u>3,585,202</u>	<u>3,009,729</u>
NET ASSETS				
Unrestricted	(462,218)	(869,012)	(818,099)	(547,794)
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,543,598</u>	<u>\$ 1,676,373</u>	<u>\$ 2,767,103</u>	<u>\$ 2,461,935</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2013

	180	185	190	200
	Rural Housing for the Elderly II - Landing I	SNHS Elderly Housing IV	SNHS Raymond Elderly Housing	SNHS Pittsburg Elderly Housing
ASSETS				
CURRENT ASSETS				
Cash	\$ 47,314	\$ 71,482	\$ 83,848	\$ 15,792
Investments	-	-	-	-
Contracts receivable (net)	-	-	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	10,267	-	-	2,198
Inventory	-	-	-	-
Due from other corporations	-	-	-	-
Total current assets	57,581	71,482	83,848	17,990
FIXED ASSETS				
Land	7,898	163,377	118,481	17,190
Buildings and improvements	2,502,229	4,325,072	1,754,048	1,598,635
Vehicles and equipment	14,382	21,625	29,433	10,472
Construction in progress	-	-	-	-
Total fixed assets	2,524,509	4,510,074	1,901,962	1,626,297
Less - accumulated depreciation	(869,163)	(882,455)	(717,284)	(624,027)
Net fixed assets	1,655,346	3,627,619	1,184,678	1,002,270
OTHER ASSETS				
Restricted cash	140,525	193,295	163,465	69,300
Miscellaneous other assets	-	-	-	-
Total other assets	140,525	193,295	163,465	69,300
TOTAL ASSETS	\$ 1,853,452	\$ 3,892,396	\$ 1,431,991	\$ 1,089,560
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 3,619	\$ 1,440	\$ 790	\$ 1,402
Accrued payroll and payroll taxes	3,067	2,790	1,849	1,347
Accrued compensated absences	-	-	-	-
Accrued other liabilities	4,200	25,058	28,610	8,254
Deferred revenue	-	-	-	393
Over applied overhead	-	-	-	-
Tenant security deposits	12,288	15,840	8,397	4,725
Due to other corporations	22,182	20,634	28,517	124,058
Current portion of long-term debt	-	-	-	-
Total current liabilities	45,356	65,762	68,163	140,179
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	-	-	-
Capital advances	2,337,800	4,412,500	1,773,900	1,481,082
Total long-term liabilities	2,337,800	4,412,500	1,773,900	1,481,082
TOTAL LIABILITIES	2,383,156	4,478,262	1,842,063	1,621,261
NET ASSETS				
Unrestricted	(529,704)	(585,866)	(410,072)	(531,701)
TOTAL LIABILITIES AND NET ASSETS	\$ 1,853,452	\$ 3,892,396	\$ 1,431,991	\$ 1,089,560

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2013

	210	220	230	235
	SNHS North Berwick Elderly Housing	SNHS Greenfield Elderly Housing	SNHS Ashland Elderly Housing	SNHS Elderly Housing VI
ASSETS				
CURRENT ASSETS				
Cash	\$ 49,947	\$ 38,919	\$ 42,872	\$ 18,047
Investments	-	-	-	-
Contracts receivable (net)	-	-	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	7,314	5,688	3,461	1,412
Inventory	-	-	-	-
Due from other corporations	-	-	-	-
Total current assets	<u>57,261</u>	<u>44,607</u>	<u>46,333</u>	<u>19,459</u>
FIXED ASSETS				
Land	138,744	64,244	295,000	309,800
Buildings and improvements	1,934,264	1,979,799	2,989,901	2,577,277
Vehicles and equipment	32,836	21,466	82,112	20,356
Construction in progress	-	-	-	-
Total fixed assets	<u>2,105,844</u>	<u>2,065,509</u>	<u>3,367,013</u>	<u>2,907,433</u>
Less - accumulated depreciation	<u>(649,780)</u>	<u>(625,940)</u>	<u>(462,566)</u>	<u>(289,812)</u>
Net fixed assets	<u>1,456,064</u>	<u>1,439,569</u>	<u>2,904,447</u>	<u>2,617,621</u>
OTHER ASSETS				
Restricted cash	107,940	178,344	389,911	27,214
Miscellaneous other assets	-	-	-	-
Total other assets	<u>107,940</u>	<u>178,344</u>	<u>389,911</u>	<u>27,214</u>
TOTAL ASSETS	<u>\$ 1,621,265</u>	<u>\$ 1,662,520</u>	<u>\$ 3,340,691</u>	<u>\$ 2,664,294</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 1,212	\$ 2,311	\$ 3,079	\$ 555
Accrued payroll and payroll taxes	1,646	1,539	1,542	1,028
Accrued compensated absences	-	-	-	-
Accrued other liabilities	6,435	6,435	25,472	21,529
Deferred revenue	449	-	863	-
Over applied overhead	-	-	-	-
Tenant security deposits	8,608	7,070	9,084	5,762
Due to other corporations	34,565	33,738	15,704	36,543
Current portion of long-term debt	-	-	-	-
Total current liabilities	<u>52,915</u>	<u>51,093</u>	<u>55,744</u>	<u>65,417</u>
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	450,000	-	-
Capital advances	2,016,800	1,545,300	3,426,100	2,711,900
Total long-term liabilities	<u>2,016,800</u>	<u>1,995,300</u>	<u>3,426,100</u>	<u>2,711,900</u>
TOTAL LIABILITIES	<u>2,069,715</u>	<u>2,046,393</u>	<u>3,481,844</u>	<u>2,777,317</u>
NET ASSETS				
Unrestricted	<u>(448,450)</u>	<u>(383,873)</u>	<u>(141,153)</u>	<u>(113,023)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,621,265</u>	<u>\$ 1,662,520</u>	<u>\$ 3,340,691</u>	<u>\$ 2,664,294</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2013

