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Lori A. Shibiante  
Commissioner

Christine L. Santaniello  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF ECONOMIC & HOUSING STABILITY

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9474 1-800-852-3345 Ext. 9474

Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

April 8, 2021

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to amend an existing contract with Southern New Hampshire Services, Inc. (VC#177198) Manchester, NH to continue providing Combined Services Program that will assist individuals who are low-income with building the skills, knowledge and work habits necessary to obtain and retain gainful employment in occupations that support long-term self-sufficiency, by exercising a contract renewal option by increasing the price limitation by \$8,058,882 from \$10,270,058 to \$18,328,940 and by extending the completion date from September 30, 2021 to June 30, 2023 effective October 1, 2021 or upon Governor and Council approval, whichever is later. 78% Federal Funds. 22% General Funds.

The original contract was approved by Governor and Council on June 19, 2019, item #38.

Funds are available in the following account for State Fiscal Year 2021, and are anticipated to be available in State Fiscal Years 2022 and 2023, with the authority to adjust budget line items within the price limitation through the Budget Office, if needed and justified.

05-95-45-450010-61270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS,  
HHS: TRANSITIONAL ASSISTANCE, DIVISION OF FAMILY ASSISTANCE, EMPLOYMENT SUPPORT

| State Fiscal Year | Class / Account | Class Title            | Job Number   | Current Budget      | Increased (Decreased) Amount | Revised Budget      |
|-------------------|-----------------|------------------------|--------------|---------------------|------------------------------|---------------------|
| 2020              | 102-500731      | Contracts for Prog Svc | Multiple     | \$4,564,470         | \$0                          | \$4,564,470         |
| 2021              | 102-500731      | Contracts for Prog Svc | Multiple     | \$4,564,470         | \$0                          | \$4,564,470         |
| 2022              | 102-500731      | Contracts for Prog Svc | Multiple     | \$1,141,118         | \$3,458,882                  | \$4,600,000         |
| 2023              | 102-500731      | Contracts for Prog Svc | Multiple     | \$0                 | \$4,600,000                  | \$4,600,000         |
|                   |                 |                        | <b>Total</b> | <b>\$10,270,058</b> | <b>\$8,058,882</b>           | <b>\$18,328,940</b> |

## **EXPLANATION**

The purpose of this request is to continue providing a Combined Services Program that assists individuals who are low-income with building the skills, knowledge, work experience and work habits necessary to obtain and retain gainful employment in occupations that support long-term self-sufficiency.

Approximately 3,300 individuals will be served from October 1, 2021 to June 30, 2023.

The Vendor will continue to provide case management services for Temporary Assistance for Needy Families (TANF) clients, which meet both federal TANF work program requirements and requirements of the New Hampshire Employment Program (NHEP). NHEP Employment Counselor Specialists use motivational interviewing and coaching techniques, as well as a whole family approach, to assist clients gain a pathway out of poverty. The Employment Counselor Specialists and related staff are located statewide.

In addition to case management services, simulated work environments and work activities, the Contractor also provides job readiness services. Job readiness services include conducting vocational assessments; assisting program participants with identifying and defining short, medium and long-term vocational goals; and assisting clients to establish career pathways to achieve defined goals.

Individuals receiving services provided through the Combined Services Program participate in defined, allowable TANF work activities. Participation in work activities ensures participants either meet TANF work participation requirements or obtain employment. Individuals receiving services include low-income parents, as well as other populations eligible to receive services under the TANF program.

The Department will monitor contracted services using the following performance measures:

- Eighty percent (80%) of participants update or create their resume and complete job search, application and interviewing training, prior to exiting the program.
- Sixty percent (60%) of participants who participate in community service placement and/or work experience placement transition directly into On-the-Job Training (OJT), or into unsubsidized employment.
- Ninety percent (90%) of participants who enter into an OJT position remain employed for the length of the OJT contract period.

As referenced in Exhibit C-1, Revisions to Standard Contract Language, Section 2, Renewal, of the original contract, the parties have the option to extend the agreement for up to four (4) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is exercising its option to renew services for one (1) year and nine (9) months of the four (4) years available.

Should the Governor and Council not authorize this request, individuals in the New Hampshire TANF program could be in jeopardy of not meeting federal participation requirements, which may result in significant financial penalties imposed on the Department by the federal Administration of Children and Families.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council

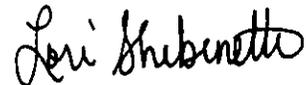
Page 3 of 3

**Area served: Statewide.**

**Source of Funds: CFDA #93.558, FAIN #22NHTANF, FAIN #23NHTANF.**

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

Respectfully submitted,



Lori A. Shibinette  
Commissioner

**State of New Hampshire  
Department of Health and Human Services  
Amendment #1**

This Amendment to the Combined Services Program for TANF Work Requirements contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Southern New Hampshire Services, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #38), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to Standard Contract Language, Section 2, Renewal, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.3, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
2. Form P-37 General Provisions, Block 1.7, Completion Date, to read:  
June 30, 2023.
3. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$18,328,940.
4. Exhibit F Certification Regarding Debarment, Suspension And Other Responsibility Matters, Page 2 of 2, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
5. Exhibit G Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower Protections, Page 2 of 2, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
6. Exhibit H Certification Regarding Environmental Tobacco Smoke, Page 1 of 1, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
7. Exhibit I, Health Insurance Portability Act Business Associate Agreement, Page 6 of 6, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
8. Exhibit J Certification Regarding the Federal Funding Accountability And Transparency Act (FFATA) Compliance, Page 1 of 2, Contractor Name, to read:  
Southern New Hampshire Services, Inc.
9. Modify Exhibit B-3, Budget, by replacing in its entirety with Exhibit B-3 Amendment #1, Budget which is attached hereto and incorporated by reference herein.
10. Add Exhibit B-4, Budget Amendment #1, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract not modified by this Amendment remain in full force and effect. This Amendment shall be effective October 1, 2021 upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire  
Department of Health and Human Services

4/15/2021  
Date

DocuSigned by:  
*Christine Santaniello*  
Name: Christine Santaniello  
Title: Director

Southern New Hampshire Services, Inc.

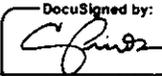
4/15/2021  
Date

DocuSigned by:  
*Donna Lee Lozeau*  
Name: Donna Lee Lozeau  
Title: Executive Director

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/16/2021  
Date

DocuSigned by:  
  
Name: Catherine Pinos  
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: \_\_\_\_\_ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:

Exhibit B-3 Amendment #1

New Hampshire Department of Health and Human Services

Contractor Name: Southern New Hampshire Services, Inc.

