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CHRISTOPHER T. SUNUNU
GOVERNOR

STATE OF NEW HAMPSHIRE
OFFICE OF STRATEGIC INITIATIVES
107 Pleasant Street, Johnson Hall
Concord, NH 03301-3834
Telephone: (603) 271-2155
Fax: (603) 271-2615

DIVISION OF PLANNING
DIVISION OF ENERGY
www.nh.gov/osi

March 8, 2021

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

REQUESTED ACTION

Authorize the Office of Strategic Initiatives (OSI) to amend the **SOLE SOURCE** Contract Agreement (Contract # 1076440) with Southwestern Community Services, Inc., (VC #177511), Keene, NH, by increasing the contract amount by $1,218,800.00 from $3,221,041.00 to $4,439,841.00 for the Fuel Assistance Program (FAP), effective upon approval of Governor and Executive Council, through September 30, 2021. This contract was originally approved by Governor and Executive Council on September 23, 2020, Item #46. 100% Federal Funds.

Office of Strategic Initiatives, Fuel Assistance	FY 2021
01-02-02-024010-77050000	
074-500587 Grants for Pub Assist & Relief	1,218,800.00

EXPLANATION

This contract amendment is **SOLE SOURCE** based on the historical performance of the Community Action Agencies (CAAs) with the New Hampshire Fuel Assistance Program.

The additional amount requested in this contract amendment represents (the CAAs) share of Federal LIHEAP funding expected for PY 2021. This OSI contract amendment will provide the Community Action Agency with program funds to support eligible New Hampshire residents, especially the working poor, elderly and disabled citizens who are in need of assistance to help pay for heating costs this winter season.

The Fuel Assistance Program (FAP) is a federally funded statewide program that makes home energy more affordable for income-qualified families, disabled and elderly residents of New Hampshire. Program funds are targeted to low income households with high energy burdens. Federal law establishes maximum income guidelines. OSI subcontracts to the five CAAs who are responsible for providing FAP services at the local level.

In the event Federal Funds are not available, General Funds will not be requested to support this program.

Respectfully submitted,

Jared Chicoine
Director

JC/adc

G&C 3/24/2021

OFFICE OF STRATEGIC INITIATIVES

SUBJECT: FUEL ASSISTANCE CONTRACT
SOUTHWESTERN COMMUNITY SERVICES, INC.

AMENDMENT

This Amendment dated February 12, 2021 is between the State of New Hampshire, Office of Strategic Initiatives, 107 Pleasant Street, Concord, Merrimack County, NH 03301 (hereinafter referred to as the "State") and Southwestern Community Services, Inc., 63 Community Way, P.O. Box 603, Keene, Cheshire County, NH 03431 (hereinafter referred to as the "Contractor").

Pursuant to an Agreement (hereinafter referred to as the "Agreement"), Contract Number 1076440, as approved by Governor and Council on September 23, 2020 (Item #46), the Contractor has agreed to provide certain Services, per the terms and conditions specified in the Agreement and in consideration of payment by the State of certain sums as specified therein.

WHEREAS, pursuant to the provisions of Section 17 of the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties thereto and only after approval of such modification or amendment by the Governor and Council; and

WHEREAS, The State and the Contractor have agreed to amend the Agreement in certain respects;

NOW THEREFORE, in consideration of the foregoing and of the covenants and conditions in the Agreement as set forth herein, the parties agree to the following:

1. **Amendment and Modification of Agreement**. The Agreement is amended and modified as follows:

   A) Price Limitation: Amend Subparagraph 1.8 of the Agreement by striking the current sum of $3,221,041.00 and inserting in place thereof the total sum of $4,439,841.00.

   B) Exhibit C – Payment Terms: Amend Exhibit C, first paragraph by striking the current sum of $3,221,041.00 and inserting in place thereof the total sum of $4,439,841.00.

   Amend Exhibit C, second paragraph by striking the current sum of $262,350.00 and inserting $267,150.00 for administrative costs.

   Amend Exhibit C, second paragraph by striking the current sum of $2,784,650.00 and inserting $3,998,650.00 for program costs.

2. **Continuance of Agreement**. Except as specifically amended and modified by the Terms and Conditions of this Amendment, obligations of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth in the Agreement as it existed immediately prior to this Amendment.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE
Office of Strategic Initiatives

By: _____
Jared Chicoine, Director

Southwestern Community Services, Inc.

By: _____
John A. Manning, Chief Executive Officer

State of NH
County of Cheshire

On this 16 day of February, 2021, before me, Margaret Freeman, the undersigned officer, personally appeared John A Manning, who acknowledged himself/herself to be the CEO of Southwestern Community Services, Inc., a corporation, and that he/she being authorized so to do, executed the foregoing instrument for the purposes contained therein.

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

_____
Notary Public/Justice of the Peace
My Commission expires: 12-6-2022

MARGARET D. FREEMAN
MY COMMISSION EXPIRES DEC. 6, 2022
NOTARY
NEW HA

Approved as to form, execution and substance:

OFFICE OF THE ATTORNEY GENERAL

By: _____
Assistant Attorney General

Date: 3/8/2021

I hereby certify that the foregoing contract was approved by the Governor and Council of the State of New Hampshire at their meeting on _____, 2021.

OFFICE OF THE SECRETARY OF STATE

By: _____

Title: _____

State of New Hampshire

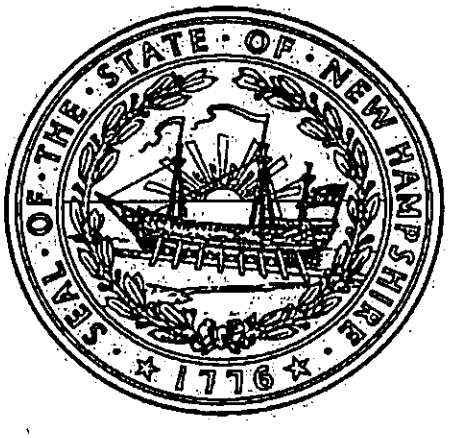
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **65514**

Certificate Number: **0005232985**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 21st day of January A.D. 2021.

William M. Gardner

Secretary of State

CERTIFICATE OF AUTHORITY

I, Kevin Watterson, Clerk/Secretary of Southwestern Community 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 2/8/2016 such authority
(Date)

to be in force and effect until September 30, 2021.
(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:

John A. Manning	CEO
(Name)	(Position)
(Name)	(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.

(6) I hereby understand that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this

16 day of February, 2021.

Kevin Watterson
Clerk/Secretary

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 9/8/2020

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

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

PRODUCER
Clark - Mortenson Insurance
P.O. Box 606
Keene NH 03431

CONTACT NAME:
PHONE (A/C, No, Ext): 603-352-2121 **FAX (A/C, No):** 603-357-8491
E-MAIL ADDRESS: csr24admin@clark-mortenson.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Philadelphia Insurance Company	
INSURER B : Maine Employer Mutual Insurance Co.	
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED SOUTHWESTERNCOM
Southwestern Community Services Inc
PO Box 603
Keene NH 03431

COVERAGES **CERTIFICATE NUMBER:** 1286629394 **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	X COMMERCIAL GENERAL LIABILITY			PHPK2147853	6/30/2020	6/30/2021	EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE [X] OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						MED EXP (Any one person)	$ 5,000
	POLICY [ ] PRO-JECT [ ] LOC						PERSONAL & ADV INJURY	$ 1,000,000
	OTHER:						GENERAL AGGREGATE	$ 2,000,000
							PRODUCTS - COMP/OP AGG	$ 2,000,000
								$
A	AUTOMOBILE LIABILITY			PHPK2147851	6/30/2020	6/30/2021	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	ALL OWNED AUTOS / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS / X NON-OWNED AUTOS						PROPERTY DAMAGE (Per accident)	$
								$
A	X UMBRELLA LIAB / X OCCUR			PHUB727327	6/30/2020	6/30/2021	EACH OCCURRENCE	$ 2,000,000
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$ 2,000,000
	DED X RETENTION $ 10,000							$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N			3102800768	4/1/2020	4/1/2021	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [N] N/A (Mandatory in NH)						E.L. EACH ACCIDENT	$ 500,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 500,000
							E.L. DISEASE - POLICY LIMIT	$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Workers Compensation laws apply for the state of: NH
All Officers are included

CERTIFICATE HOLDER

State of New Hampshire
Office of Strategic Initiatives
Johnson Hall
107 Pleasant Street
Concord NH 03301-8501

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

CHRISTOPHER T. SUNUNU
GOVERNOR

STATE OF NEW HAMPSHIRE
OFFICE OF STRATEGIC INITIATIVES
107 Pleasant Street, Johnson Hall
Concord, NH 03301-3834
Telephone: (603) 271-2155
Fax: (603) 271-2615

DIVISION OF PLANNING
DIVISION OF ENERGY
www.nh.gov/osi

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September 9, 2020

APPROVED BY GOVERNOR
& COUNCIL ON: 09/23/2020
AGENDA ITEM: #46
PO#1076440

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

REQUESTED ACTION

1) Authorize the Office of Strategic Initiatives (OSI) to enter into a SOLE SOURCE contract with Southwestern Community Services, Inc., (VC #177511), Keene, NH, in the amount of $3,221,041.00 for the Fuel Assistance Program effective October 1, 2020 through September 30, 2021, upon approval of Governor and Executive Council. 100% Federal Funds.