	240	245	250	255
	SNHS Elderly Housing VIII	SNHS Elderly Housing IX	SNHS Elderly Housing X	SNHS Elderly Housing XI
ASSETS				
CURRENT ASSETS				
Cash	\$ 33,952	\$ 53,023	\$ 26,764	\$ 6,061
Investments	-	-	-	-
Contracts receivable (net)	-	-	-	-
Accounts receivable (net)	-	-	-	-
Prepaid expenses	936	1,203	1,663	-
Inventory	-	-	-	-
Due from other corporations	-	-	-	-
Total current assets	<u>34,888</u>	<u>54,226</u>	<u>28,427</u>	<u>6,061</u>
FIXED ASSETS				
Land	220,000	152,019	150,000	-
Buildings and improvements	2,281,821	2,349,581	2,347,246	-
Vehicles and equipment	19,078	19,200	23,554	-
Construction in progress	-	-	-	-
Total fixed assets	<u>2,520,899</u>	<u>2,520,800</u>	<u>2,520,800</u>	<u>-</u>
Less - accumulated depreciation	(83,176)	(60,303)	(41,759)	-
Net fixed assets	<u>2,437,723</u>	<u>2,460,497</u>	<u>2,479,041</u>	<u>-</u>
OTHER ASSETS				
Restricted cash	33,015	23,639	19,804	2,883
Miscellaneous other assets	-	-	-	-
Total other assets	<u>33,015</u>	<u>23,639</u>	<u>19,804</u>	<u>2,883</u>
TOTAL ASSETS	<u>\$ 2,505,626</u>	<u>\$ 2,538,362</u>	<u>\$ 2,527,272</u>	<u>\$ 8,944</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 264	\$ 1,062	\$ 287	\$ 1,365
Accrued payroll and payroll taxes	662	662	682	775
Accrued compensated absences	-	-	-	-
Accrued other liabilities	16,200	15,340	9,034	-
Deferred revenue	970	-	437	-
Over applied overhead	-	-	-	-
Tenant security deposits	4,696	5,713	3,859	2,827
Due to other corporations	7,374	8,880	16,134	9,584
Current portion of long-term debt	-	-	-	-
Total current liabilities	<u>30,166</u>	<u>31,657</u>	<u>30,433</u>	<u>14,551</u>
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	-	-	-
Capital advances	2,352,500	2,341,700	2,351,200	-
Total long-term liabilities	<u>2,352,500</u>	<u>2,341,700</u>	<u>2,351,200</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,382,666</u>	<u>2,373,357</u>	<u>2,381,633</u>	<u>14,551</u>
NET ASSETS				
Unrestricted	122,960	165,005	145,639	(5,607)
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,505,626</u>	<u>\$ 2,538,362</u>	<u>\$ 2,527,272</u>	<u>\$ 8,944</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2013

257				
	SNHS Elderly Housing XI - Construction	Sub-Total	Elimination	Totals
ASSETS				
CURRENT ASSETS				
Cash	\$ 60	\$ 5,903,425	\$ -	\$ 5,903,425
Investments	-	5,132,222	-	5,132,222
Contracts receivable (net)	-	3,267,955	-	3,267,955
Accounts receivable (net)	-	171,722	-	171,722
Prepaid expenses	-	156,403	-	156,403
Inventory	-	-	-	-
Due from other corporations	57,042	3,709,063	(3,709,063)	-
Total current assets	57,102	18,340,790	(3,709,063)	14,631,727
FIXED ASSETS				
Land	251,836	6,174,907	-	6,174,907
Buildings and improvements	2,772,431	74,682,375	-	74,682,375
Vehicles and equipment	45,780	2,266,784	-	2,266,784
Construction in progress	-	-	-	-
Total fixed assets	3,070,047	83,124,066	-	83,124,066
Less - accumulated depreciation	-	(20,615,347)	-	(20,615,347)
Net fixed assets	3,070,047	62,508,719	-	62,508,719
OTHER ASSETS				
Restricted cash	10,003	3,949,332	-	3,949,332
Miscellaneous other assets	-	428,401	-	428,401
Total other assets	10,003	4,377,733	-	4,377,733
TOTAL ASSETS	\$ 3,137,152	85,227,242	\$ (3,709,063)	\$ 81,518,179
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 250	\$ 357,265	\$ -	\$ 357,265
Accrued payroll and payroll taxes	-	725,726	-	725,726
Accrued compensated absences	-	623,845	-	623,845
Accrued other liabilities	-	588,848	-	588,848
Deferred revenue	-	2,036,804	-	2,036,804
Over applied overhead	-	115,916	-	115,916
Tenant security deposits	-	283,074	-	283,074
Due to other corporations	-	3,709,063	(3,709,063)	-
Current portion of long-term debt	-	288,892	-	288,892
Total current liabilities	250	8,729,433	(3,709,063)	5,020,370
LONG-TERM LIABILITIES				
Long-term debt, less current portion	-	5,522,103	-	5,522,103
Capital advances	3,136,902	66,264,647	-	66,264,647
Total long-term liabilities	3,136,902	71,786,750	-	71,786,750
TOTAL LIABILITIES	3,137,152	80,516,183	(3,709,063)	76,807,120
NET ASSETS				
Unrestricted	-	4,711,059	-	4,711,059
TOTAL LIABILITIES AND NET ASSETS	\$ 3,137,152	85,227,242	\$ (3,709,063)	\$ 81,518,179