Budget Request for: Combined Services Program for TANF Work Requirements

Budget Period: July 1, 2021 - June 30, 2022

| Line Item                               | Total Program Cost     |                      |                        | Contractor Share / Match |             |             | Funded by DHHS contract share |                      |                        |
|---|------------------------|----------------------|------------------------|--------------------------|-------------|-------------|-------------------------------|----------------------|------------------------|
|   | Direct                 | Indirect             | Total                  | Direct                   | Indirect    | Total       | Direct                        | Indirect             | Total                  |
| 1. Total Salary/Wages                   | \$ 2,305,132.00        | \$ -                 | \$ 2,305,132.00        | \$ -                     | \$ -        | \$ -        | \$ 2,305,132.00               | \$ -                 | \$ 2,305,132.00        |
| 2. Employee Benefits                    | \$ 965,745.00          | \$ -                 | \$ 965,745.00          | \$ -                     | \$ -        | \$ -        | \$ 965,745.00                 | \$ -                 | \$ 965,745.00          |
| 3. Consultants                          | \$ 2,500.00            | \$ -                 | \$ 2,500.00            | \$ -                     | \$ -        | \$ -        | \$ 2,500.00                   | \$ -                 | \$ 2,500.00            |
| 4. Equipment:                           | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Rental                                  | \$ 500.00              | \$ -                 | \$ 500.00              | \$ -                     | \$ -        | \$ -        | \$ 500.00                     | \$ -                 | \$ 500.00              |
| Repair and Maintenance                  | \$ 4,021.00            | \$ -                 | \$ 4,021.00            | \$ -                     | \$ -        | \$ -        | \$ 4,021.00                   | \$ -                 | \$ 4,021.00            |
| Purchase/Depreciation                   | \$ 11,500.00           | \$ -                 | \$ 11,500.00           | \$ -                     | \$ -        | \$ -        | \$ 11,500.00                  | \$ -                 | \$ 11,500.00           |
| 5. Supplies:                            | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Educational                             | \$ 21,000.00           | \$ -                 | \$ 21,000.00           | \$ -                     | \$ -        | \$ -        | \$ 21,000.00                  | \$ -                 | \$ 21,000.00           |
| Lab                                     | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Pharmacy                                | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Medical                                 | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Office                                  | \$ 90,000.00           | \$ -                 | \$ 90,000.00           | \$ -                     | \$ -        | \$ -        | \$ 90,000.00                  | \$ -                 | \$ 90,000.00           |
| 6. Travel                               | \$ 40,000.00           | \$ -                 | \$ 40,000.00           | \$ -                     | \$ -        | \$ -        | \$ 40,000.00                  | \$ -                 | \$ 40,000.00           |
| 7. Occupancy                            | \$ 395,528.00          | \$ -                 | \$ 395,528.00          | \$ -                     | \$ -        | \$ -        | \$ 395,528.00                 | \$ -                 | \$ 395,528.00          |
| 8. Current Expenses                     | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Telephone                               | \$ 32,000.00           | \$ -                 | \$ 32,000.00           | \$ -                     | \$ -        | \$ -        | \$ 32,000.00                  | \$ -                 | \$ 32,000.00           |
| Postage                                 | \$ 6,255.00            | \$ -                 | \$ 6,255.00            | \$ -                     | \$ -        | \$ -        | \$ 6,255.00                   | \$ -                 | \$ 6,255.00            |
| Subscriptions                           | \$ 250.00              | \$ -                 | \$ 250.00              | \$ -                     | \$ -        | \$ -        | \$ 250.00                     | \$ -                 | \$ 250.00              |
| Audit and Legal                         | \$ 250.00              | \$ -                 | \$ 250.00              | \$ -                     | \$ -        | \$ -        | \$ 250.00                     | \$ -                 | \$ 250.00              |
| Insurance                               | \$ 9,500.00            | \$ -                 | \$ 9,500.00            | \$ -                     | \$ -        | \$ -        | \$ 9,500.00                   | \$ -                 | \$ 9,500.00            |
| Board Expenses                          | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| 9. Software                             | \$ 30,000.00           | \$ -                 | \$ 30,000.00           | \$ -                     | \$ -        | \$ -        | \$ 30,000.00                  | \$ -                 | \$ 30,000.00           |
| 10. Marketing/Communications            | \$ 5,792.00            | \$ -                 | \$ 5,792.00            | \$ -                     | \$ -        | \$ -        | \$ 5,792.00                   | \$ -                 | \$ 5,792.00            |
| 11. Staff Education and Training        | \$ 20,000.00           | \$ -                 | \$ 20,000.00           | \$ -                     | \$ -        | \$ -        | \$ 20,000.00                  | \$ -                 | \$ 20,000.00           |
| 12. Subcontracts/Agreements             | \$ 265,344.00          | \$ -                 | \$ 265,344.00          | \$ -                     | \$ -        | \$ -        | \$ 265,344.00                 | \$ -                 | \$ 265,344.00          |
| 13. Other (specific details mandatory): | \$ -                   | \$ -                 | \$ -                   | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ -                 | \$ -                   |
| Indirect                                | \$ -                   | \$ 394,685.00        | \$ 394,685.00          | \$ -                     | \$ -        | \$ -        | \$ -                          | \$ 394,685.00        | \$ 394,685.00          |
| <b>TOTAL</b>                            | <b>\$ 4,205,315.00</b> | <b>\$ 394,685.00</b> | <b>\$ 4,600,000.00</b> | <b>\$ -</b>              | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 4,205,315.00</b>        | <b>\$ 394,685.00</b> | <b>\$ 4,600,000.00</b> |

Indirect As A Percent of Direct

9.4%

Exhibit B-4 Amendment #1

New Hampshire Department of Health and Human Services  
COMPLETE ONE BUDGET FORM FOR EACH BUDGET PERIOD

Contractor Name: Southern New Hampshire Services, Inc.

Budget Request for: Combined Services Program for TANF Work Requirements

Budget Period: July 1, 2022 - June 30, 2023

| Line Item                               | Total Program Cost |               |                 | Contractor Share / Match |          |       | Funded by DHS contract share |               |                 |
|---|--------------------|---------------|-----------------|--------------------------|----------|-------|------------------------------|---------------|-----------------|
|   | Direct             | Indirect      | Total           | Direct                   | Indirect | Total | Direct                       | Indirect      | Total           |
| 1. Total Salary/Wages                   | \$ 2,269,487.00    | \$ -          | \$ 2,269,487.00 | \$ -                     | \$ -     | \$ -  | \$ 2,269,487.00              | \$ -          | \$ 2,269,487.00 |
| 2. Employee Benefits                    | \$ 1,001,598.00    | \$ -          | \$ 1,001,598.00 | \$ -                     | \$ -     | \$ -  | \$ 1,001,598.00              | \$ -          | \$ 1,001,598.00 |
| 3. Consultants                          | \$ 2,500.00        | \$ -          | \$ 2,500.00     | \$ -                     | \$ -     | \$ -  | \$ 2,500.00                  | \$ -          | \$ 2,500.00     |
| 4. Equipment:                           | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Rental                                  | \$ 500.00          | \$ -          | \$ 500.00       | \$ -                     | \$ -     | \$ -  | \$ 500.00                    | \$ -          | \$ 500.00       |
| Repair and Maintenance                  | \$ 4,021.00        | \$ -          | \$ 4,021.00     | \$ -                     | \$ -     | \$ -  | \$ 4,021.00                  | \$ -          | \$ 4,021.00     |
| Purchase/Depreciation                   | \$ 11,500.00       | \$ -          | \$ 11,500.00    | \$ -                     | \$ -     | \$ -  | \$ 11,500.00                 | \$ -          | \$ 11,500.00    |
| 5. Supplies:                            | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Educational                             | \$ 21,000.00       | \$ -          | \$ 21,000.00    | \$ -                     | \$ -     | \$ -  | \$ 21,000.00                 | \$ -          | \$ 21,000.00    |
| Lab                                     | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Pharmacy                                | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Medical                                 | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Office                                  | \$ 90,000.00       | \$ -          | \$ 90,000.00    | \$ -                     | \$ -     | \$ -  | \$ 90,000.00                 | \$ -          | \$ 90,000.00    |
| 6. Travel                               | \$ 40,000.00       | \$ -          | \$ 40,000.00    | \$ -                     | \$ -     | \$ -  | \$ 40,000.00                 | \$ -          | \$ 40,000.00    |
| 7. Occupancy                            | \$ 395,526.00      | \$ -          | \$ 395,526.00   | \$ -                     | \$ -     | \$ -  | \$ 395,526.00                | \$ -          | \$ 395,526.00   |
| 8. Current Expenses                     | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Telephone                               | \$ 32,000.00       | \$ -          | \$ 32,000.00    | \$ -                     | \$ -     | \$ -  | \$ 32,000.00                 | \$ -          | \$ 32,000.00    |
| Postage                                 | \$ 6,037.00        | \$ -          | \$ 6,037.00     | \$ -                     | \$ -     | \$ -  | \$ 6,037.00                  | \$ -          | \$ 6,037.00     |
| Subscriptions                           | \$ 250.00          | \$ -          | \$ 250.00       | \$ -                     | \$ -     | \$ -  | \$ 250.00                    | \$ -          | \$ 250.00       |
| Audit and Legal                         | \$ 250.00          | \$ -          | \$ 250.00       | \$ -                     | \$ -     | \$ -  | \$ 250.00                    | \$ -          | \$ 250.00       |
| Insurance                               | \$ 9,500.00        | \$ -          | \$ 9,500.00     | \$ -                     | \$ -     | \$ -  | \$ 9,500.00                  | \$ -          | \$ 9,500.00     |
| Board Expenses                          | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| 9. Software                             | \$ 30,000.00       | \$ -          | \$ 30,000.00    | \$ -                     | \$ -     | \$ -  | \$ 30,000.00                 | \$ -          | \$ 30,000.00    |
| 10. Marketing/Communications            | \$ 5,792.00        | \$ -          | \$ 5,792.00     | \$ -                     | \$ -     | \$ -  | \$ 5,792.00                  | \$ -          | \$ 5,792.00     |
| 11. Staff Education and Training        | \$ 20,000.00       | \$ -          | \$ 20,000.00    | \$ -                     | \$ -     | \$ -  | \$ 20,000.00                 | \$ -          | \$ 20,000.00    |
| 12. Subcontracts/Agreements             | \$ 265,344.00      | \$ -          | \$ 265,344.00   | \$ -                     | \$ -     | \$ -  | \$ 265,344.00                | \$ -          | \$ 265,344.00   |
| 13. Other (specific details mandatory): | \$ -               | \$ -          | \$ -            | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ -          | \$ -            |
| Indirect                                | \$ -               | \$ 394,695.00 | \$ 394,695.00   | \$ -                     | \$ -     | \$ -  | \$ -                         | \$ 394,695.00 | \$ 394,695.00   |
| TOTAL                                   | \$ 4,205,305.00    | \$ 394,695.00 | \$ 4,600,000.00 | \$ -                     | \$ -     | \$ -  | \$ 4,205,305.00              | \$ 394,695.00 | \$ 4,600,000.00 |