Funds to support this request are anticipated to be available in the following account in FY 2021 upon the availability and continued appropriation of funds in the future operating budget.

Office of Strategic Initiatives, Fuel Assistance	FY 2021
01-02-02-024010-77050000	
074-500587 Grants for Pub Assist & Relief	$3,221,041.00

2) Further request authorization to advance Southwestern Community Services, Inc. $311,259.00 from the above-referenced contract amount.

EXPLANATION

This contract is SOLE SOURCE based on the historical performance of the Community Action Agencies (CAA) in the New Hampshire Fuel Assistance Program (FAP), their outreach and client service capabilities, the synergies that benefit the FAP as a result of the five statewide CAAs' implementation of several other federal assistance programs, and the infrastructure that is already in place to deliver FAP services. OSI proposes to continue to subcontract with the five CAAs who have successfully provided FAP services at the local level for more than three decades. The CAAs work closely with the OSI FAP Administrator in the implementation of the program.

FAP is a statewide program, funded by a Federal Low Income Home Energy Assistance Program (LIHEAP) Block Grant, and works to make home energy more affordable for income-qualified New Hampshire families, including those who are elderly or disabled. Program funds are targeted to low income households with high energy burdens. The current maximum income level is 60% of the State Median Income (SMI), which is $69,686.00 for a family of four. The average FAP benefit during the last program year was $890.00.

The LIHEAP program operates on an October 1, 2020 to September 30, 2021 program year, but at this time Congress has not finalized appropriations for the Federal fiscal year 2021. Therefore, the contract amount for

each of the Community Action Agencies is based upon OSI's best estimate of anticipated federal funding, including carryover funds from the prior program year. No funds will be obligated under this contract unless federal monies are available to be expended. The proposed advance of funds will enable the CAAs to operate the program between monthly reimbursements from the State.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Jared Chicoine
Director

JC/EPS

Enclosures

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

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name Office of Strategic Initiatives		1.2 State Agency Address 107 Pleasant Street, Johnson Hall Concord, New Hampshire 03301	
1.3 Contractor Name Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way, PO Box 603, Keene, NH 03431	
1.5 Contractor Phone Number (603) 352-7152	1.6 Account Number 01-02-02-024010-77050000-074-500587 02E21A	1.7 Completion Date September 30, 2021	1.8 Price Limitation $3,221,041.00
1.9 Contracting Officer for State Agency Eileen Smiglowski, Fuel Assistance Program Administrator		1.10 State Agency Telephone Number (603) 271-2155	
1.11 Contractor Signature John A Manning Date: 9/9/20		1.12 Name and Title of Contractor Signatory John Manning, CEO	
1.13 State Agency Signature Jared Date: 9/9/2020		1.14 Name and Title of State Agency Signatory Jared Chicoine, Director	
1.15 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)* By: Director, On:			
1.16 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)* By: On: 9/11/2020			
1.17 Approval by the Governor and Executive Council *(if applicable)* G&C Item number: DEPUTY SECRETARY OF STATE SEP 23 2020			

Contractor Initials JM
Date 9/9/20

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.17, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.13 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3. The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.
7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials GM
Date 9/9/20

8. EVENT OF DEFAULT/REMEDIES.
8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):
8.1.1 failure to perform the Services satisfactorily or on schedule;
8.1.2 failure to submit any report required hereunder; and/or
8.1.3 failure to perform any other covenant, term or condition of this Agreement.
8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.
8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.
9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.
9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's discretion, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.
10.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.
10.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.
10.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.
12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.
12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

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

Contractor Initials JM
Date 9/9/20

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

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials JM
Date 9/8/20

EXHIBIT A

SPECIAL PROVISIONS

1. Subparagraph 1.16 of the General Provisions, shall not apply to this agreement.

2. On or before the date set forth in Block 1.7 of the General Provisions, the Contractor shall deliver to the State an independent audit of the Contractor's entire agency by a qualified independent auditor in good standing with the state and federal government.

3. This audit shall be conducted in accordance with the audit requirements of Office of Management and Budget (OMB) Circular 2 CFR 200, Subpart F- Audit Requirements. The Fuel Assistance Program shall be considered a "major program" for purposes of this audit.

4. This audit report shall include a schedule of revenues and expenditures by contract or grant number of all expenditures during the Contractor's fiscal year. The Contractor shall utilize a competitive bidding process to choose a qualified financial auditor at least every four years.

5. The audit report shall include a schedule of prior years' questioned costs along with an Agency response to the current status of the prior years' questioned costs. Copies of all OMB letters written as a result of audits shall be forwarded to OSI. The audit shall be forwarded to OSI within one month of the time of receipt by the Agency, accompanied by an action plan for each finding or questioned cost.

6. Delete the following from paragraph 10 of the General Provisions: "The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in Exhibit A."

7. The costs charged under this contract shall be determined as allowable under the cost principles detailed in 2 CFR 200 Subpart E – Cost Principles.

8. Program and financial records pertaining to this contract shall be retained by the Agency for 3 (three) years from the date of submission of the final expenditure report per 2 CFR 200.333 – Retention Requirements for Records and until all audit findings have been resolved.

9. In accordance with Public Law 103-333, the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995", the following provisions are applicable to this grant award:

   a) Section 507: "Purchase of American –Made Equipment and Products - It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made."

   b) Section 508: "When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, all states receiving federal funds, including but not limited to state and local governments and recipients of federal research grants, shall clearly state

(1) the percentage of the total costs of the program or project which will be financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources."

10. CLOSE OUT OF CONTRACT. All final required reports and reimbursement requests shall be submitted to the State within thirty (30) days of the completion date (Agreement Block 1.7).

11. ADVANCES. Advance funds must be used solely for appropriate Fuel Assistance Program expenditures. Advance program funds are to be used only for Fuel Assistance Program vendor payments. All Fuel Assistance Program payments, including Advance program payments, must be transferred from the Community Action Agency's general operating account into a specific Fuel Assistance Program account within 48 hours after being received electronically from the State. CAAs must submit the bank account number of the designated bank account for the advance funds to OSI prior to the electronic submission of the funds to the CAA. Unspent Advance program funds must remain in the FAP dedicated account at all times and cannot be comingled with any other CAA funds. CAAs are required to submit a complete electronic copy of the FAP-dedicated bank account statement to OSI on a monthly basis.

EXHIBIT B

SCOPE OF SERVICES

The Contractor agrees to provide Fuel Assistance Program services to qualified low income individuals, and agrees to perform all such services and other work necessary to operate the Program in accordance with the requirements of this contract, the principles and objectives set forth in the Fuel Assistance Program Procedures Manual, Information Memoranda, and other guidance as determined by OSI.

Fuel Assistance Program (FAP) services will be defined to include the following categories:

1. Outreach, eligibility, determination and certification of FAP applicants.

2. Payments directly to energy vendors:
   a. Reimbursement for goods and services delivered
   b. Lines of credit
   c. Budget plan payments

3. Payments directly to landlords via vouchers for renters who pay their energy costs as undefined portions of their rent.

4. Payments directly to clients only when deemed appropriate and necessary as defined in the Fuel Assistance Procedures Manual.

5. Emergency Assistance in the form of reimbursements for goods or services delivered in accordance with paragraphs 3 and 4 above.

EXHIBIT C

PAYMENT TERMS

In consideration of the satisfactory performance of the services as determined by the State, the State agrees to pay over to the Contractor the sum of $3,221,041.00 (which hereinafter is referred to as the "Grant").

Upon the State's receipt of the 2021 Low Income Home Energy Assistance Program grant from the US Department of Health and Human Services, the following funds will be authorized:

$262,350.00 for administration costs, of which $32,794.00 will be issued as a cash advance;
$2,784,650.00 for program costs, of which $278,465.00 will be issued as a cash advance;
$174,041.00 for Assurance 16.

The dates for this contract are October 1, 2020 through September 30, 2021.

Approval to obligate (Exhibit I) the above-awarded funds will be provided in writing by the Office of Strategic Initiatives to the Contractor as the Federal funds become available. Drawdowns from the balance of funds will be made to the Contractor only after written documentation of cash need is submitted to the State. Disbursement of the Grant shall be in accordance with procedures established by the State as detailed in the Fuel Assistance Program Procedures Manual.