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF ACTIVITIES
 FOR THE YEAR ENDED JULY 31, 2013

		10/15/30/40/50/ 80/81/82/810/8 45	105	110
	SNHS, Inc.	SNHS Management Corporation	Rural Housing for the Elderly II Landing II	Rural Housing for the Elderly
REVENUES				
Grant/contract support	\$ 35,816,556	\$ 5,146	\$ -	\$ -
Program service fees	183,103	932,398	-	-
Local funding	25,781	355,009	-	-
Rental income	12,150	535,044	318,739	955,690
Gifts and contributions	337,169	50,621	-	-
Special events and activities	-	-	-	-
Memberships	-	-	-	-
Interest Income	203	63,310	52	274
Unrealized gain on investments	-	506,268	-	-
In-kind	1,477,987	-	-	-
Miscellaneous	867,456	512,163	10,938	31,241
TOTAL REVENUES	38,720,405	2,959,959	329,729	987,205
EXPENSES				
Program services:				
Child Development	8,151,065	-	-	-
Community Services	1,244,487	-	-	-
Economic and Workforce Dev.	7,883,459	-	-	-
Energy	13,577,165	-	-	-
Hispanic-Latino Com. Services	657,522	-	-	-
Housing and Homeless	234,137	-	-	-
Nutrition and Health	2,245,555	-	-	-
Special Projects	1,745,817	-	-	-
Volunteer Services	142,073	-	-	-
SNHS Management Corporation Housing Corporations	-	2,181,224	-	-
Total program services	35,881,280	2,181,224	380,463	993,659
Support services:				
Management and general	1,550,463	-	-	-
TOTAL EXPENSES	37,431,743	2,181,224	380,463	993,659
CHANGE IN NET ASSETS	1,288,662	778,735	(50,734)	(6,454)
NET ASSETS - AUGUST 1	821,891	11,138,980	(681,124)	94,189
NET ASSETS - JULY 31	\$ 2,110,553	\$ 11,917,715	\$ (731,858)	\$ 87,735

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2013

	120	130	140	145
	SNHS Elderly Housing	Sundial Elderly Housing	SNHS Northwood Elderly Housing	SNHS Elderly Housing, VII
REVENUES				
Grant/contract support	\$ -	\$ -	\$ -	\$ -
Program service fees	-	-	-	-
Local funding	-	-	-	-
Rental income	274,037	506,052	242,811	241,573
Gifts and contributions	-	-	-	-
Special events and activities	-	-	-	-
Memberships	-	-	-	-
Interest Income	719	97	27	37
Unrealized gain on investments	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	2,560	21,325	4,943	8,372
TOTAL REVENUES	<u>277,316</u>	<u>527,474</u>	<u>247,781</u>	<u>249,982</u>
EXPENSES				
Program services:				
Child Development	-	-	-	-
Community Services	-	-	-	-
Economic and Workforce Dev.	-	-	-	-
Energy	-	-	-	-
Hispanic-Latino Com. Services	-	-	-	-
Housing and Homeless	-	-	-	-
Nutrition and Health	-	-	-	-
Special Projects	-	-	-	-
Volunteer Services	-	-	-	-
SNHS Management Corporation	-	-	-	-
Housing Corporations	343,354	569,593	349,862	344,213
Total program services	<u>343,354</u>	<u>569,593</u>	<u>349,862</u>	<u>344,213</u>
Support services:				
Management and general	-	-	-	-
TOTAL EXPENSES	<u>343,354</u>	<u>569,593</u>	<u>349,862</u>	<u>344,213</u>
CHANGE IN NET ASSETS	(66,038)	(42,119)	(102,081)	(94,231)
NET ASSETS - AUGUST 1	<u>(337,617)</u>	<u>(1,054,817)</u>	<u>(464,912)</u>	<u>(174,550)</u>
NET ASSETS - JULY 31	<u>\$ (403,655)</u>	<u>\$ (1,096,936)</u>	<u>\$ (566,993)</u>	<u>\$ (268,781)</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF ACTIVITIES
 FOR THE YEAR ENDED JULY 31, 2013