Indirect As A Percent of Direct

9.4%

# State of New Hampshire

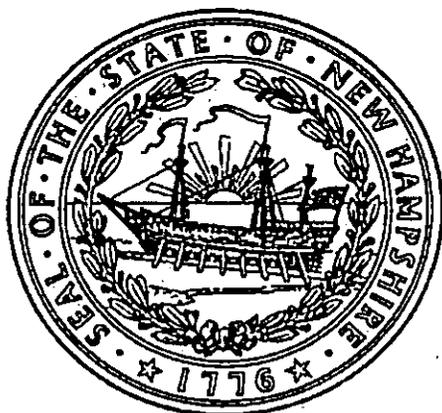
## Department of State

### CERTIFICATE

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

Business ID: 65506

Certificate Number: 0005338591



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 2nd day of April A.D. 2021.

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

William M. Gardner  
Secretary of State

**CERTIFICATE OF AUTHORITY**

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

1. I am a duly elected Clerk/Secretary/Officer of Southern New Hampshire Services  
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on Sept. 25, 2020, at which a quorum of the Directors/shareholders were present and voting.  
(Date)

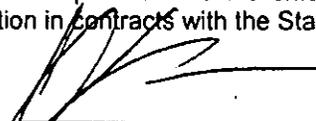
**VOTED:** That Donnalee Lozeau, Executive Director (may list more than one person)  
(Name and Title of Contract Signatory)

is duly authorized on behalf of Southern New Hampshire Services to enter into contracts or agreements with the  
(Name of Corporation/ LLC)

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

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

Dated: 4/2/2021



Signature of Elected Officer

Name: Orville Kerr

Title: Secretary



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/19/2021

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

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

|  |  |
|--|--|
| <b>PRODUCER</b><br>FIA/Cross Insurance<br>1100 Elm Street<br><br>Manchester NH 03101 | <b>CONTACT NAME:</b> Andrea Nicklin<br><b>PHONE (A/C, No, Ext):</b> (603) 669-3218 <b>FAX (A/C, No):</b> (603) 645-4331<br><b>E-MAIL ADDRESS:</b> anicklin@crossagency.com |
| <b>INSURER(S) AFFORDING COVERAGE</b>   |  |
| INSURER A: Philadelphia Indemnity Ins Co      NAIC # 18058                           |  |
| INSURER B: Granite State Health Care and Human Services Self-                        |  |
| INSURER C:   |  |
| INSURER D:   |  |
| INSURER E:   |  |
| INSURER F:   |  |

**COVERAGES**      **CERTIFICATE NUMBER:** 21-22 All Lines      **REVISION NUMBER:**

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

| INSR LTR | TYPE OF INSURANCE   | ADDL INSD | SUBR WVD | POLICY NUMBER            | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS   |
|----------|---|-----------|----------|--------------------------|-------------------------|-------------------------|--|
| A        | <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br><br>GENL AGGREGATE LIMIT APPLIES PER:<br><input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC<br>OTHER: |           |          | PHPK2250335              | 04/01/2021              | 04/01/2022              | EACH OCCURRENCE \$ 1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000<br>MED EXP (Any one person) \$ 10,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 2,000,000<br>PRODUCTS - COMPOP AGG \$ 2,000,000<br>\$ |
| A        | <b>AUTOMOBILE LIABILITY</b><br><input checked="" type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY  |           |          | PHPK2250336              | 04/01/2021              | 04/01/2022              | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000<br>BODILY INJURY (Per person) \$<br>BODILY INJURY (Per accident) \$<br>PROPERTY DAMAGE (Per accident) \$<br>\$  |
| A        | <input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR<br><input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE<br><br>DED    RETENTION \$  |           |          | PHUB760240               | 04/01/2021              | 04/01/2022              | EACH OCCURRENCE \$ 5,000,000<br>AGGREGATE \$ 5,000,000<br>\$   |
| B        | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below   | Y/N       | N/A      | HCHS20210000382 (3a.) NH | 02/01/2021              | 02/01/2022              | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,000,000  |
| A        | Professional Liability  |           |          | PHPK2250335              | 04/01/2021              | 04/01/2022              | Limit \$1,000,000  |

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

Refer to policy for exclusionary endorsements and special provisions.

|   |  |
|---|--|
| <b>CERTIFICATE HOLDER</b><br><br>NH DHHS<br>129 Pleasant Street<br><br>Concord NH 03301 | <b>CANCELLATION</b><br><br>SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br> |
|---|--|



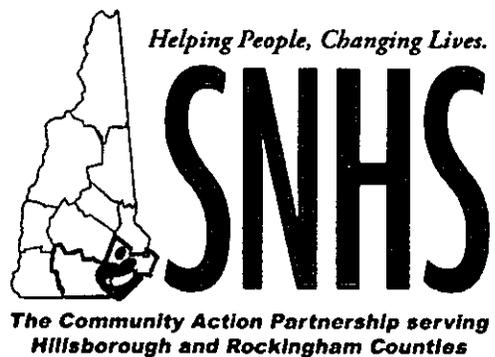
**SOUTHERN NEW HAMPSHIRE SERVICES**  
*The Community Action Partnership for Hillsborough and Rockingham Counties*  
*Helping People. Changing Lives.*

**MISSION STATEMENT**

Southern New Hampshire Services, Inc. (SNHS) is a private non-profit corporation chartered in the State of New Hampshire, May 21, 1965 to serve as the Community Action Partnership for Hillsborough County in compliance with the Economic Opportunity Act of 1964. From 1965 through 1969, SNHS was known as the Community Action Agency for Hillsborough County and served the City of Nashua and the twenty-nine towns. In 1969 SNHS became the Community Action Partnership for the City of Manchester as well. In 1974 the agency's name was changed to Southern New Hampshire Services, Inc. In July 2011, Rockingham Community Action (RCA), the Community Action Agency serving Rockingham County, was merged with Southern New Hampshire Services. As a result of this merger, SNHS now provides services to residents of the 65 towns and 3 cities in Hillsborough and Rockingham Counties.

The Economic Opportunity Act of 1964 and subsequent federal legislation establishing the Community Services Block Grant define our basic mission. Under these provisions the fundamental mission of SNHS is:

- A. To provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem.
- B. To provide activities designed to assist low-income participants including homeless individuals and families, migrants, and the elderly poor to:
  - 1. Secure and retain meaningful employment
  - 2. Attain an adequate education
  - 3. Make better use of available income
  - 4. Obtain and maintain adequate housing and a suitable living environment
  - 5. Obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment related assistance
  - 6. Remove obstacles and solve problems which block the achievement of self-sufficiency
  - 7. Achieve greater participation in the affairs of the community, and
  - 8. Make more effective use of other programs related to the purposes of the enabling federal legislation.
- C. To provide on an emergency basis for the provision of such supplies and services, nutritious foodstuffs, and related services, as may be necessary to counteract conditions of starvation and malnutrition among the poor.
- D. To coordinate and establish linkages between governmental and other social service programs to assure the effective delivery of such services to low-income individuals.
- E. To encourage the use of entities in the private sector of the community in efforts to ameliorate poverty in the community.



**SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE**

**SINGLE AUDIT REPORT**

**YEAR ENDED JULY 31, 2020**

**SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE**

**SINGLE AUDIT REPORT**

**YEAR ENDED JULY 31, 2020**

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**OUELLETTE & ASSOCIATES, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

Mark R. Carrier, C.P.A.  
Michael R. Dunn, C.P.A.  
Jonathan A. Hussey, C.P.A., M.S.T.  
Steven R. Lamontagne, C.P.A.

Gary W. Soucy, C.P.A.  
Gary A. Wigant, C.P.A.  
C. Joseph Wolverton, Jr., C.P.A.

**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance with *Government Auditing Standards***

To the Board of Directors  
Southern New Hampshire Services, Inc. and Affiliate  
Manchester, 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 combined financial statements of Southern New Hampshire Services, Inc. (the Organization) and affiliate, which comprise the combined statement of financial position as of July 31, 2020, and the related combined statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated February 8, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the combined financial statements, we considered the Organizations' 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 combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organizations' internal control. Accordingly, we do not express an opinion on the effectiveness of the Organizations' internal control.

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

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

## **Compliance and Other Matters**

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

## **Purpose of this Report**

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

*Ouellette & Associates, P.A.*  
Certified Public Accountants

February 8, 2021  
Lewiston, Maine

**OUELLETTE & ASSOCIATES, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

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

**Independent Auditor's Report on Compliance for Each Major Program and on  
Internal Control over Compliance and Schedule of Expenditures of  
Federal Awards Required by the Uniform Guidance**

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

**Report on Compliance for Each Major Federal Program**

We have audited Southern New Hampshire Services, Inc. (the Organization) and affiliate's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southern New Hampshire Services, Inc. and affiliate's major federal programs for the year ended July 31, 2020. Southern New Hampshire Services, Inc. and affiliate's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditor's Responsibility***

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

### ***Opinion on Each Major Federal Program***

In our opinion, Southern New Hampshire Services, Inc. and affiliate complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2020.

### **Report on Internal Control over Compliance**

Management of Southern New Hampshire Services, Inc. and affiliate 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 Southern New Hampshire Services, Inc. and affiliate'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 Southern New Hampshire Services, Inc. and affiliate'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, as defined above. However, material weaknesses may exist that have not been identified.

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

## **Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the combined financial statements of Southern New Hampshire Services, Inc. and affiliate as of and for the year ended July 31, 2020, and have issued our report thereon dated February 8, 2021, which contained an unmodified opinion on those combined financial statements. Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Ouellette & Associates, P.A.*  
Certified Public Accountants

February 8, 2021  
Lewiston, Maine

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2020

| Federal Grantor<br>Pass-through Grantor<br>Program or Cluster Title                       | Federal<br>CFDA<br>Number | Pass-Through<br>Identifying<br>Number | Subrecipient<br>Expenditures | Federal<br>Expenditures |
|---|---------------------------|---------------------------------------|------------------------------|-------------------------|
| <b>FEDERAL AWARDS</b>   |                           |                                       |                              |                         |
| <b><u>U.S. Department of Agriculture:</u></b>   |                           |                                       |                              |                         |
| <i>Pass-Through State of New Hampshire Department of<br/>Health and Human Services</i>    |                           |                                       |                              |                         |
| Special Supplemental Nutrition Program for Women,<br>Infants and Children                 | 10.557                    | 184NH703W1003                         | \$ -                         | \$ 1,217,641            |
|   | 10.557                    | 174NH703W1003                         |                              | 104,798                 |
|   |                           |                                       |                              | <u>1,322,439</u>        |
| <i>Pass-Through Belknap Merrimack Community Action Program</i>                            |                           |                                       |                              |                         |
| <b><u>Food Distribution Cluster</u></b>   |                           |                                       |                              |                         |
| Commodity Supplemental Food Program   | 10.565                    | 201818Y800544                         |                              | 67,229                  |
|   | 10.565                    | 201919Y800544                         |                              | 9,000                   |
| <b>Total Food Distribution Cluster</b>  |                           |                                       |                              | <u>76,229</u>           |
| <i>Pass-Through State of New Hampshire Department of<br/>Education</i>                    |                           |                                       |                              |                         |
| Child and Adult Care Food Program   | 10.558                    |                                       |                              | 835,132                 |
| <b><u>Child Nutrition Cluster</u></b>   |                           |                                       |                              |                         |
| Summer Food Service Program for Children  | 10.559                    |                                       |                              | 134,094                 |
| <b>Total U.S. Department of Agriculture</b>   |                           |                                       | <u>\$ -</u>                  | <u>\$ 2,367,894</u>     |
| <b><u>U.S. Department of Housing and Urban Development:</u></b>                           |                           |                                       |                              |                         |
| <i>Direct Program</i>   |                           |                                       |                              |                         |
| <b><u>Section 8 Project-Based Cluster</u></b>   |                           |                                       |                              |                         |
| Section 8 Moderate Rehabilitation Single Room Occupancy                                   | 14.249                    |                                       | \$ -                         | \$ 541,515              |
| <i>Pass-Through State of New Hampshire Department of<br/>Health and Human Services</i>    |                           |                                       |                              |                         |
| Emergency Solutions Grant Program   | 14.231                    | E17-DC-33-0001                        |                              | 97,454                  |
| <i>Pass-Through Belknap Merrimack Community Action Program</i>                            |                           |                                       |                              |                         |
| Lead-Based Paint Hazard Control in Privately-Owned Housing                                | 14.900                    |                                       |                              | 1,000                   |
| <b>Total U.S. Department of Housing and Urban<br/>Development</b>                         |                           |                                       | <u>\$ -</u>                  | <u>\$ 639,969</u>       |
| <b><u>U.S. Department of Homeland Security:</u></b>                                       |                           |                                       |                              |                         |
| <i>Passed-through Regional United Way Agency</i>  |                           |                                       |                              |                         |
| Emergency Food and Shelter National Board Program   | 97.024                    |                                       | \$ -                         | \$ 11,000               |
| <i>Pass-Through State of New Hampshire Governor's Office<br/>of Strategic Initiatives</i> |                           |                                       |                              |                         |
| Emergency Food and Shelter National Board Program   | 97.024                    | 592600-007                            |                              | 12,000                  |
| <b>Total U.S. Department of Homeland Security</b>   |                           |                                       | <u>\$ -</u>                  | <u>\$ 23,000</u>        |
| <b>Subtotal</b>   |                           |                                       | <u>\$ -</u>                  | <u>\$ 3,030,863</u>     |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2020