CFDA Title:	Low Income Home Energy Assistance Program
CFDA No:	93.568
Award Name:	Low Income Home Energy Assistance Program
Federal Agency:	Health & Human Services, Administration for Children and Families Office of Community Services

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT D

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:

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS US DEPARTMENT OF EDUCATION - CONTRACTORS US DEPARTMENT OF AGRICULTURE – CONTRACTORS US DEPARTMENT OF LABOR US DEPARTMENT OF ENERGY

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

Director, New Hampshire Office of Strategic Initiatives,
107 Pleasant Street, Johnson Hall, Concord, NH 03301

(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 of 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

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS, cont'd

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE – CONTRACTORS
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY

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

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

Southwestern Community Services, Inc. — Contractor Name

October 1, 2020 to September 30, 2021 — Period covered by this Certification

John A. Manning, Chief Executive Officer
Name and Title of Authorized Contractor Representative

J.A Manning — Contractor Representative Signature

9/9/2020 — Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT E

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:

CERTIFICATION REGARDING LOBBYING

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE – CONTRACTORS
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY

Programs (indicate applicable program covered):
LIHEAP

Contract Period: October 1, 2020 to September 30, 2021

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

(1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, attached and identified as Standard Exhibit E-1.

(3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients 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	Chief Executive Officer Contractor's Representative Title
John A. Manning Contractor Name	9/9/2020 Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT F

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:

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

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 Office of Strategic Initiatives' 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 OSI 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, OSI may terminate this transaction for cause or default.

(4) The prospective primary participant shall provide immediate written notice to the OSI agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(5) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

(6) The prospective primary participant agrees by submitting this proposal (contract) that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by OSI.

(7) The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by OSI, 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, OSI may terminate this transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS, cont'd

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - 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 for 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 (federal, state or local) transactions 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).

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions
(To Be Supplied to Lower Tier Participants)

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.

JA Manning — Chief Executive Officer

Contractor Representative Signature — Contractor's Representative Title

John A. Manning — 9/9/2020

Contractor Name — Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT G

CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE

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:

By signing and submitting this proposal (contract), the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Contractor Representative Signature	Chief Executive Officer Contractor's Representative Title
John A. Manning Contractor Name	9/9/2020 Date

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT H

CERTIFICATION
Public Law 103-227, Part C
ENVIRONMENTAL TOBACCO SMOKE

In accordance with Part C of Public Law 103-227, the "Pro-Children Act of 1994", smoking may not be permitted in any portion of any indoor facility owned or regularly used for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments. Federal programs include grants, cooperative agreements, loans and loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

The above language must be included in any subawards that contain provisions for children's services and that all sub-grantees shall certify compliance accordingly. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to $1,000 per day.

Contractor Representative Signature	Chief Executive Officer Contractor's Representative Title
John A. Manning Contractor Name	9/9/2020 Date

EXAMPLE ONLY
APPROVAL TO OBLIGATE
FUEL ASSISTANCE PROGRAM

STATE

First 7/1/2019 Wood and SEAS Only	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	538,220.00	5,646,370.00	4,582.60	357,200.00	6,546,372.60
EXPECTED BUDGET	0.00	0.00	0.00	0.00	0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	0.00	0.00	0.00	1,165,551.00
TOTAL AVAILABLE TO OBLIGATE	0.00	1,165,551.00	0.00	0.00	1,165,551.00
NOT AUTHORIZED TO OBLIGATE	538,220.00	4,480,819.00	4,582.60	357,200.00	5,380,821.60

BMCA

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	95,663.00	1,003,586.00	1,000.00	69,960.00	1,170,209.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
TOTAL AVAILABLE TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
NOT AUTHORIZED TO OBLIGATE	95,663.00	796,474.00	1,000.00	69,960.00	963,097.00

SNHS

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	163,777.00	1,718,152.00	1,000.00	84,220.00	1,967,149.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	354,578.00	0.00	0.00	354,578.00
TOTAL AVAILABLE TO OBLIGATE	0.00	354,578.00	0.00	0.00	354,578.00
NOT AUTHORIZED TO OBLIGATE	163,777.00	1,363,574.00	1,000.00	84,220.00	1,612,571.00

SCS

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	83,835.00	879,501.00	825.00	64,960.00	1,029,121.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	181,504.00	0.00	0.00	181,504.00
TOTAL AVAILABLE TO OBLIGATE	0.00	181,504.00	0.00	0.00	181,504.00
NOT AUTHORIZED TO OBLIGATE	83,835.00	697,997.00	825.00	64,960.00	847,617.00

CAPSC

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	54,676.00	573,593.00	757.60	55,110.00	684,136.60
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	118,373.00	0.00	0.00	118,373.00
TOTAL AVAILABLE TO OBLIGATE	0.00	118,373.00	0.00	0.00	118,373.00
NOT AUTHORIZED TO OBLIGATE	54,676.00	455,220.00	757.60	55,110.00	565,763.60

TCCA

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE 16	TOTAL
CONTRACTED BUDGET	140,269.00	1,471,538.00	1,000.00	82,950.00	1,695,757.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	303,984.00	0.00	0.00	303,984.00
TOTAL AVAILABLE TO OBLIGATE	0.00	303,984.00	0.00	0.00	303,984.00
NOT AUTHORIZED TO OBLIGATE	140,269.00	1,167,554.00	1,000.00	82,950.00	1,391,773.00

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT J

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

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

In accordance with 2 CFR Part 170 (*Reporting Subaward and Executive Compensation Information*), the New Hampshire Office of Strategic Initiatives must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1) Name of entity
2) Amount of award
3) Funding agency
4) NAICS code for contracts / CFDA program number for grants
5) Program source
6) Award title descriptive of the purpose of the funding action
7) Location of the entity
8) Principal 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 Subaward and Executive Compensation Information*), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the New Hampshire Office of Strategic Initiatives and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

J.L.A.M. (Contractor Representative Signature)	John A. Manning, Chief Executive Officer (Authorized Contractor Representative Name & Title)
Southwestern Community Services, Inc. (Contractor Name)	9/9/2020 (Date)

Contractor Initials JM
Date 9/9/2020

LIHEAP21 CFDA#93.568

NEW HAMPSHIRE OFFICE OF STRATEGIC INITIATIVES

STANDARD EXHIBIT J
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: 081 251 381

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

x NO _____ YES

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

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

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

_____ NO _____ YES

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

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

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

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Contractor Initials JM
Date 9/9/25

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHWESTERN COMMUNITY SERVICES, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 19, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 65514
Certificate Number: 0004894084

IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 16th day of April A.D. 2020.

William M. Gardner
Secretary of State

4/16/20

CERTIFICATE OF VOTES

(Corporate Authority)

I, Kevin Watterson, Chairperson of Southwestern Community 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/Officer 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 2/18/2016, such
(Date)

authority to be in force and effect until September 30, 2021.
(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:

John A. Manning	CEO
(Name)	(Position)
(Name)	(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/Officer of the corporation this 8 day of Sept, 20 20.

Kevin D. Watterson
Clerk/Secretary/Officer

STATE OF New Hampshire
COUNTY OF Cheshire

On this 8 day of September, 20 20, before me, Margaret Freeman the undersigned Officer, personally appeared Kevin Watterson who acknowledged her/himself to be the Board Chairperson of Southwestern Community Services Inc; a corporation and that she/he as such officer 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.

Margaret Freeman
Notary Public/~~Justice of the Peace~~
Commission Expiration Date: 12-6-2022

MARGARET D. FREEMAN
MY COMMISSION EXPIRES DEC. 6, 2022
NOTARY PUBLIC
NEW HAMPSHIRE

9/8/20

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 9/8/2020

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

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

PRODUCER
Clark - Mortenson Insurance
P.O. Box 606
Keene NH 03431

CONTACT NAME:
PHONE (A/C, No, Ext): 603-352-2121 FAX (A/C, No): 603-357-8491
E-MAIL ADDRESS: csr24admin@clark-mortenson.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Philadelphia Insurance Company	
INSURER B: Maine Employer Mutual Insurance Co.	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED SOUTHWESTERNCOM
Southwestern Community Services Inc
PO Box 603
Keene NH 03431

COVERAGES CERTIFICATE NUMBER: 1266629394 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	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY [ ] PRO-JECT [ ] LOC OTHER:			PHPK2147853	6/30/2020	6/30/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			PHPK2147851	6/30/2020	6/30/2021	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $ $
A	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 10,000			PHUB727327	6/30/2020	6/30/2021	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ 2,000,000 $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] N/A If yes, describe under DESCRIPTION OF OPERATIONS below			3102800758	4/1/2020	4/1/2021	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 500,000 $ 500,000 $ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Workers Compensation laws apply for the state of: NH
All Officers are included

CERTIFICATE HOLDER

State of New Hampshire
Office of Strategic Initiatives
Johnson Hall
107 Pleasant Street
Concord NH 03301-8501

CANCELLATION

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

AUTHORIZED REPRESENTATIVE

9/9/20

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

FOR THE YEARS ENDED
MAY 31, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

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Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2019.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

FOR THE YEARS ENDED
MAY 31, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORTS

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

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Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION
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STRATHAM

To the Board of Directors of
Southwestern Community Services, Inc.,
Keene, New Hampshire