	146	147	150	155
	SNHS Elderly Housing, VII	SNHS Elderly Housing, VIIA - Construction	SNHS Farmington Elderly Housing	SNHS Elderly Housing V
REVENUES				
Grant/contract support	\$ -	\$ -	\$ -	\$ -
Program service fees	-	-	-	-
Local funding	-	-	-	-
Rental income	190,924	5,178	304,424	225,894
Gifts and contributions	-	-	-	-
Special events and activities	-	-	-	-
Memberships	-	-	-	-
Interest Income	21	3	42	32
Unrealized gain on investments	-	-	-	-
In-kind	-	-	-	-
Miscellaneous	4,572	-	9,479	5,147
TOTAL REVENUES	<u>195,517</u>	<u>5,181</u>	<u>313,945</u>	<u>231,073</u>
EXPENSES				
Program services:				
Child Development	-	-	-	-
Community Services	-	-	-	-
Economic and Workforce Dev.	-	-	-	-
Energy	-	-	-	-
Hispanic-Latino Com. Services	-	-	-	-
Housing and Homeless	-	-	-	-
Nutrition and Health	-	-	-	-
Special Projects	-	-	-	-
Volunteer Services	-	-	-	-
SNHS Management Corporation	-	-	-	-
Housing Corporations	253,119	1,777	356,141	306,437
Total program services	<u>253,119</u>	<u>1,777</u>	<u>356,141</u>	<u>306,437</u>
Support services:				
Management and general	-	-	-	-
TOTAL EXPENSES	<u>253,119</u>	<u>1,777</u>	<u>356,141</u>	<u>306,437</u>
CHANGE IN NET ASSETS	(57,602)	3,404	(42,196)	(75,364)
NET ASSETS - AUGUST 1	<u>(26,235)</u>	<u>-</u>	<u>(801,124)</u>	<u>(386,854)</u>
NET ASSETS - JULY 31	<u>\$ (83,837)</u>	<u>\$ 3,404</u>	<u>\$ (843,320)</u>	<u>\$ (462,218)</u>

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 COMBINING SCHEDULE OF ACTIVITIES
 FOR THE YEAR ENDED JULY 31, 2013

255

	SNHS Elderly Housing XI	Sub-Total	Elimination	Totals
REVENUES				
Grant/contract support	\$ -	\$ 35,821,702	\$ -	\$ 35,821,702
Program service fees	-	1,115,501	(457,224)	658,277
Local funding	-	380,790	-	380,790
Rental income	5,652	6,979,990	-	6,979,990
Gifts and contributions	-	387,790	-	387,790
Special events and activities	-	-	-	-
Memberships	-	-	-	-
Interest Income	12	65,515	-	65,515
Unrealized gain on investments	-	506,268	-	506,268
In-kind	-	1,477,987	(1,477,987)	-
Miscellaneous	252	2,142,561	-	2,142,561
TOTAL REVENUES	5,916	48,878,104	(1,935,211)	46,942,893
EXPENSES				
Program services:				
Child Development	-	8,151,065	(1,477,987)	6,673,078
Community Services	-	1,244,487	-	1,244,487
Economic and Workforce Dev.	-	7,883,459	-	7,883,459
Energy	-	13,577,165	-	13,577,165
Hispanic-Latino Com. Services	-	657,522	-	657,522
Housing and Homeless	-	234,137	-	234,137
Nutrition and Health	-	2,245,555	-	2,245,555
Special Projects	-	1,745,817	-	1,745,817
Volunteer Services	-	142,073	-	142,073
SNHS Management Corporation	-	2,181,224	-	2,181,224
Housing Corporations	11,479	7,881,455	(457,224)	7,424,231
Total program services	11,479	45,943,959	(1,935,211)	44,008,748
Support services:				
Management and general	-	1,550,463	-	1,550,463
TOTAL EXPENSES	11,479	47,494,422	(1,935,211)	45,559,211
CHANGE IN NET ASSETS	(5,563)	1,383,682	-	1,383,682
NET ASSETS - AUGUST 1	(44)	3,327,377	-	3,327,377
NET ASSETS - JULY 31	\$ (5,607)	\$ 4,711,059	\$ -	\$ 4,711,059

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

OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

Keith H. Allen, C.P.A., M.S.T.
Mark R. Carrier, C.P.A., C.V.A.
George A. Roberge, C.P.A.

Gary A. Wigant, C.P.A.
C. Joseph Wolverton, C.P.A., C.V.A.

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

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

We have compiled the accompanying schedules of revenues and expenses – by contract of Southern New Hampshire Services, Inc. as of July 31, 2013. We have not audited or reviewed the accompanying schedules of revenues and expenses – by contract and, accordingly, do not express an opinion or provide any assurance about whether the schedules of revenues and expenses – by contract are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the schedules of revenues and expenses – by contract in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the schedules of revenues and expenses – by contract.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of schedules of revenues and expenses – by contract without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the schedules of revenues and expenses – by contract.