| Federal Grantor<br>Pass-through Grantor<br>Program or Cluster Title                             | Federal<br>CFDA<br>Number | Pass-Through<br>Identifying<br>Number | Subrecipient<br>Expenditures | Federal<br>Expenditures |
|---|---------------------------|---------------------------------------|------------------------------|-------------------------|
| Amount Forward  |                           |                                       | \$ -                         | \$ 3,030,863            |
| <b><u>U.S. Department of Labor:</u></b>   |                           |                                       |                              |                         |
| <i>Pass-Through State of New Hampshire Department of<br/>Resources and Economic Development</i> |                           |                                       |                              |                         |
| <b><u>WIOA Cluster</u></b>  |                           |                                       |                              |                         |
| WIOA Adult Program  | 17.258                    | 02-6000618                            | \$ 172,457                   | \$ 1,420,594            |
| WIOA Dislocated Worker Formula Grants   | 17.278                    | 02-6000618                            | 93,465                       | 1,039,492               |
| WIOA Youth Activities   | 17.259                    | 02-6000618                            |                              | 58,794                  |
| <b>Total WIOA Cluster</b>   |                           |                                       | <b>265,922</b>               | <b>2,518,880</b>        |
| Senior Community Service Employment Program   | 17.235                    | 02-6000618                            | 82,626                       | 196,277                 |
| Workforce Investment Act (WIA) Dislocated Worker<br>National Reserve Demonstration Grants       | 17.280                    | 02-6000618                            |                              | 1,133,911               |
| <b>Total U.S. Department of Labor</b>   |                           |                                       | <b>\$ 348,548</b>            | <b>\$ 3,849,068</b>     |
| <b><u>U.S. Department of Treasury:</u></b>  |                           |                                       |                              |                         |
| <i>Pass-Through State of New Hampshire Governor's Office<br/>of Strategic Initiatives</i>       |                           |                                       |                              |                         |
| Coronavirus Relief Fund   | 21.019                    | COVID                                 | \$ -                         | \$ 297,146              |
| <b>Total U.S. Department of Treasury:</b>   |                           |                                       | <b>\$ -</b>                  | <b>\$ 297,146</b>       |
| <b><u>U.S. Department of Energy:</u></b>  |                           |                                       |                              |                         |
| <i>Pass-Through State of New Hampshire Governor's Office<br/>of Strategic Initiatives</i>       |                           |                                       |                              |                         |
| Weatherization Assistance for Low-Income Persons  | 81.042                    | EE0006169                             | \$ -                         | \$ 535,473              |
| <b>Total U.S. Department of Energy:</b>   |                           |                                       | <b>\$ -</b>                  | <b>\$ 535,473</b>       |
| <b><u>U.S. Department of Education:</u></b>   |                           |                                       |                              |                         |
| <i>Pass-Through State of New Hampshire Department<br/>Of Education</i>                          |                           |                                       |                              |                         |
| Adult Education - Basic Grants to States  | 84.002                    | 67011-ABE                             | \$ -                         | \$ 82,656               |
|   | 84.002                    | 67011-ABE                             |                              | 93,604                  |
| <b>Total U.S. Department of Education</b>   |                           |                                       | <b>\$ -</b>                  | <b>\$ 176,260</b>       |
| <b><u>Corporation for National and Community Services:</u></b>                                  |                           |                                       |                              |                         |
| <i>Direct Program</i>   |                           |                                       |                              |                         |
| Retired and Senior Volunteer Program  | 94.002                    | 20SRANH002                            | \$ -                         | \$ 43,062               |
|   | 94.002                    | 17SRANH002                            |                              | 77,644                  |
| <b>Total Corporation for National and<br/>Community Services</b>                                |                           |                                       | <b>\$ -</b>                  | <b>\$ 120,706</b>       |
| <b>Subtotal</b>   |                           |                                       | <b>\$ 348,548</b>            | <b>\$ 8,009,516</b>     |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2020

| Federal Grantor<br>Pass-through Grantor<br>Program or Cluster Title                                  | Federal<br>CFDA<br>Number | Pass-Through<br>Identifying<br>Number | Subrecipient<br>Expenditures | Federal<br>Expenditures |
|--|---------------------------|---------------------------------------|------------------------------|-------------------------|
| Amount Forward   |                           |                                       | \$ 348,548                   | \$ 8,009,516            |
| <b><u>U.S. Department of Health and Human Services:</u></b>  |                           |                                       |                              |                         |
| <b><u>Direct Program</u></b>   |                           |                                       |                              |                         |
| <b><u>Head Start Cluster</u></b>   |                           |                                       |                              |                         |
| Head Start   | 93.600                    | 01CH010602-02                         | \$ -                         | \$ 7,162,371            |
|  | 93.600                    | 01HP000241-01                         |                              | 285,762                 |
|  | 93.600                    | 01HP000241-01-C3                      |                              | 2,998                   |
|  | 93.600                    | 01CH010602-02-C3                      |                              | 17,637                  |
|  | 93.600                    | 01CH010602-02-C3                      |                              | 72,552                  |
| Total Head Start Cluster   |                           |                                       |                              | 7,541,320               |
| <b><u>Pass-Through State of New Hampshire Office of Strategic Initiatives</u></b>                    |                           |                                       |                              |                         |
| Low-Income Home Energy Assistance  | 93.568                    | G-19B1NHLIEA                          |                              | 9,341,297               |
|  | 93.568                    | G-20B1NHLIEA                          |                              | 239,448                 |
|  | 93.568                    | G-1901NHLIEA                          |                              | 459,544                 |
|  | 93.568                    | G-2001NHLIEA                          |                              | 203,864                 |
|  |                           |                                       |                              | 10,244,153              |
| <b><u>Pass-Through State of New Hampshire Department Of Health and Human Services</u></b>            |                           |                                       |                              |                         |
| Temporary Assistance for Needy Families  | 93.558                    | 2017G996115                           | 653,641                      | 2,772,159               |
|  | 93.558                    | 2018G996115                           | 42,807                       | 244,649                 |
|  |                           |                                       | 696,448                      | 3,016,808               |
| Community Services Block Grant   | 93.569                    | G-1901NHCOSR                          |                              | 1,525,697               |
|  | 93.569                    | 2001NHCOSR -COVID                     |                              | 36,149                  |
|  |                           |                                       |                              | 1,561,846               |
| Community Services Block Grant Discretionary Awards  | 93.570                    | G-17B1NHCOSR                          |                              | 111,089                 |
| <b><u>Aging Cluster</u></b>  |                           |                                       |                              |                         |
| Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | 93.044                    | 17AANHT3SP                            |                              | 18,611                  |
| <b><u>CCDF Cluster</u></b>   |                           |                                       |                              |                         |
| Child Care and Development Block Grant   | 93.575                    | 2018G996005                           |                              | 1,039,469               |
|  | 93.575                    |                                       |                              | 100,821                 |
|  |                           |                                       |                              | 1,140,290               |
| Child Care Mandatory and Matching Funds of The Child Care and Development Fund                       | 93.596                    | 2019G999004                           |                              | 1,443,500               |
| Total CCDF Cluster   |                           |                                       |                              | 2,583,790               |
| <b><u>Pass-Through University of New Hampshire</u></b>   |                           |                                       |                              |                         |
| Every Student Succeeds Act/Preschool Development Grants  | 93.434                    | 90TP0060                              |                              | 218,492                 |
| Total U.S. Department of Health and Human Services   |                           |                                       | \$ 696,448                   | \$ 25,296,109           |
| <b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>  |                           |                                       | <b>\$ 1,044,996</b>          | <b>\$ 33,305,625</b>    |

**SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JULY 31, 2020**

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**NOTE 1: BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Southern New Hampshire Services, Inc. and affiliate under programs of the federal government for the year ended July 31, 2020. 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 Southern New Hampshire Services, Inc. and affiliate, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Southern New Hampshire Services, Inc. and affiliate.

**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.

Pass-through entity identifying numbers are presented where available.

**NOTE 3: HEAD START PROGRAMS CFDA #93.600**

Due to the COVID pandemic, the Organization was unable to meet its matching requirements in accordance with terms of the grant award. The Organization received a waiver from the Department of Health and Human Services due to the pandemic to remain in compliance with the grant award during the year ended July 31, 2020.

**NOTE 4: INDIRECT COST RATE**

Southern New Hampshire Services, Inc. and affiliate has negotiated an indirect cost rate of 9.36% with the Department of Health and Human Services.

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JULY 31, 2020

**Section I Summary of Auditor's Results****Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:  
 Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

**Federal Awards**

Internal control over major programs:  
 Material weakness(es) identified?  Yes  No

Significant deficiency(ies) identified?  Yes  None reported

Type of auditor's report issued on compliance  
 for major programs: Unmodified

Any audit findings disclosed that are required  
 to be reported in accordance with CFR Section  
 200.156(a) of the Uniform Guidance?  Yes  No

**Identification of major programs:**

| <u>Name of Federal Program or Cluster</u>                                     | <u>CFDA Number</u> |
|---|--------------------|
| WIC Special Supplemental Nutrition Program for Women, Infants<br>And Children | 10.557             |
| Temporary Assistance for Needy Families                                       | 93.558             |
| Low-Income Home Energy Assistance   | 93.568             |

Dollar threshold used to distinguish between  
 Type A and Type B programs: \$999,169

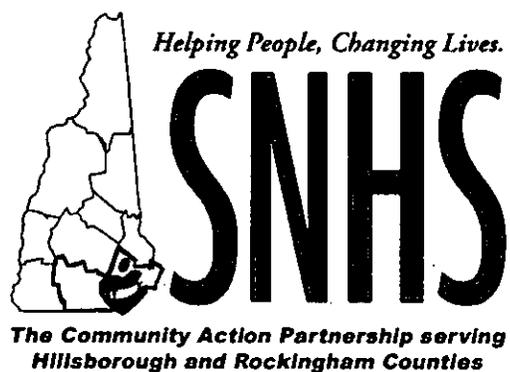
Auditee qualified as low-risk auditee?  Yes  No

**Section II Financial Statement Findings**

No matters are reportable.