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2019 and 2018, and the related consolidated statements of cash flows, functional expenses, and notes to the consolidated financial statements for the years then ended, and the related consolidated statement of activities for the year ended May 31, 2019.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 17, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2019, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

Leon, McDonald & Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2019 AND 2018

ASSETS

	2019	2018
CURRENT ASSETS		
Cash and cash equivalents	$ 882,187	$ 1,086,895
Accounts receivable	1,245,826	1,059,922
Prepaid expenses	51,722	35,019
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Total current assets	2,337,282	2,339,383
PROPERTY		
Land and buildings	19,188,791	14,438,178
Vehicles and equipment	554,976	549,305
Furniture and fixtures	220,291	39,617
Total property	19,964,058	15,027,100
Less accumulated depreciation	7,938,217	4,880,952
Property, net	12,025,841	10,146,148
OTHER ASSETS		
Investment in related parties	198,728	88,708
Due from related parties	59,102	188,523
Cash escrow and reserve funds	849,334	517,853
Security deposits	62,996	51,996
Other assets	384	384
Total other assets	1,170,544	847,462
Total assets	$ 15,533,667	$ 13,332,993

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$ 391,613	$ 124,085
Accrued expenses	119,620	206,178
Accrued payroll and payroll taxes	233,900	250,692
Other current liabilities	138,740	135,573
Refundable advances	160,994	193,931
Interest payable	49,547	-
Current portion of long term debt	227,221	216,438
Total current liabilities	1,341,635	1,126,897
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	9,086,445	8,273,983
Total liabilities	10,428,080	9,400,880
NET ASSETS		
Without donor restrictions	4,922,671	3,787,422
With donor restrictions	182,916	144,691
Total net assets	5,105,587	3,932,113
Total liabilities and net assets	$ 15,533,667	$ 13,332,993

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
REVENUES AND OTHER SUPPORT				
Government contracts	$ 10,672,702	$ -	$ 10,672,702	$ 11,055,093
Program service fees	2,485,405	-	2,485,405	1,868,188
Rental income	995,380	-	995,380	801,642
Developer fee income	-	-	-	50,000
Support	326,558	125,833	452,391	509,229
Sponsorship	70,893	-	70,893	105,286
Interest income	7,153	-	7,153	8,959
Forgiveness of debt	388,849	-	388,849	75,971
Miscellaneous	120,697	-	120,697	100,772
In-kind contributions	241,499	-	241,499	161,852
Total revenues and other support	15,309,136	125,833	15,434,969	14,736,992
NET ASSETS RELEASED FROM RESTRICTIONS	87,608	(87,608)	-	-
Total revenues, other support, and net assets released from restrictions	15,396,744	38,225	15,434,969	14,736,992
EXPENSES				
Program services				
Home energy programs	5,238,483	-	5,238,483	4,847,201
Education and nutrition	2,659,830	-	2,659,830	2,530,152
Homeless programs	1,994,872	-	1,994,872	2,172,388
Housing services	2,319,865	-	2,319,865	2,048,214
Economic development services	721,370	-	721,370	728,119
Other programs	894,986	-	894,986	945,391
Total program services	13,829,406	-	13,829,406	13,271,465
Supporting activities				
Management and general	1,880,406	-	1,880,406	1,749,700
Total expenses	15,709,812	-	15,709,812	15,021,165
CHANGES IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	(313,068)	38,225	(274,843)	(284,173)
LOSS ON SALE OF PROPERTY	(6,481)	-	(6,481)	(4,583)
GAIN (LOSS) ON INVESTMENT IN LIMITED PARTNERSHIPS	18,116	-	18,116	(188)
CHANGE IN NET ASSETS	(301,433)	38,225	(263,208)	(288,944)
NET ASSETS, BEGINNING OF YEAR	3,787,422	144,691	3,932,113	3,397,772
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIP	1,436,682	-	1,436,682	823,285
NET ASSETS, END OF YEAR	$ 4,922,671	$ 182,916	$ 5,105,587	$ 3,932,113

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (263,208)	$ (288,944)
Adjustments to reconcile changes in net assets to net cash from operating activities:		
Depreciation and amortization	560,115	467,929
Loss on sale of property	6,481	4,583
(Gain) loss on investment in limited partnerships	(18,116)	168
Forgiveness of debt	(388,849)	(75,971)
(Increase) decrease in assets:		
Accounts receivable	(185,904)	265,199
Prepaid expenses	5,509	(3,439)
Interest receivable	-	(4,480)
Due from related parties	44,240	66,149
Security deposits	5,151	(2,623)
Increase (decrease) in liabilities:		
Accounts payable	145,829	(53,220)
Accrued expenses	(106,905)	(38,883)
Accrued payroll and payroll taxes	(16,792)	9,857
Other current liabilities	3,187	(13,125)
Refundable advances	(12,937)	(44,414)
Interest payable	49,547	-
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(152,672)	288,626
CASH FLOWS FROM INVESTING ACTIVITIES		
(Increase) decrease in escrow funds	(33,568)	5,846
Proceeds from sale of property	215,000	-
Purchase of property	(139,717)	(142,791)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	41,715	(136,945)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	40,048	76,143
Repayment of long term debt	(160,029)	(112,612)
NET CASH USED IN FINANCING ACTIVITIES	(119,981)	(36,469)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(230,938)	115,212
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,086,895	947,176
CASH TRANSFERRED FROM LIMITED PARTNERSHIP	26,230	24,508
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 882,187	$ 1,086,895

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

	2019	2018
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ 203,408	$ 142,467
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Transfer of assets from newly consolidated LP:		
Prepaid expenses	$ (22,212)	$ (12,328)
Land and buildings	(2,373,335)	(894,504)
Furniture and fixtures	(168,237)	(98,338)
Cash escrow and reserve funds	(297,913)	(164,110)
Security deposits	(16,151)	(11,467)
Total transfer of assets from newly consolidated LP	$ (2,877,848)	$ (1,178,747)
Transfer of liabilities from newly consolidated LP:		
Accounts payable	$ 121,699	$ 10,810
Accrued expenses	20,347	11,199
Due to related parties	85,181	-
Long term debt	1,332,075	304,073
Total transfer of liabilities from newly consolidated LP	$ 1,559,302	$ 326,082
Total partners' capital from newly consolidated LP	$ 1,344,776	$ 877,173
Partners' capital previously recorded as investment in related parties	91,906	(53,888)
Total transfer of partners' capital from newly consolidated LP	$ 1,436,682	$ 823,285

See Notes to Consolidated Financial Statements

[illegible] COMMUNITY SERVICES, INC. AND AFFILIATE COMPANIES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2019

	Home Energy Programs	Education and Training	Homeless Programs	Housing Services	Community Development Services	Other Programs	Total Programs	Management and General	2019 Total
Payroll	$ 130,000	$ 1,234,000	$ 377,000	$ 775,000	$ 414,000	$ 430,000	$ (3,000,000)	$ 700,000	$ 1,411,000
Payroll taxes	33,000	97,000	29,000	60,000	33,000	34,000	(286,000)	65,000	340,000
Employee benefits	100,000	416,000	143,000	260,000	97,000	140,000	(1,240,000)	111,000	1,343,000
Retirement	30,000	70,000	15,000	61,000	27,000	18,000	234,000	71,000	705,000
Advertising	-	800	1,000	4,000	800	3,000	10,000	-	10,000
Bank charges	-	-	-	1,000	-	1	1,000	7,000	11,000
Bad debt expense	-	10	-	90	-	-	100	-	100
Computer and	-	24,000	1,000	3,000	11,000	700	40,000	100,000	140,000
Conference	600,000	20,000	200,000	30,000	3,000	100,000	1,000,000	30,000	1,000,000
Depreciation	-	30,000	100,000	200,000	-	14,000	137,000	147,000	600,000
Dues/publications	-	3,000	-	400	800	1,000	7,000	11,000	19,000
Fundraising	-	2,000	-	-	-	-	2,000	4,000	13,000
Insurance	3,000	14,000	23,000	30,000	14,000	7,000	(121,000)	30,000	140,000
Interest	-	7,000	3,000	21,000	-	1,000	30,000	104,000	265,000
Meeting and conference	5,000	800	2,000	6,000	800	12,000	43,000	24,000	80,000
Miscellaneous expense	100	1,000	600	24,000	3,000	2,000	43,000	10,000	65,000	
Miscellaneous loss	-	-	-	24,000	-	-	24,000	200	80,000
Equipment purchases	-	-	-	7,000	-	-	23,000	1,000	30,000
Office expense	24,000	3,000	8,000	11,000	6,000	600	84,000	11,000	30,000
Postage	67	200	100	83	200	-	700	24,000	30,000
Professional fees	1,000	-	1,000	30,000	-	-	41,000	90,000	130,000
Staff development and training	2,000	1,000	1,000	73	1,000	21,000	30,000	10,000	30,000
Subscriptions	-	-	-	600	200	-	1,000	300	1,000
Telephone	7,000	3,000	10,000	17,000	2,000	1,000	44,000	23,000	80,000
Travel	1,000	10,000	10,000	5,000	29,000	600	24,000	6,000	30,000
Vehicle	3,000	3,000	1,000	32,000	14,000	6,000	80,000	13,000	120,000
Rent	-	24,000	-	100	-	-	24,000	-	24,000
Space costs	-	150,000	100,000	170,000	1,000	300	(561,000)	100,000	1,117,000
Direct client expenses	3,000,000	200,000	600,000	10,000	20,000	31,000	(4,000,000)	-	1,000,000
In-kind expenses	-	111,000	-	-	-	-	111,000	-	111,000
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	5,000,000	2,000,000	1,000,000	2,000,000	700,000	900,000	13,000,000	1,000,000	18,000,000
Allocation of management and general expenses	700,000	300,000	200,000	300,000	90,000	120,000	1,000,000	(1,000,000)	-
TOTAL FUNCTIONAL EXPENSES	$ 5,000,000	$ 2,300,000	$ 1,200,000	$ 2,300,000	$ 800,000	$ 1,020,000	$ 14,000,000	$ -	$ 18,000,000