Ouellette & Associates, P.A.
Certified Public Accountants

April 30, 2014
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT
 FOR THE YEAR ENDED JULY 31, 2013

State of NH Governor's Office of Energy & Community Services
 Headstart Program
 For the Period
 August 1, 2012 to July 31, 2013
 Fund # 305

REVENUES

Program funding	\$ 4,318,481
Other revenue	15,195
In-kind	1,208,138
Allocated corporate unrestricted revenue	16,903
Total revenue	5,558,717

EXPENSES

Payroll	2,353,404
Payroll taxes	249,913
Fringe benefits	633,247
Workers comp. insurance	17,708
Retirement benefits	109,467
Consultant and contractual	24,935
Travel and transportation	47,245
Conference and meetings	494
Occupancy	262,272
Advertising	1,458
Supplies	131,595
Equip. rentals and maintenance	5,987
Insurance	10,691
Telephone	34,206
Postage	1,898
Printing and publications	6,710
Subscriptions	35
Interest	-
Depreciation	7,650
Assistance to clients	12,535
Other direct expense	53,077
Miscellaneous	17,006
In-kind	1,208,138
Administrative costs	369,046
Total expenses	5,558,717

Excess of expenses over revenue	\$ -
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT
 FOR THE YEAR ENDED JULY 31, 2013

State of NH Governor's Office of Energy & Community Services
 LIHEAP Program
 For the Period
 October 1, 2012 to July 31, 2013
 Fund # 630-13

REVENUES

Program funding	\$ 10,495,875
Other revenue	569
In-kind	-
Allocated corporate unrestricted revenue	-
Total revenue	<u>10,496,444</u>

EXPENSES

Payroll	439,100
Payroll taxes	47,818
Fringe benefits	98,175
Workers comp. insurance	923
Retirement benefits	18,686
Consultant and contractual	19,097
Travel and transportation	5,107
Conference and meetings	719
Occupancy	39,211
Advertising	-
Supplies	15,817
Equip. rentals and maintenance	(7,793)
Insurance	791
Telephone	15,587
Postage	19,029
Printing and publications	-
Subscriptions	27
Interest	-
Depreciation	8,678
Assistance to clients	9,779,632
Other direct expense	388
Miscellaneous	316
In-kind	-
Administrative costs	(4,874)
Total expenses	<u>10,496,434</u>

Excess of expenses over revenue	<u>\$ 10</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT
 FOR THE YEAR ENDED JULY 31, 2013

State of NH Governor's Office of Energy & Community Services
 LIHEAP Program
 For the Period
 August 1, 2012 to September 30, 2012
 Fund # 630-12

REVENUES

Program funding	\$	352,180
Other revenue		3
In-kind		-
Allocated corporate unrestricted revenue		-
Total revenue		352,183

EXPENSES

Payroll		120,301
Payroll taxes		10,786
Fringe benefits		23,194
Workers comp. insurance		253
Retirement benefits		4,370
Consultant and contractual		6,354
Travel and transportation		3,877
Conference and meetings		595
Occupancy		6,740
Advertising		-
Supplies		23,461
Equip. rentals and maintenance		10,820
Insurance		-
Telephone		10,302
Postage		2,662
Printing and publications		1,258
Subscriptions		-
Interest		-
Depreciation		-
Assistance to clients		-
Other direct expense		17
Miscellaneous		125
In-kind		-
Administrative costs		127,068
Total expenses		352,183

Excess of expenses over revenue	\$	-
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT
 FOR THE YEAR ENDED JULY 31, 2013

State of NH Governor's Office of Energy & Community Services
 Early Headstart Program
 For the Period
 August 1, 2012 to July 31, 2013
 Fund # 300

REVENUES

Program funding	\$ 1,284,262
Other revenue	4,430
In-kind	269,849
Allocated corporate unrestricted revenue	41,386
Total revenue	<u>1,599,927</u>

EXPENSES

Payroll	697,797
Payroll taxes	68,699
Fringe benefits	142,545
Workers.comp. insurance	5,219
Retirement benefits	44,602
Consultant and contractual	3,573
Travel and transportation	8,405
Conference and meetings	102
Occupancy	103,555
Advertising	333
Supplies	32,780
Equip. rentals and maintenance	2,842
Insurance	1,486
Telephone	15,585
Postage	138
Printing and publications	844
Subscriptions	-
Interest	15,521
Depreciation	42,825
Assistance to clients	-
Other direct expense	31,255
Miscellaneous	4,351
In-kind	269,849
Administrative costs	107,621
Total expenses	<u>1,599,927</u>

Excess of expenses over revenue	<u>\$ -</u>
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See independent accountant's compilation report.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
 SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT
 FOR THE YEAR ENDED JULY 31, 2013

Electric Energy Assistance

For the Period
 August 1, 2012 to July 31, 2013
 Fund # 665

REVENUES

Program funding	\$	117,143
Other revenue		582,023
In-kind		-
Allocated corporate unrestricted revenue		3
Total revenue		699,169

EXPENSES

Payroll		387,669
Payroll taxes		41,380
Fringe benefits		79,138
Workers comp. insurance		813
Retirement benefits		13,898
Consultant and contractual		14,982
Travel and transportation		4,807
Conference and meetings		228
Occupancy		45,763
Advertising		78
Supplies		20,372
Equip. rentals and maintenance		3,027
Insurance		380
Telephone		14,578
Postage		13,088
Printing and publications		-
Subscriptions		27
Interest		-
Depreciation		-
Assistance to clients		-
Other direct expense		323
Miscellaneous		243
In-kind		-
Administrative costs		58,375
Total expenses		699,169

Excess of expenses over revenue	\$	-
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See independent accountant's compilation report.