**Section III Federal Award Findings and Questioned Costs**

No matters are reportable.



**SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE**

**COMBINED FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**FOR THE YEARS ENDED JULY 31, 2020 AND 2019**

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

FINANCIAL STATEMENTS

JULY 31, 2020 AND 2019

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**OUELLETTE & ASSOCIATES, P.A.**

CERTIFIED PUBLIC ACCOUNTANTS

Mark R. Carrier, C.P.A.  
Michael R. Dunn, C.P.A.  
Jonathan A. Hussey, C.P.A., M.S.T.  
Steven R. Lamontagne, C.P.A.

Gary W. Soucy, C.P.A.  
Gary A. Wigant, C.P.A.  
C. Joseph Wolverton, Jr., C.P.A.

**INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Financial Statements**

We have audited the accompanying combined financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) and affiliate, which comprise the combined statements of financial position as of July 31, 2020 and 2019, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these combined 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 the financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these combined 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 combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organizations' preparation and fair presentation of the combined 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 Organizations' 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Southern New Hampshire Services, Inc. and affiliate, as of July 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2021, on our consideration of Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern New Hampshire Services, Inc. and affiliate's internal control over financial reporting and compliance.

***Ouellette & Associates, P.A.***  
Certified Public Accountants

February 8, 2021  
Lewiston, Maine

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## COMBINED STATEMENTS OF FINANCIAL POSITION

JULY 31, 2020 AND 2019

| <b>ASSETS</b>                                |                      |                      |
|--|----------------------|----------------------|
|  | <u>2020</u>          | <u>2019</u>          |
| <b>CURRENT ASSETS</b>                        |                      |                      |
| Cash   | \$ 6,456,196         | \$ 6,986,538         |
| Investments                                  | 9,102,421            | 8,405,690            |
| Contracts receivable                         | 3,346,435            | 3,488,413            |
| Accounts receivable                          | 721,595              | 821,565              |
| Prepaid expenses                             | 159,842              | 95,197               |
| Total current assets                         | <u>19,786,489</u>    | <u>19,797,403</u>    |
| <b>FIXED ASSETS</b>                          |                      |                      |
| Land   | 3,050,918            | 2,697,868            |
| Buildings and improvements                   | 13,310,566           | 12,530,561           |
| Vehicles and equipment                       | <u>1,501,951</u>     | <u>1,415,271</u>     |
| Total fixed assets                           | <u>17,863,435</u>    | <u>16,643,700</u>    |
| Less - accumulated depreciation              | <u>5,729,951</u>     | <u>5,237,138</u>     |
| Net fixed assets                             | <u>12,133,484</u>    | <u>11,406,562</u>    |
| <b>OTHER ASSETS</b>                          |                      |                      |
| Restricted cash                              | <u>457,683</u>       | <u>411,580</u>       |
| <b>TOTAL ASSETS</b>                          | <u>\$ 32,377,656</u> | <u>\$ 31,615,545</u> |
| <b>LIABILITIES AND NET ASSETS</b>            |                      |                      |
| <b>CURRENT LIABILITIES</b>                   |                      |                      |
| Current portion of long-term debt            | \$ 100,012           | \$ 109,413           |
| Accounts payable                             | 729,100              | 657,676              |
| Accrued payroll and payroll taxes            | 1,089,681            | 1,045,805            |
| Accrued compensated absences                 | 470,301              | 359,819              |
| Accrued other liabilities                    | 53,011               | 227,703              |
| Refundable advances                          | 336,800              | 1,028,743            |
| Over applied overhead                        | 180,479              | 27,739               |
| Tenant security deposits                     | <u>83,030</u>        | <u>84,231</u>        |
| Total current liabilities                    | <u>3,042,414</u>     | <u>3,541,129</u>     |
| <b>LONG-TERM LIABILITIES</b>                 |                      |                      |
| Long-term debt, less current portion         | <u>2,949,253</u>     | <u>3,036,025</u>     |
| <b>TOTAL LIABILITIES</b>                     | <u>5,991,667</u>     | <u>6,577,154</u>     |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b> | <u>26,385,989</u>    | <u>25,038,391</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>      | <u>\$ 32,377,656</u> | <u>\$ 31,615,545</u> |

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

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## COMBINED STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2020 AND 2019

|  | <u>2020</u>          | <u>2019</u>          |
|--|----------------------|----------------------|
| <b>REVENUES, GAINS AND OTHER SUPPORT</b>       |                      |                      |
| Grant and contract revenue                     | \$ 38,244,769        | \$ 37,464,614        |
| Program service fees                           | 796,505              | 907,560              |
| Local funding                                  | 244,926              | 242,894              |
| Rental income                                  | 1,191,263            | 1,191,372            |
| Gifts and contributions                        | 201,839              | 208,728              |
| Interest and dividend income                   | 302,600              | 314,554              |
| Unrealized gain on investments                 | 398,423              | 12,233               |
| Miscellaneous                                  | 462,291              | 720,124              |
| <b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b> | <u>41,842,616</u>    | <u>41,062,079</u>    |
| <b>EXPENSES</b>                                |                      |                      |
| Program services:                              |                      |                      |
| Child development                              | 9,330,031            | 8,589,865            |
| Community services                             | 1,505,420            | 1,530,674            |
| Economic and workforce development             | 7,450,261            | 6,984,684            |
| Energy   | 12,651,510           | 13,414,281           |
| Language and literacy                          | 430,934              | 436,073              |
| Housing and homeless                           | 490,824              | 263,240              |
| Nutrition and health                           | 2,307,558            | 2,527,495            |
| Special projects                               | 1,876,426            | 1,768,326            |
| Volunteer services                             | 127,449              | 125,050              |
| SNHS Management Corporation                    | 2,447,708            | 2,396,939            |
| Total program services                         | <u>38,618,121</u>    | <u>38,036,627</u>    |
| Support services:                              |                      |                      |
| Management and general                         | 1,876,897            | 2,038,463            |
| <b>TOTAL EXPENSES</b>                          | <u>40,495,018</u>    | <u>40,075,090</u>    |
| <b>CHANGE IN NET ASSETS</b>                    | 1,347,598            | 986,989              |
| <b>NET ASSETS - BEGINNING OF YEAR</b>          | <u>25,038,391</u>    | <u>24,051,402</u>    |
| <b>NET ASSETS - END OF YEAR</b>                | <u>\$ 26,385,989</u> | <u>\$ 25,038,391</u> |