See Notes to Consolidated Financial Statements

[illegible]

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED MAY 31, 2016

	[illegible] Services	Education and Training	Immigration Services	Housing Services	Community Development Activities	Other Programs	Total Programs	Management and General	2016 Total
Payroll	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]
Payroll taxes	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Employee benefits	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Professional	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Advertising	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Bank charges	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Computer cost	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Contracted	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Depreciation	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Events/Hospitality	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fundraising	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Insurance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Interest	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Meeting and conference	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Membership dues	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Miscellaneous	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Retirement contribution	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Office expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Postage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Professional fees	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Staff development and training	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Subscriptions	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Telephone	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Travel	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Vehicle	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rent	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Grants made	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Client direct assistance	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
In-kind expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL FUNCTIONAL EXPENSES BEFORE ALLOCATION	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Allocation of management and general expenses	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL FUNCTIONAL EXPENSES	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]	$ [illegible]

See Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2019 AND 2018

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southwestern Community Services, Inc. (the Organization) is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support service and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts.

Principles of Consolidation

The consolidated financial statements include the accounts of Southwestern Community Services, Inc. and the following entities as Southwestern Community Services, Inc. has both an economic interest and control of the entities through a majority voting interest in their governing board. All significant intercompany items and transactions have been eliminated from the basic consolidated financial statements.

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Jaffrey Housing Associates, Limited Partnership (Jaffrey) – Sold 2/1/19
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester) Consolidation began 8/16/17
- Swanzey Township Housing Associates, Limited Partnership (Swanzey) Consolidation began 6/30/18
- Snow Brook Meadow Village Housing Associates, Limited Partnership (Snow Brook) Consolidation began 5/01/19

Basis of Accounting
The consolidated financial statements of Southwestern Community Services, Inc. and related companies have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

Basis of Presentation
The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

As of May 31, 2019 and 2018, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2018 from which the summarized information was derived.

Refundable Advances
The Organization records grant and contract revenue as refundable advances until it is expended for the purpose of the grant or contract, at which time it is recognized as revenue.

In-Kind Support
The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received.

Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all liquid investments purchased with original maturities of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2019 and 2018. The Organization has no policy for charging interest on overdue accounts.

Notes Receivable

The Organization has two notes receivable from an unrelated third party. The notes receivables are stated at the amount that is expected to be collected at year end. Interest is accrued at a rate of 4% annually. The balance of the notes receivable and related interest receivable was $112,000 and $45,547, respectively, at May 31, 2019 and 2018.

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2019 and 2018, approximately 68% and 75%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the organization is dependent upon continued support from the government.

Concentration of Credit Risk

The Organization maintains its cash accounts in several financial institutions, which at times may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

Property and Depreciation
Purchased property and equipment are stated at cost at the date of acquisition or at fair value at the date of receipt in the case of donated property. The Organization generally capitalizes and depreciates all assets with a cost greater than $5,000 and an expected life greater than one year. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Buildings and improvements	10 - 40 Years
Vehicles and equipment	5 - 10 Years
Furniture and fixtures	7 Years

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2019 and 2018 totaled $580,115 and $467,929, respectively.

Advertising
The Organization expenses advertising costs as incurred.

Revenue Recognition
Amounts received from conditional grants and contracts received for specific purposes are generally recognized as income to the extent that related expenses and conditions are incurred or met. Conditional grants received prior to the conditions being met are reported as refundable advances. Contributions of cash and other assets are reported as with donor restrictions if they are received with donor imposed stipulations that limit the use of the donated assets. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Income Taxes
Southwestern Community Services, Inc. and SCS Management Corporation are exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and are not private foundations. As such, they are exempt from income tax on their exempt function income.

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards totaling $1,012,604 and $915,425 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling $579 and $607 at May 31, 2019 and 2018, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022.

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2019 and 2018:

	2019	2018
Tax benefit from loss carryforwards	$212,768	$137,408
Valuation allowance	(212,768)	(137,408)
Deferred tax asset	$ -	$ -

Drewsville, Jaffrey, Troy Senior, Winchester, Keene East Side, Swanzey, and Snow Brook are taxed as partnerships. Federal income taxes are not payable by, or provided for these entities. Earnings and losses are included in the partners' federal income tax returns based on their share of partnership earnings. Partnerships are required to file income tax returns with the State of New Hampshire and pay an income tax at the state's statutory rate.

Accounting Standard Codification No. 740, "Accounting for Income Taxes," established the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements. Management has analyzed the Organization's tax position taken on its income tax returns for all open years (tax years ending May 31, 2017 – 2019), and has concluded that no additional provision for income taxes is necessary in the Organization's financial statements.

Fair Value of Financial Instruments

FASB ASC Topic No. 820-10, Financial Instruments, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with ASC 820-10, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, Topic 820-10 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under ASC Topic 820-10 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The carrying amount of cash, accounts receivables, prepaid expenses, accounts payable, accrued expenses, and refundable advances approximates fair value because of the short maturity of those instruments.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 11.96% effective from June 1, 2017 through May 31, 2020.

NOTE 2 BANK LINE OF CREDIT

The Organization has a $250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate. The line is secured by all the Organization's assets. As of May 31, 2019 and 2018, the interest rate was 5.50% and 4.75%, respectively. There was no outstanding balance at May 31, 2019 and 2018.

NOTE 3 **LONG TERM DEBT**

The long term debt at May 31, 2019 and 2018 consisted of the following:

	2019	2018
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of $891 through August 2032. The note is secured by real estate of the Organization (NHHFA, 96 Main Street).	$ 145,647	$ 154,832
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	31,589	32,147
5.5% note payable to a bank in monthly installments for principal and interest of $978 through March 2021. The note is secured by real estate of the Organization (People's United Bank, Ashuelot).	20,672	31,143
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 17 Pearl).	244,505	244,505
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHHFA, 41-43 Central).	376,363	376,363
4.25% mortgage payable to a bank in monthly installments for principal and interest of $1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019 and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are $1,957 The note is secured by real estate of the Organization (People's United Bank, Milestones).	146,515	182,223

	2019	2018
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of $11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,212,288	2,247,266
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	63,000	63,000
4% note payable to a development company, in annual interest installments only through March 2015 at which time a final balloon payment of the entire principal balance was due. The remaining balance is still outstanding at May 31, 2019 and is classified as current. The note is secured by real estate of the Organization (MEDC, Keene Office/Community Way).	45,000	45,000
Note payable to a bank in monthly installments for principal and interest of $2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% and 4.07% at May 31, 2019 and 2018, respectively. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	401,891	414,567
5.19% note payable to a bank in monthly installments for principal and interest of $889 through May 2021. The note is secured by real estate of the Organization (TD Bank, 45 Central Street).	94,733	100,254

	2019	2018
Non-Interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	125,000	150,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	75,000	90,000
Non-Interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHHFA, Second Chance).	794,189	794,189
Non-Interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	344,536	363,677
6.99% note payable to a finance company in monthly installments for principal and interest of $652 through June 2019. The note is secured by a vehicle (TCF, Econoline Van).	1,293	8,741
5.54% note payable to a finance company in monthly installments for principal and interest of $543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	19,287	24,564

	2019	2018
Jaffrey - 30-year deferred note payable to the Town of Jaffrey, New Hampshire. Payment of principal and accrued interest at 1% were deferred until the note matures in June 2027. The note was secured by land and buildings. The balance included cumulative accrued interest of $53,651 (CDBG). Jaffrey was sold during the year ended May 31, 2019 and the balance was forgiven.	-	303,651
Jaffrey - 6% note payable to a bank in monthly installments for principal and interest of $485 through August 2027. The note was secured by land and buildings (TD Bank). Jaffrey was sold during the year ended May 31, 2019 and this note was paid in full.	-	41,099
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	185,899	178,172

	2019	2018
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficiency improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHHFA).	228,934	228,934
Swanzey - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	282,720	
Swanzey - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of $1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	377,110	
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of $2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	446,561	
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	

	2019	2018
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of $370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHHFA).	50,436	53,826
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHHFA).	92,058	92,058
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	150,000	150,000
Total long-term debt before unamortized deferred financing costs	9,332,609	8,490,421
Unamortized deferred financing costs	(18,943)	
	9,313,666	8,490,421
Less current portion due within one year	227,221	216,438
	$ 9,086,445	$ 8,273,983

The schedule of maturities of long term debt at May 31, 2019 is as follows:

Year Ending May 31	Amount
2020	$ 227,221
2021	121,051
2022	115,864
2023	115,596
2024	118,605
Thereafter	8,634,272
Total	$ 9,332,609

NOTE 4 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2024. Monthly lease payments range from $60 to $3,625. Lease expense for the years ended May 31, 2019 and 2018 totaled $144,880 and $136,963 respectively.