GALE F. HENNESSY

EXPERIENCE

January 1976 - Present

CEO & Executive Director - Southern New Hampshire Services, Inc.

Community Action Agency for Hillsborough County, NH

Responsible for overall Agency administration, including fiscal, program development and implementation, evaluation, grants development, public relations coordination, liaison with community groups, public and private agencies as well as interaction with advisory committees and the Board of Directors.

State, Regional and National Activities:

President – NH Community Action Association – 1981 - Present

Representative of the State of New Hampshire on the Executive Committee of the New England Community Action Association – 1976 - Present

Representative of the New England Community Action Association to the Board of Directors of the National Community Action Partnership -- 1978 - Present

Chairman of the New England Community Action Association Conference Committee – 1975 - 1988

Member - Board of Directors, CAPLAW -- 1994 - Present

January 1968 - 1976

Deputy Director - Southern New Hampshire Services, Inc.

Responsible for overall Agency administration, including fiscal, program development and implementation, evaluation, grants development, public relations coordination, liaison with community groups, public and private agencies as well as interaction with advisory committees and the Board of Directors.

March 1967 - 1968

Operation HELP Director

Responsible for operating the largest self-help, information referral and direct service program funded by OEO in Hillsborough County, Operation HELP including staff direction, program implementation and development, grants development, and coordination of Board of Directors as well as evaluation of the needs of the poor of Hillsborough County.

- 1967 **Acting Director Operation HELP**
Responsible for implementation of the first OEO funded local initiative program in Hillsborough County, Operation HELP. Participated in the concept, design and implementation of this first anti-poverty activity. Established the first outreach office in Milford, followed by a second office in Nashua. Participated in the recruitment, selection and training of the original Operation HELP staff. Supervised the staff in contacting of local officials, OEO outreach activities as well as establishing mini-offices in the twenty-nine towns of Hillsborough County.
- 1964 - 1965 **Assistant Principal, Wilton High School**
Responsible for the administration of a medium size New Hampshire high school including scheduling, curriculum development, audio-visual program development, and overall educational administration.
- 1962 -1966 **Chairman, Social Studies Department, Wilton High School**
Responsible for the overall supervision of the Social Studies Department including curriculum design and implementation of modern educational techniques, staff coordination and evaluation of the entire social studies department.
- Teacher-Coach, Wilton High School**
Responsible for developing social studies curriculum grades 8 - 12 as well as implementation of modern educational techniques. Served as coach for baseball and basketball teams as well as coordination and scheduling of those and other athletic events.
- 1961-1962 **Teacher and Assistant Principal, Cornish School**
Responsible for school administration, recreation and athletic programs, discipline throughout the educational complex, class scheduling and supervision of staff members. Worked with staff and local school board on updating curriculum, evaluation and assessing current staff.

EDUCATION

Graduated Peterborough, NH High School 1956
BA Degree in Government, University of New Hampshire 1961
Graduate Work: University of New Hampshire and Keene State College
Certified Community Action Professional – Community Action Partnership 1993

AFFILIATIONS

New England Community Action Association - Member, Board of Directors
Community Action Partnership – Member, Board of Directors
New Hampshire Community Action Association - President
CAPLAW, Inc. - Member, Board of Directors

MICHAEL O'SHEA

EXPERIENCE

- 1976 - Present **Southern New Hampshire Services, Inc.**
Community Action Agency for Hillsborough County, N H
Fiscal Officer / Deputy Director
Responsible for overseeing all organization fiscal operations, including general ledgers, budget preparation, purchasing, insuring fiscal accountability, monitoring cash management systems, contracting independent annual audits, and insuring acceptable accounting standards and procedures. Responsible for maintaining fiscal and accounting practices in accordance with funding source requirements and policies of the SNHS Board of Directors.
- 1973 - 1976 **Accountant**
Assistant to comptroller in all agency accounting functions. Programs included: CETA - Department of Labor; Elderly Nutrition - State Council on Aging; Head Start - Dept. of Health, Education and Welfare; Administration, Office of Economic Opportunity; and various other Federal and State grants.

Major responsibilities included reporting to management as well as the various Government agencies on all fiscal affairs. Duties included monthly financial reports, budgets, general ledger, accounts payable, receivable, and payroll.
- 1973 - 1974 **Social Worker**
Helped with running of food co-op. Distributed surplus foods. Certified needy people for fuel loans. Placed high scholars in jobs through Rent-A-Kid.
- 1969 - 1973 **Jordan Marsh, Portland, Maine**
Shuttle driver responsible for passengers and mail from Portland to Boston and return. Stock boy.

EDUCATION

- 1972 - 1974 New Hampshire College, Manchester, NH
B.S. Accounting. Major courses in Accounting and Math.
- 1970 - 1972 Andover Institute of Business, Portland, Maine
A. S. Accounting. Major courses in Accounting and Math.