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JULY 31, 2020

|                                | Program Services     |                       |                                      |                      |                          |                         |                            |
|--------------------------------|----------------------|-----------------------|--------------------------------------|----------------------|--------------------------|-------------------------|----------------------------|
|                                | Child<br>Development | Community<br>Services | Economic<br>Workforce<br>Development | Energy               | Language and<br>Literacy | Housing<br>and Homeless | Nutrition<br>and<br>Health |
| <b>EXPENSES</b>                |                      |                       |                                      |                      |                          |                         |                            |
| Payroll                        | \$ 5,556,933         | \$ 933,868            | \$ 2,939,525                         | \$ 1,521,964         | \$ 298,880               | \$ 88,866               | \$ 962,139                 |
| Payroll taxes                  | 419,856              | 70,488                | 221,893                              | 117,494              | 23,413                   | 6,797                   | 73,387                     |
| Fringe benefits                | 1,573,633            | 137,463               | 615,794                              | 463,923              | 28,359                   | 21,715                  | 238,512                    |
| Workers comp. insurance        | 118,066              | 9,585                 | 7,651                                | 15,806               | 2,062                    | 233                     | 30,576                     |
| Retirement benefits            | 314,824              | 88,609                | 190,679                              | 93,780               | 10,995                   | 4,856                   | 70,742                     |
| Consultant and contractual     | 56,270               | 70,777                | 1,775,844                            | 1,802,601            | 5,095                    | 370                     | 14,752                     |
| Travel and transportation      | 87,659               | 10,526                | 55,412                               | 17,022               | 600                      | 1,006                   | 29,296                     |
| Conferences and meetings       | -                    | 6,007                 | -                                    | 888                  | -                        | 49                      | 140                        |
| Occupancy                      | 491,299              | 76,188                | 452,980                              | 122,492              | 30,276                   | 2,520                   | 64,985                     |
| Advertising                    | 2,664                | 3,955                 | 2,990                                | 1,171                | 50                       | 8,169                   | 424                        |
| Supplies                       | 328,400              | 51,663                | 33,068                               | 66,117               | 5,006                    | 3,604                   | 35,623                     |
| Equip. rentals and maintenance | 6,553                | 2,447                 | 21,351                               | 12,146               | 2,943                    | -                       | 10,096                     |
| Insurance                      | 22,852               | 42,463                | 7,617                                | 30,740               | -                        | 175                     | 6,450                      |
| Telephone                      | 89,596               | 16,857                | 30,761                               | 31,439               | 2,726                    | 2,023                   | 41,068                     |
| Postage                        | 4,825                | 165                   | 1,568                                | 30,220               | 330                      | 385                     | 3,720                      |
| Printing and publications      | 3,773                | -                     | -                                    | 483                  | 1,851                    | -                       | -                          |
| Subscriptions                  | -                    | -                     | -                                    | 524                  | -                        | -                       | -                          |
| Program support                | -                    | 20,345                | -                                    | 60,826               | 3,676                    | -                       | -                          |
| Interest                       | 9,529                | -                     | -                                    | -                    | -                        | -                       | -                          |
| Depreciation                   | 72,782               | 5,656                 | 41,477                               | 3,191                | 938                      | -                       | 10,294                     |
| Assistance to clients          | 7,850                | -                     | 1,084,147                            | 8,336,006            | -                        | 349,246                 | 420,251                    |
| Other expense                  | 181,944              | 9,940                 | 7,450                                | 9,318                | -                        | 800                     | 303,005                    |
| Miscellaneous                  | 20,004               | 688                   | 364                                  | 1,862                | 13,734                   | 10                      | 2,146                      |
| In-kind                        | 1,472,831            | -                     | -                                    | -                    | -                        | -                       | -                          |
| Gain on disposal of assets     | -                    | -                     | -                                    | -                    | -                        | -                       | -                          |
| <b>SUBTOTAL</b>                | <b>10,842,143</b>    | <b>1,557,690</b>      | <b>7,490,571</b>                     | <b>12,740,013</b>    | <b>430,934</b>           | <b>490,824</b>          | <b>2,317,606</b>           |
| Over applied indirect costs    | -                    | -                     | -                                    | -                    | -                        | -                       | -                          |
| Eliminations                   | (1,512,112)          | (52,270)              | (40,310)                             | (88,503)             | -                        | -                       | (10,048)                   |
| <b>TOTAL EXPENSES</b>          | <b>\$ 9,330,031</b>  | <b>\$ 1,505,420</b>   | <b>\$ 7,450,261</b>                  | <b>\$ 12,651,510</b> | <b>\$ 430,934</b>        | <b>\$ 490,824</b>       | <b>\$ 2,307,558</b>        |

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)  
 FOR THE YEAR ENDED JULY 31, 2020

|                                | Program Services    |                    |                             | Total Program Services | Support Services       | Total Expenses       |
|--------------------------------|---------------------|--------------------|-----------------------------|------------------------|------------------------|----------------------|
|                                | Special Projects    | Volunteer Services | SNHS Management Corporation |                        | Management and General |                      |
| <b>EXPENSES</b>                |                     |                    |                             |                        |                        |                      |
| Payroll                        | \$ 95,518           | \$ 80,529          | \$ 688,044                  | \$ 13,166,266          | \$ 1,258,963           | \$ 14,425,229        |
| Payroll taxes                  | 7,446               | 6,021              | 45,518                      | 992,313                | 93,381                 | 1,085,694            |
| Fringe benefits                | 7,355               | 16,739             | 256,823                     | 3,360,316              | 184,217                | 3,544,533            |
| Workers comp. insurance        | 3,120               | 214                | 11,822                      | 199,135                | 7,822                  | 206,957              |
| Retirement benefits            | 5,385               | 3,350              | 40,945                      | 824,165                | 116,327                | 940,492              |
| Consultant and contractual     | 1,659,372           | 449                | 136,778                     | 5,522,308              | 87,416                 | 5,609,724            |
| Travel and transportation      | 4,805               | 5,163              | 41,940                      | 253,429                | 4,639                  | 258,068              |
| Conferences and meetings       | 3,531               | 50                 | 28,605                      | 39,270                 | 2,113                  | 41,383               |
| Occupancy                      | 15,080              | -                  | 595,088                     | 1,850,908              | 38,053                 | 1,888,961            |
| Advertising                    | -                   | 400                | 1,270                       | 21,093                 | -                      | 21,093               |
| Supplies                       | 2,334               | 4,524              | 17,992                      | 548,331                | 39,485                 | 587,816              |
| Equip. rentals and maintenance | 4,971               | 63                 | 15,835                      | 76,405                 | 1,398                  | 77,803               |
| Insurance                      | 3,213               | 1,616              | 51,605                      | 166,731                | 13,338                 | 180,069              |
| Telephone                      | 2,700               | 2,350              | 29,193                      | 248,713                | 6,146                  | 254,859              |
| Postage                        | 7                   | 632                | 1,207                       | 43,059                 | 15,840                 | 58,899               |
| Printing and publications      | -                   | 84                 | 8                           | 6,199                  | 61                     | 6,260                |
| Subscriptions                  | -                   | -                  | 534                         | 1,058                  | -                      | 1,058                |
| Program support                | 3,317               | -                  | 222,373                     | 310,537                | -                      | 310,537              |
| Interest                       | -                   | -                  | 55,013                      | 64,542                 | -                      | 64,542               |
| Depreciation                   | 46,914              | -                  | 388,881                     | 570,133                | 673                    | 570,806              |
| Assistance to clients          | 12,708              | -                  | 68,129                      | 10,278,337             | -                      | 10,278,337           |
| Other expense                  | 1,798               | -                  | 7,853                       | 522,108                | 4,435                  | 526,543              |
| Miscellaneous                  | 169                 | 5,265              | (30,823)                    | 13,419                 | 3,242                  | 16,661               |
| In-kind                        | -                   | -                  | -                           | 1,472,831              | -                      | 1,472,831            |
| Gain on disposal of assets     | -                   | -                  | (2,450)                     | (2,450)                | -                      | (2,450)              |
| <b>SUBTOTAL</b>                | <b>1,879,743</b>    | <b>127,449</b>     | <b>2,672,183</b>            | <b>40,549,156</b>      | <b>1,877,549</b>       | <b>42,426,705</b>    |
| Over applied indirect costs    | -                   | -                  | -                           | -                      | 3                      | 3                    |
| Eliminations                   | (3,317)             | -                  | (224,475)                   | (1,931,035)            | (655)                  | (1,931,690)          |
| <b>TOTAL EXPENSES</b>          | <b>\$ 1,876,426</b> | <b>\$ 127,449</b>  | <b>\$ 2,447,708</b>         | <b>\$ 38,618,121</b>   | <b>\$ 1,876,897</b>    | <b>\$ 40,495,018</b> |