Future minimum payments as of May 31, 2019 on the above leases are as follows:

Year Ending May 31	Amount
2020	$ 78,745
2021	21,677
2022	18,318
2023	1,050
2024	720
Thereafter	120
Total	$ 120,630

NOTE 5 ACCRUED COMPENSATED BALANCES

At May 31, 2019 and 2018, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of $131,864 and $130,140, respectively.

NOTE 6 CONTINGENCIES

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of ten limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately $14,151,000 and $15,553,000 at May 31, 2019 and 2018, respectively.

Partnership real estate with a cost basis of approximately $35,831,000 and $41,158,000 at May 31, 2019 and 2018, respectively, provides collateral on these loans.

The Organization receives funds under various state grants and from Federal sources. Under the terms of these agreements, the Organization is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If costs were found not to have been incurred in compliance with the laws and regulations, the Organization might be required to repay the funds.

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2019 and 2018.

NOTE 7 RELATED PARTY TRANSACTIONS

During the years ended May 31, 2019 and 2018, SCS Housing, Inc. managed ten limited partnerships. Management fees charged by SCS Housing, Inc. totaled $313,466 and $322,973, for the years ended May 31, 2019 and 2018, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

The Organization has also advanced funds to a related entity for Department of Housing and Urban Development (HUD) sponsorship purposes.

The total amounts due and expected to be collected from the limited partnerships and related entities totaled $59,102 and $188,523, respectively, at May 31, 2019 and 2018.

NOTE 8 EQUITY INVESTMENT

Southwestern Community Services, Inc. and related companies use the equity method to account for their financial interests in the following companies:

	2019	2018
Cityside Housing Associates, LP	$ (9,500)	$ (9,492)
Marlborough Homes, LP	(11)	8
Payson Village Senior Housing Associates, LP	(12,503)	(12,491)
Railroad Square Senior Housing Associates, LP	(1,897)	(1,715)
Warwick Meadows Housing Associates, LP	(21)	(17)
Woodcrest Drive Housing Associates, LP	222,842	222,846
Westmill Senior Housing, LP	78	90
Swanzey Township Housing Associates, LP	-	(31,190)
Snow Brook Meadow Village Housing Associates, LP	-	(60,716)
Keene Highland Housing Associates, LP	(260)	(243)
Pilot Health, LLC	-	(18,374)
	$ 198,728	$ 88,706

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, and Woodcrest Drive Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner in Westmill Senior Housing, LP during the years ended May 31, 2019 and 2018.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2019 and 2018.

The remaining 99.99% ownership interest in Swanzey Township Housing Associates, LP and Snow Brook Meadow Village Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2019 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019. The remaining 99.99% ownership interest in Winchester Senior Housing Associates, LP was acquired by Southwestern Community Service, Inc. during the year ended May 31, 2018 (see Note 12), and therefore the limited partnership is included in the consolidated financial statements for the year ended May 31, 2019 and 2018.

Southwestern Community Services, Inc. was a 14.3% member of Pilot Health, LLC during the year ended May 31, 2018. Pilot Health was terminated during the year ended May 31, 2019.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2019 and 2018, consists of the following:

	2019	2018
Total assets	$ 5,745	$ 32,782
Total liabilities	2,454	47,461
Capital/Member's equity	3,291	(14,679)
	$ 5,745	$ 32,782
Income	$ 426	$ 84,713
Expenses	661	81,478
Net income (loss)	$ (235)	$ 3,235

NOTE 9 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled $296,009 and $289,969 for the years ended May 31, 2019 and 2018, respectively.

NOTE 10 RESTRICTIONS ON NET ASSETS

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

	2019	2018
NNECAC – Annual Conference Fund	$ 5,973	$ 21,327
Stand Down	-	4,963
GAPS/Warm Fund	91,908	118,401
Transport	47,260	-
HS Parents Association	6,575	-
EHS	31,200	-
Total net assets with donor restrictions	$ 182,916	$ 144,691

NOTE 11 FORGIVENESS OF DEBT

During the year ended May 31, 2019, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled $388,849 for the year ended May 31, 2019.

During the year ended May 31, 2018, the Organization realized forgiveness of debt income in connection with notes payable to the County of Cheshire, HUD and New Hampshire Housing. Forgiveness of debt income totaled $75,971 for the year ended May 31, 2018.

NOTE 12 TRANSFER OF PARTNERSHIP INTEREST

During the years ended May 31, 2019 and 2018, Southwestern Community Services, Inc. acquired a partnership interest in three low-income housing limited partnerships: Winchester, Swanzey and Snow Brook. The amount paid for the partnership interest in Winchester, Swanzey and Snow Brook was $1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner. The following is a summary of the assets and liabilities of the partnership at the date of acquisition:

	2018	2019	
	Winchester	Swanzey	Snow Brook
Date of Transfer	08/16/2017	06/30/2018	05/01/2019
Cash	$ 24,508	$ 12,856	$13,374
Security deposits	11,467	7,330	8,821
Cash reserves	164,110	119,061	178,852
Property, net	990,842	1,330,231	1,211,341
Other assets	12,328	6,436	15,776
Total assets	1,203,255	1,475,914	1,428,164
Notes payable	304,073	666,902	665,173
Other Liabilities	22,009	87,108	140,119
Total liabilities	326,082	754,010	805,292
Partners' capital	877,173	721,904	622,872
Partners' capital previously recorded as an investment in related parties	(53,888)	31,190	60,716
Partners' capital transferred	$ 823,285	$ 753,094	$ 683,588

NOTE 13 AVAILABILITY AND LIQUIDITY

The following represents Southwestern Community Services' financial assets as of May 31, 2019 and 2018:

	2019	2018
Financial assets at year end:		
Cash and cash equivalents	$ 882,187	$ 1,086,895
Accounts receivable	1,245,826	1,095,486
Due from related party	59,102	188,523
Notes receivable	112,000	112,000
Interest receivable	45,547	45,547
Cash escrow and reserve funds	849,334	517,853
Total financial assets	3,193,996	3,046,304
Less amounts not available to be used within one year:		
Due from related party	(59,102)	(188,523)
Notes receivable	(112,000)	(112,000)
Interest receivable	(45,547)	(45,547)
Reserve funds	(729,486)	(444,980)
Total amounts not available within one year	(946,135)	(791,050)
Financial assets available to meet general expenditures over the next twelve months	$ 2,247,861	$ 2,255,254

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately $1,224,000 and $1,183,000 at May 31, 2019 and 2018, respectively. The Organization has a $250,000 line of credit available to meet cash flow needs.

NOTE 14 RECLASSIFICATION

Certain amounts and accounts from the prior year's financial statements were reclassified to enhance comparability with the current year's financial statements.

NOTE 15 SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through November 5, 2019, the date the financial statements were available to be issued.