DEBORAH A GOSSELIN

EXPERIENCE

Southern New Hampshire Services, Inc.,
(1979 – Present)
Manchester, NH

Chief Operating Officer (1997 – Present)

- Coordinate the operations of more than two dozen current programs and implement new programs, all providing services for economically disadvantaged population
- The diverse component programs which require an integrating factor for effective management, targeting of resources and fiscal responsibility to the agency, to each other and to the general community
- Work with developmental staff to start-up, integrate with other component program through initial orientation of new Program Directors
- Facilitate meetings
- Develop partnerships with community agencies who can lend support
- Serve as resource person for development and implementation of management skills, techniques and trainings.

Head Start/Child Development Director (1994 – 1997)

- Administered federally funded Head Start Program
- Duties included Grant writing, program planning implementation, evaluation responsible for development and coordination of the major components of the Head Start program; education, health, mental health, social services, parent involvement, nutrition, disabilities and transportation.

Family Services Director (1982 – 1994)

- Administered several federally funded energy programs
- Duties included program planning, implementation, evaluation
- Designed programs with private sector which included: Neighbor Helping Neighbor, Residential Low Income Conservation and Residential Space Heating Programs
- Developed strong relationships with community organizations and funding sources
- Served as the state chairperson of New Hampshire's Fuel Assistance Directors Association
- Acted as liaison between Community Action Agencies and the Governor's Office of Energy and Planning
- Also provided supervision and training to program coordinator, oversaw the budget, approved final selection of staff for Accompanied Transportation and Parent Aide Programs.

Field Coordinator (1980 – 1983)

- Assisted the Director of the Fuel Assistance Program
- Trained, supervised and evaluated staff
- Implemented program outreach activities
- Wrote public service announcements and press releases.

Community Liaison (1979 – 1983)

- Established social service network through Hillsborough County
- Informed the general public about agency services and program criteria
- Started Citizen's Advisory Council.

Head Start Lead Teacher/Family Coordinator **(1977 – 1979)**

Nashua and Manchester, NH

- Responsible for classroom management of pre-school children and daily planning geared towards individual needs
- Conducted parenting skills workshops and home visits
- Developed a Parent Advisory Council and coordinator of the Curriculum Committee.

EDUCATION & TRAINING

- Bachelor of Science, Early Childhood Education – Cum Laude
University of New Hampshire, Durham, NH
- Southern New Hampshire University Graduate School of Business
Non-Profit Management for Community Development Organizations
- Head Start Program In-Service Training
Rivier College, Nashua, NH
Perspectives of Parenting and Multi-culturalism
- NH Office of Alcohol and Drug Prevention
Life Balance and Stress Solutions
National Business Women's Leadership Association
National Seminars Group, Rockhurst College
- UNH Continuing Education, Nashua, NH
Whole Language in the Early Years (K-3)
- Notre Dame College, Manchester, NH
Diagnostic and Remedial Reading
- NH Office of Alcohol and Drug Prevention
Parenting Conference

COMMUNITY INVOLVEMENT / RECOGNITIONS

- CCAP, Certified Community Action Professional
- Governor's Task Force to Study Temporary Assistance to Needy (TANF) HB1461
Served as Sub-committee – Transportation, Chairperson
- NH Works Operator Consortium Committee, Member
- New Hampshire Employment Program, Oversight Team Member
- Seniors Count Coordinating Committee, Member
- Greater Manchester Association of Social Agencies (GMASA), Executive Committee Member
- James B. Sullivan Services Leadership Award

COMMUNITY INVOLVEMENT PAST

- Seniors Count Home Maintenance Committee
- Manchester Community Resource Center, Board of Directors
- Kiwanis International

CHRISTINE A. BEAUVAIS

SUMMARY

A creative, competent program manager and career and organization development professional with extensive experience in both private and public sector environments. Proficient in designing, implementing and managing programs and training interventions, consulting with individuals and organizations, and providing career development services.

Committed to teamwork, collaboration, and valuing differences.

WORK EXPERIENCE AND ACCOMPLISHMENTS

2003 - Present Southern New Hampshire Services, Inc., Manchester, NH

Workforce Development Operations Administrator

- Manage the complex implementation and oversight of the NH Community Action Association (NHCAA) WIA Program in a highly coordinated interagency environment; proficient in workforce development program operations, WIA laws and regulations, case management, customer service, continuous improvement principles, and management reporting and planning consistent with the goals and objectives set forth by the Office of Workforce Opportunity.
- Provide direct supervision to all SNHS WIA funded staff; exercise oversight of the day-to-day activities of the Workforce Development Coordinators; develop, plan and direct ongoing staff training and development.
- Manage annual \$3-4 million statewide budget including funds for WIA Adult, Dislocated Worker and Special Projects; manage \$3 million statewide budget from ARRA funds; contract with and provide ongoing technical assistance to the other five NH Community Action Agencies whose staff provide direct services to customers.
- Design and implement National Emergency Grants and Special Projects for large company closures such as Jac Pac Foods, Wausau Papers and Ethan Allen; provide ongoing oversight including establishment of Worker Assistance Centers, budget development and management, staffing and training, and required reporting.
- Plan, organize and administer policies and procedures for the WIA Program; ensure administrative and operational goals, objectives and performance measures are met; increase productivity; maximize return on investment..
- Manage, monitor the WIA service delivery system consistent with established goals and performance standards; implement continuous improvement recommendations and/or corrective action plans to improve system performance.
- Collaborate and regularly consult with staff, NH Works partner agencies and businesses to discuss and resolve issues and coordinate activities to improve service delivery to customers to maximize customer satisfaction.

1992 - 2003 Commonwealth Corporation, Boston, MA

Program Manager, National Reserve Account (NRA)/National Emergency Grants (NEG) – Operations

- Wrote, submitted and provided program management and operational oversight for \$38 million in U.S. Department of Labor NRA/NEG Grants for dislocated workers including proposal development and submission, project design and implementation, and assurance of program effectiveness and integrity.
- Delivered ongoing project specific and statewide technical assistance including facilitation of multi-operator project coordination meetings and advisory boards, policy development, and design and delivery of statewide staff development training. Represented Massachusetts on the USDOL NEG National Workgroup.
- Collaborated and communicated on project design, implementation and oversight with stakeholders/partners including USDOL/ETA, Workforce Investment Boards, Lead Elected Officials, project operators and political entities.
- Functioned as Fund/Budget Manager for NRA grants; supervised NRA staff; managed a cross-functional team to facilitate and foster communication and ensure high quality program management.
- Wrote and managed \$16 million in NRA/NEG grants to train and reemploy dislocated fishermen; facilitated a statewide management team to develop policies, unique program design, and synergistic solutions.
- Managed and oversee the Gloucester Fishermen Center including direct management of a \$1.2 million annual budget, direct supervision and staff development, design and implementation of unique, individualized re-employment strategies for customers, and assurance of federal regulatory compliance.
- Participated in annual planning process for JTPA/WIA formula funds including plan review and response.

Program Manager, Special Projects – Operations/Entrepreneurial Group

- Provided program management, design, and oversight to Extended Care Career Ladder Initiative program; developed RFP, conducted bidders' conferences; provided technical assistance and statewide training to project operators.
- Co-designed and provided program management and oversight to training programs in fields including Computer Software, Biotechnology, Adult Basic Education, ESOL and CNC Machining.
- Provided program management, consultation and oversight to JTPA funded and operated Entrepreneurial Training Programs; prepared and issued RFPs; designed and implemented program evaluation process.
- Developed and implemented systems and methods for sharing best practices among program operators; collaborated with project staff to design and implement new initiatives and investigate funding sources.
- Designed and facilitated a field-based statewide Quality Improvement Steering Committee to meet corporate and federal objectives for continuous quality improvement of service delivery to customers.

Training Program Manager – Training and Education Department (TRED)

- Designed and implemented unique, non-traditional training programs for dislocated workers; managed RFP process to fund innovative programs; collaborated with training vendors and industry councils.
- Developed and evaluated training program curriculum; designed and delivered over 20 different workshops for dislocated workers including Team Building, Communication Skills, and the Myers-Briggs Type Indicator; performed individual assessment, career consulting, job development and job clubs for customers.
- Facilitated project teams to create synergy and excellence in program direction and operation.
- Developed SCANS curriculum for unique demonstration training programs for dislocated workers; consulted with staff to integrate ABE, SCANS and Occupational Training to ensure program quality.

Springfield College, School of Human Services, Manchester, NH**1991 - 2003 Adjunct Faculty Member**

- Designed and delivered core undergraduate course: Personal Growth and Development.

1990 – Present Christine Beauvais Consulting, Litchfield, NH

- Designed and delivered training including Team Building, Myers-Briggs, and Career Development
- Provided career development and consulting services; facilitated job search groups for the unemployed.

Digital Equipment Corporation, Maynard, MA**1987 - 1990 Human Resources/Transition Manager**

- Co-developed Inplacement Career Centers for redeployed employees; provided transition management training and consultation to senior management; created a temporary job/skills matching process.
- Co-developed Transition Management Forum to facilitate worker reemployment; facilitated placement and eliminated hiring barriers through participation in Career Development Sourcing Consortium.
- Managed over fifty redeployed employees in transition including performance management, salary planning and employee relations; delivered career planning, placement services and workshops.
- Designed and implemented FOCUS, an innovative, self-managing work/support group which was successful in empowering and motivating transition clients in their career change and job search.
- Provided consultation, curriculum design and training to clients in the area of Valuing Differences.

1984 - 1987 Senior Project Specialist**1981 - 1984 Senior Business Systems Analyst****1976 - 1981 Senior Order Administration Specialist/Credit Manager****EDUCATION****M.B.A. cum laude; concentration in Organization Development. Rivier College, Nashua, NH 1991****Organization Development Track Certificate, National Training Labs (NTL Institute), Alexandria, VA 1991
Myers-Briggs Type Indicator Qualification. Otto Kroeger Associates, Fairfax, VA 1989****B.A. English; President of English Honor Society. Glassboro State College, Glassboro, NJ 1971**