[illegible]

CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES

[illegible]

	Home Energy Services	Education and Nutrition	Homeless Services	Housing Services	Community Development Activities	Other Programs	Total Services	Management and General	2018 Total
REVENUES									
Government contracts	$ 4,648,647	$ 2,653,119	$ 1,887,664	$ 83,000	$ 734,000	$ 140,134	$ 10,143,764	$ 438,883	$ 10,572,747
Program service fees	377,471	-	74,144	607,183	34,700	772,976	5,441,301	44,814	5,486,115
Rental income	-	-	64,704	900,276	-	1,400	966,380	-	966,380
Developer fee income	-	-	-	-	-	-	-	-	-
Support	12,751	16,648	172,635	-	169,704	130,463	482,201	-	482,201
Sponsorship	-	7,713	1,100	-	-	68,214	76,811	392	77,203
Interest income	12	-	2,103	5,211	13	21	7,440	1,713	7,153
Forgiveness of debt	-	-	98,141	239,706	-	-	338,846	-	338,846
Miscellaneous	2,716	10,200	4,044	93,903	35,146	-	113,942	1,896	130,887
In-kind contributions	-	(761,077)	-	-	-	-	341,478	-	341,478
Total revenues and other support	$ 5,136,561	$ 3,126,619	$ 2,307,637	$ 2,302,279	$ 973,129	$ 1,113,209	$ 16,053,393	$ 487,477	$ 16,540,870
EXPENSES									
Payroll	$ 432,888	$ 1,534,888	$ 377,899	$ 778,436	$ 414,739	$ 432,839	$ 3,956,829	$ 783,889	$ 4,611,888
Payroll taxes	33,531	87,210	76,547	60,730	33,910	34,195	346,123	44,894	346,723
Employee benefits	188,884	416,260	142,864	366,888	87,771	160,894	1,363,760	110,111	1,363,760
Retirement	10,305	26,406	16,888	741,939	27,831	16,181	774,463	71,347	788,888
Advertising	-	809	1,813	4,813	816	6,867	15,738	-	16,738
Bank charges	-	-	-	4,444	-	1	4,445	2,326	11,771
Bad debt	-	16	-	88	-	-	104	-	104
Computer and	-	24,848	4,238	8,887	10,886	788	49,847	111,846	161,693
Contractual	688,845	33,838	338,884	88,888	2,716	116,888	1,888,888	36,343	1,888,788
Depreciation	-	28,888	188,881	381,888	-	41,887	432,748	141,887	888,116
Electrification	-	6,877	-	488	888	1,812	7,888	11,878	18,834
Duplicating	-	8,888	-	-	-	-	8,888	4,188	13,887
Insurance	8,714	44,788	23,888	88,872	34,138	7,184	127,888	33,888	188,888
Interest	-	7,778	8,888	21,888	-	1,818	88,888	144,818	288,488
Meeting and conference	8,878	818	8,887	8,184	888	23,888	83,888	24,887	188,748
Miscellaneous expense	181	1,888	831	34,781	3,881	3,821	43,888	18,878	83,188
Miscellaneous taxes	-	-	-	24,888	-	-	24,888	888	38,288
Equipment purchases	1,788	18,214	-	7,887	-	-	23,888	1,188	38,888
Office expense	24,888	8,488	8,888	11,878	8,488	888	88,784	11,888	88,618
Postage	88	888	138	48	214	-	778	84,788	88,888
Professional fees	4,288	-	4,881	38,888	-	-	41,888	88,888	133,884
Staff development and training	2,138	1,888	1,878	78	1,884	21,877	28,888	18,888	38,888
Subscriptions	-	-	-	883	884	-	1,888	888	1,888
Telephone	8,884	2,388	18,478	17,811	2,884	1,888	44,884	88,388	88,872
Travel	7,881	18,888	88,818	8,183	38,881	888	74,881	4,888	78,788
Vehicle	2,888	8,878	1,888	87,788	84,488	8,888	88,888	18,488	113,888
Rent	-	24,888	-	188	-	-	34,888	-	34,888
Space costs	-	188,884	338,881	818,383	1,888	878	1,881,888	488,888	1,871,881
Direct client assistance	3,841,182	211,138	888,384	88,874	83,818	71,848	4,888,214	-	4,888,214
In-kind expenses	-	341,478	-	-	-	-	341,478	-	341,478
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	8,238,413	2,888,838	1,884,877	3,318,884	771,878	884,888	13,838,488	1,888,488	15,788,812
Allocation of management and general expenses	718,284	381,881	371,838	318,438	88,878	178,878	1,888,878	(1,888,878)	-
TOTAL FUNCTIONAL EXPENSES	$ 8,888,787	$ 3,888,878	$ 2,288,888	$ 3,888,881	$ 1,888,888	$ 1,888,888	$ 15,888,888	$ -	$ 15,888,888

See Independent Auditors' Report

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[illegible] CONSUMER SERVICES, INC.

CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2019

	Home Energy Conversion	Education and Activities	Homeless Programs	Housing Services	Community Development Services	Other Programs	Total Expenses	Management and General	2019 Total
REVENUES									
Government contracts	$ 4,734,342	$ 2,223,888	$ 1,238,117	$ 47,225	$ 718,557	$ 166,921	$ 10,849,748	$ 488,843	$ 11,338,591
Program service fee	-	-	70,000	878,504	17,918	734,883	1,699,126	-	1,699,126
Rental income	-	-	117,370	684,072	-	300	801,842	-	801,842
Contribution for Inspire	-	-	-	30,000	-	-	30,000	-	30,000
Support	194,817	38,488	98,137	-	138,240	188,638	658,320	-	658,320
Sponsorship	-	-	60	-	-	108,300	108,360	-	108,360
Investment income	22	7	1,861	1,382	-	30	3,302	6,161	9,463
Forgiveness of debt	-	-	69,141	16,000	-	-	75,141	-	75,141
Miscellaneous	2,819	139	6,486	42,372	47,362	-	98,346	2,426	100,772
In-kind contributions	-	191,453	-	-	-	-	191,453	-	191,453
Total revenues	$ 4,932,000	$ 2,454,000	$ 1,600,000	$ 1,701,555	$ 922,077	$ 1,197,230	$ 14,707,312	$ 497,252	$ 15,204,564
EXPENSES									
Payroll	$ 356,412	$ 1,288,021	$ 436,836	$ 771,836	$ 486,199	$ 436,356	$ 3,365,160	$ 774,488	$ 4,139,648
Payroll taxes	31,000	99,000	34,163	66,000	36,410	39,000	305,711	68,913	374,624
Employee benefits	125,762	465,000	148,304	274,362	89,144	147,829	1,230,347	84,000	1,314,347
Professional	34,000	68,436	21,201	84,344	16,000	17,446	241,431	73,140	314,569
Advertising	-	142	1,001	1,168	2,114	10,172	14,491	-	14,491
Bank Charges	16	-	139	2,004	-	-	2,159	9,671	11,830
Computer cost	-	8,168	4,368	11,144	11,700	3,366	49,477	62,002	111,479
Contractual	113,340	62,465	142,836	38,362	5,710	180,710	543,823	11,021	554,844
Depreciation	-	28,300	108,201	102,648	-	16,131	255,280	142,300	397,580
Dues/subscriptions	-	6,000	-	343	200	600	7,143	10,170	17,313
Duplicating	1,864	6,146	-	-	-	-	8,710	6,271	14,981
Insurance	3,000	12,361	23,063	62,387	14,010	8,340	119,260	36,300	154,160
Interest	-	6,000	7,760	6,000	-	7,000	26,000	116,000	142,000
Meeting and conference	3,861	66	2,700	7,173	800	18,300	40,300	36,004	76,310
Miscellaneous expense	800	911	2,200	16,000	4,442	10,000	45,853	13,163	59,016
Miscellaneous taxes	-	-	-	30,364	-	-	30,581	900	31,307
Equipment purchases	4,870	14,324	80	12,340	-	-	31,410	2,365	33,775
Office expense	34,413	15,972	6,140	14,000	12,042	4,970	88,000	20,488	108,488
Postage	132	774	180	91	344	66	1,817	22,016	23,834
Professional	4,000	-	1,973	13,870	-	-	33,844	83,300	106,110
Staff development and training	1,170	22,734	3,634	6,761	6,870	28,844	69,764	3,343	73,727
Subscriptions	-	-	80	82	-	-	113	1,230	1,444
Telephone	2,000	16,200	10,881	14,000	3,410	3,230	47,327	66,676	113,803
Travel	5,326	20,042	30,317	5,188	30,000	5,000	97,264	2,000	99,273
Vehicle	7,140	1,000	712	31,424	40,000	9,261	101,000	10,001	102,670
Rent	-	23,701	-	-	-	-	23,701	-	23,701
Space costs	140	140,213	230,000	430,344	-	1,000	804,000	230,000	1,034,000
Other client assistance	2,001,400	140,270	223,000	34,047	30,021	23,040	2,741,000	-	2,741,000
In-kind expense	-	191,453	-	-	-	-	191,453	-	191,453
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	4,847,201	2,630,152	3,172,200	2,840,214	726,110	945,201	13,271,486	1,740,700	15,021,186
Allocation of management and general expenses	630,201	330,171	766,000	270,000	96,000	114,000	2,206,200	(2,206,200)	-
TOTAL FUNCTIONAL EXPENSES	$ 5,477,402	$ 2,960,324	$ 3,938,200	$ 3,110,214	$ 822,110	$ 1,059,201	$ 15,477,686	$ -	$ 15,021,186

See Independent Auditors' Report

[redacted]

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2013

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE	
U.S. Department of Agriculture					
Rural Housing Preservation Grant	10.433	Direct Funding	3463-82691-[redacted]		$ 27,975
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH Dept. of Health & Human Services	010-090-82600000-102-500734		247,317
Child and Adult Care Food Program	10.558	State of NH, Dept of Education	Unknown		131,998
Food Distribution Cluster					
Commodity Supplemental Food Program	10.565	State of NH Dept. of Health & Human Services	010-090-82600000-102-500734	$ 2,883	
Emergency Food Assistance Program (Admin)	10.568	Community Action Program Belknap-Merrimack Counties	Unknown	3,444	
Emergency Food Assistance Program (Food Commodities)	10.569	Community Action Program Belknap-Merrimack Counties	Unknown	86,946	93,273
Total U.S. Department of Agriculture					$ 499,563
U.S. Department of Housing and Urban Development					
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-7178[redacted]-102-50731	$ 165,462	
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Office of Human Services	010-042-7927-102-0731	82,304	$ 247,881
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-7178[redacted]-102-50731		217,705
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-7178[redacted]-102-50731		361,445
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Homeless & Housing	05-95-95-958310-7178[redacted]-102-50731		313,471
Total U.S. Department of Housing and Urban Development					$ 990,502
U.S. Department of Labor					
WIOA Cluster					
WIA Adult Program	17.258	Southern NH Services	Unknown	$ 43,356	
WIA Dislocated Worker Formula Grants	17.278	Southern NH Services	Unknown	34,318	$ 78,674
Total U.S. Department of Labor/WIA Cluster					$ 78,674
U.S. Department of Transportation Federal Transit Administration (FTA)					
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-96-96-964010-5116		$ 247,957
Transit Services Programs Cluster					
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-96-96-964010-5116		29,221
Total U.S. Department of Transportation Federal Transit Administration (FTA)					$ 277,178
U.S. Department of Veterans Affairs					
VA Supportive Services for Veteran Families Program	64.033	Harbor Homes, Inc.	Unknown		$ 97,479
Total U.S. Department of Veterans Affairs					$ 97,479
U.S. Department of Energy					
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7709-074-[redacted]		$ 119,194
Total U.S. Department of Energy					$ 119,194
U.S. Department of Health & Human Services					
Aging Cluster					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7709-074-[redacted]	$ 5,324	
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-95-48-481010-7872	37,929	$ 43,253
Grants to States to Support Oral Health Workforce Activities	93.236	State of NH, DHHS, Division of Family Assistance	Unknown		13,479
Drug-Free Communities Support Program Grants	93.276	Direct Funding	5H79SP016577-08		137,679
Affordable Care Act (ACA) – Consumer Assistance Program Grants	93.519	Direct Funding	HCSCXCFI		8,149
TANF Cluster					
Temporary Assistance for Needy Families	93.558	Southern NH Services	Unknown		200,534
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	01-02-024010-7709[redacted]	4,343,699	
Low Income Home Energy Assistance (HHRP)	93.568	State of NH, Office of Energy & Planning	01-02-03-024010-7[redacted]	100,047	
Low Income Home Energy Assistance (EWP)	93.568	State of NH, Office of Energy & Planning	01-02-03-024010-7709[redacted]	219,431	4,667,177
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	600731		466,000
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance			22,300
Head Start	93.600	Direct Funding	01CH[redacted]		2,222,316
Medicaid Cluster					
Medical Assistance Program	93.778	State of NH, DHHS, Office of Human Services	05-95-47-470010-[redacted]		13,271
Total U.S. Department of Health & Human Services					$ 7,987,693
U.S. Department of Homeland Security					
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown		$ 7,999
Total U.S. Department of Homeland Security					$ 7,999
TOTAL					$ 10,018,776

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2019

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Southwestern Community Services, Inc. has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4 FOOD DONATION

Nonmonetary assistance is reported in the Schedule at the fair value of the commodities received and disbursed.

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2019.

Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2019, and the related consolidated statements of activities, cash flows, and functional expenses for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated November 5, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Leon, McDonell & Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

Leone, McDonnell & Roberts
PROFESSIONAL ASSOCIATION
CERTIFIED PUBLIC ACCOUNTANTS
WOLFEBORO • NORTH CONWAY
DOVER • CONCORD
STRATHAM

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

To the Board of Directors of
Southwestern Community Services, Inc.
Keene, New Hampshire

Report on Compliance for Each Major Federal Program
We have audited Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2019. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Southwestern Community Services, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2019.

Report on Internal Control Over Compliance

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

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

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

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

Leal, McDonnell & Roberts
Professional Association

November 5, 2019
Wolfeboro, New Hampshire

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2019

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. were prepared in accordance with GAAP.

2. No significant deficiencies disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.* No material weaknesses are reported.

3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.* No material weaknesses are reported.

5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.

6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).

7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, 93.568; and U.S. Department of Transportation; Formula Grants for Rural Areas, 20.509.

8. The threshold for distinguishing Type A and B programs was $750,000..

9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2018

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2018.

Southwestern Community Services, Inc. Board of Directors - Composition – 2020

	CHESHIRE COUNTY	SULLIVAN COUNTY
CONSTITUENT SECTOR	**Beth Fox** Assistant City Manager/ Human Resources Director City of Keene	**Mary Lou Huffling** Fall Mountain Emergency Food Shelf Alstead Friendly Meals
	Brianna Trombi Head Start Policy Council Parent Representative	
PRIVATE SECTOR	**Kevin Watterson,** *Chair/Secretary* Clarke Companies *(retired)*	**Anne Beattie** Newport Service Organization
PUBLIC SECTOR	**Jay Kahn** State Senator, District 10	**Kerry Belknap Morris, M.Ed.** Early Childhood Education River Valley Community College
	David Edkins Walpole, NH	**Derek Ferland** Sullivan County Manager

SCS LIHEAP & ASSURANCE 16

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
John Manning	Executive Director	$147,867	0%	0
Terra Rogers	Director of Energy & Employment Programs	$56,160	50%	$28,080

9/9/20

John A. Manning

[redacted]

Summary

Over 30 years of experience with non-profit organizations, as both an outside auditor and presently Chief Executive Officer of a large community action agency.

Experience

2014–Present Southwestern Community Services Inc.
Keene, NH

Chief Executive Officer

Has overall strategic and operational responsibility for a community action agency providing services to low and moderate income individuals. Programs include Head Start, Fuel Assistance, and multiple affordable housing projects. Responsibilities include maintaining ongoing excellence, rigorous program evaluation and consistent quality of finance, administration, fundraising, communications and systems. Works with the Board of Directors and management team to implement the objectives of SCS's strategic plan. Actively engages and energizes volunteers, board members, event committees, partnering organizations and funders. Develops and maintains strong relationships with the Board of Directors and serve as ex-officio member of the Board. Leads, coaches, develops and retains a high-performance management team. Ensures effective systems are in place to measure work performance, provide regular feedback to funding sources and community partners.

1990–2014 Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer

Oversees all fiscal functions Supervises a staff of 7, with an agency budget of over $ 13,000,000. Also oversees agency property management department, which manages over 300 units of affordable housing.

1985-1995 Keene State College Keene, NH

Adjunct Professor

Taught evening accounting classes for their continuing education program.

1978-1990 John A. Manning, Keene, NH

Certified Public Accountant

Provided public accounting services to small and medium sized clients, including multiple non-profit organizations. Performed certified audits on several clients, including Head Start and other non-profit clients

9/1/20

1975-1978 Kostin and Co. CPA's West Hartford, Ct.

Staff Accountant

Performed all aspects of public accounting for medium sized accounting firm. Audited large number of privately held and non-profit clients.

Education

1971–1975 University of Mass. Amherst, Ma.

- B.S. Business Administration in Accounting

Organizations

American Institute of Certified Public Accountants
NH Society of Certified Public Accountants

Terra Rogers

PROFESSIONAL PROFILE: Current Director of Energy and Employment Programs with 10 years of experience in a non-profit setting.

MANAGEMENT AND SOCIAL SERVICE SKILLS

- Personnel Relations
- Strong PC skills
- Human Resources
- Problem Solving
- Lead and Motivate
- Excellent Communication
- Community Outreach
- Decision Making
- Interviewing
- Database Management
- Training and Development
- Maintain Confidentiality

EXPERIENCE

Southwestern Community Services [Keene/Claremont, NH] ***11/2006- Current***

Director of Energy and Employment Programs (11/2015- Current)

Oversee all daily operations for Fuel Assistance, Electric Assistance, Neighbor Helping Neighbor, Senior Energy Assistance and Assurance 16 as well as the Workforce Innovation and Opportunities Act Program (WIOA).

WIOA Employment Counselor (11/2006- 11/2015)

Provide career management services to eligible customers with a focus on helping them obtain employment. Follows stringent guidelines and extensive documentation to help ensure program is running with federal and state government regulations. Serves as a liaison between customers, instructors, school administrators and businesses. Strong understanding of community resources to help provide appropriate referrals throughout the community.

Staples [various locations throughout VT, ME, NY and NH] ***9/1996- 11/2006***

Operations Manager

Consistently promoted over a 10 year period. Established and maintained all store operations. Provided high end customer service which helped to continuously exceed maximum sales goals. Fulfilled a broad range of HR functions, including recruiting, onboarding, evaluations, staff training, administering benefits, overseeing disciplinary action and managing store personnel. Managed staff payroll, store scheduling, company marketing and overall store presentation.

EDUCATION

Granite State College- Concord, NH

Bachelor of Science (BS) in Behavioral Science (Magnum Cum Laude) Graduated June 2012