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
 FOR THE YEAR ENDED JULY 31, 2019

|                                | Program Services     |                       |                                      |                     |                          |                         |                            |
|--------------------------------|----------------------|-----------------------|--------------------------------------|---------------------|--------------------------|-------------------------|----------------------------|
|                                | Child<br>Development | Community<br>Services | Economic<br>Workforce<br>Development | Energy              | Language and<br>Literacy | Housing<br>and Homeless | Nutrition<br>and<br>Health |
| <b>EXPENSES</b>                |                      |                       |                                      |                     |                          |                         |                            |
| Payroll                        | \$ 5,063,755         | \$ 958,969            | \$ 2,792,330                         | \$ 1,519,961        | \$ 294,501               | \$ 104,911              | \$ 1,000,035               |
| Payroll taxes                  | 406,991              | 74,606                | 220,133                              | 124,867             | 24,800                   | 8,511                   | 80,427                     |
| Fringe benefits                | 1,350,633            | 134,639               | 492,014                              | 389,808             | 26,683                   | 22,106                  | 222,241                    |
| Workers comp. insurance        | 102,429              | 8,625                 | 6,948                                | 17,712              | 736                      | 262                     | 30,682                     |
| Retirement benefits            | 273,637              | 89,527                | 182,279                              | 89,727              | 7,851                    | 6,689                   | 62,967                     |
| Consultant and contractual     | 37,142               | 70,228                | 1,595,405                            | 1,770,887           | 6,505                    | 654                     | 20,695                     |
| Travel and transportation      | 118,863              | 19,729                | 78,856                               | 37,134              | 992                      | 4,110                   | 47,713                     |
| Conferences and meetings       | -                    | 10,976                | -                                    | 7,537               | 225                      | -                       | 3,471                      |
| Occupancy                      | 524,894              | 58,004                | 456,078                              | 125,814             | 28,957                   | 1,020                   | 78,801                     |
| Advertising                    | 13,742               | 25                    | 8,610                                | 1,117               | 218                      | -                       | 399                        |
| Supplies                       | 243,037              | 19,254                | 38,322                               | 57,531              | 9,422                    | 192                     | 47,201                     |
| Equip. rentals and maintenance | 12,341               | 57                    | 13,689                               | 18,308              | 1,816                    | -                       | 29,650                     |
| Insurance                      | 19,509               | 24,941                | 4,905                                | 20,099              | -                        | -                       | 6,966                      |
| Telephone                      | 85,487               | 12,661                | 27,046                               | 20,468              | 2,547                    | 385                     | 41,963                     |
| Postage                        | 5,522                | 7                     | 553                                  | 30,214              | 568                      | 58                      | 3,189                      |
| Printing and publications      | 5,268                | 630                   | -                                    | -                   | 1,281                    | -                       | -                          |
| Subscriptions                  | -                    | -                     | 446                                  | 456                 | -                        | -                       | -                          |
| Program support                | -                    | 38,256                | -                                    | 35,312              | 6,121                    | -                       | -                          |
| Interest                       | 12,995               | -                     | -                                    | -                   | -                        | -                       | -                          |
| Depreciation                   | 64,865               | 5,920                 | 24,379                               | 10,070              | 1,045                    | -                       | 9,920                      |
| Assistance to clients          | 7,800                | -                     | 1,066,041                            | 9,156,531           | -                        | 114,335                 | 547,988                    |
| Other expense                  | 251,015              | 34,650                | 19,523                               | 7,118               | -                        | -                       | 299,023                    |
| Miscellaneous                  | 35,436               | 736                   | 1,323                                | 1,813               | 21,805                   | 7                       | 2,024                      |
| In-kind                        | 2,248,292            | -                     | -                                    | -                   | -                        | -                       | -                          |
| Loss on disposal of assets     | -                    | -                     | -                                    | 125                 | -                        | -                       | -                          |
| <b>SUBTOTAL</b>                | <b>10,883,653</b>    | <b>1,562,440</b>      | <b>7,028,880</b>                     | <b>13,442,609</b>   | <b>436,073</b>           | <b>263,240</b>          | <b>2,535,355</b>           |
| Over applied indirect costs    | -                    | -                     | -                                    | -                   | -                        | -                       | -                          |
| Eliminations                   | (2,293,788)          | (31,766)              | (44,196)                             | (28,328)            | -                        | -                       | (7,860)                    |
| <b>TOTAL EXPENSES</b>          | <b>\$ 8,589,865</b>  | <b>\$ 1,530,674</b>   | <b>\$ 6,984,684</b>                  | <b>\$13,414,281</b> | <b>\$ 436,073</b>        | <b>\$ 263,240</b>       | <b>\$ 2,527,495</b>        |

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)  
 FOR THE YEAR ENDED JULY 31, 2019

|                                | Program Services    |                    |                             | Total Program Services | Support Services       | Total Expenses      |
|--------------------------------|---------------------|--------------------|-----------------------------|------------------------|------------------------|---------------------|
|                                | Special Projects    | Volunteer Services | SNHS Management Corporation |                        | Management and General |                     |
| <b>EXPENSES</b>                |                     |                    |                             |                        |                        |                     |
| Payroll                        | \$ 74,200           | \$ 73,480          | \$ 492,484                  | \$ 12,374,626          | \$ 1,313,585           | \$ 13,688,211       |
| Payroll taxes                  | 6,191               | 6,004              | 33,947                      | 986,477                | 99,061                 | 1,085,538           |
| Fringe benefits                | 11,699              | 11,872             | 209,681                     | 2,871,376              | 181,973                | 3,053,349           |
| Workers comp. insurance        | 2,644               | 184                | 10,549                      | 180,771                | 4,483                  | 185,254             |
| Retirement benefits            | 2,834               | 2,369              | 33,859                      | 751,739                | 110,189                | 861,928             |
| Consultant and contractual     | 1,579,582           | 478                | 154,356                     | 5,235,932              | 90,851                 | 5,326,783           |
| Travel and transportation      | 4,649               | 6,554              | 58,681                      | 377,281                | 14,194                 | 391,475             |
| Conferences and meetings       | 3,727               | 220                | 16,307                      | 42,463                 | 1,675                  | 44,138              |
| Occupancy                      | 18,040              | -                  | 600,154                     | 1,891,762              | 32,663                 | 1,924,425           |
| Advertising                    | 460                 | 2,444              | 1,050                       | 28,065                 | 75                     | 28,140              |
| Supplies                       | 3,624               | 6,599              | 17,685                      | 442,867                | 40,709                 | 483,576             |
| Equip. rentals and maintenance | 4,167               | 177                | 21,671                      | 101,876                | 768                    | 102,644             |
| Insurance                      | 2,007               | 1,206              | 40,184                      | 119,817                | 19,901                 | 139,718             |
| Telephone                      | 2,253               | 1,453              | 19,545                      | 213,808                | 2,167                  | 215,975             |
| Postage                        | 42                  | 535                | 1,505                       | 42,193                 | 15,912                 | 58,105              |
| Printing and publications      | -                   | 175                | -                           | 7,354                  | -                      | 7,354               |
| Subscriptions                  | -                   | 900                | 130                         | 1,932                  | 360                    | 2,292               |
| Program support                | 4,077               | -                  | 43,787                      | 127,553                | -                      | 127,553             |
| Interest                       | -                   | -                  | 59,264                      | 72,259                 | -                      | 72,259              |
| Depreciation                   | 35,345              | -                  | 347,894                     | 499,438                | 536                    | 499,974             |
| Assistance to clients          | 1,492               | -                  | 88,251                      | 10,982,438             | -                      | 10,982,438          |
| Other expense                  | 11,056              | 1,550              | 21,821                      | 645,756                | 13,055                 | 658,811             |
| Miscellaneous                  | 237                 | 8,850              | 120,753                     | 192,984                | 1,283                  | 194,267             |
| In-kind                        | -                   | -                  | -                           | 2,248,292              | -                      | 2,248,292           |
| Loss on disposal of assets     | -                   | -                  | 3,381                       | 3,506                  | -                      | 3,506               |
| <b>SUBTOTAL</b>                | <u>1,768,326</u>    | <u>125,050</u>     | <u>2,396,939</u>            | <u>40,442,565</u>      | <u>1,943,440</u>       | <u>42,386,005</u>   |
| Over applied indirect costs    | -                   | -                  | -                           | -                      | 95,023                 | 95,023              |
| Eliminations                   | -                   | -                  | -                           | (2,405,938)            | -                      | (2,405,938)         |
| <b>TOTAL EXPENSES</b>          | <u>\$ 1,768,326</u> | <u>\$ 125,050</u>  | <u>\$ 2,396,939</u>         | <u>\$38,036,627</u>    | <u>\$ 2,038,463</u>    | <u>\$40,075,090</u> |

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

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## COMBINED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED JULY 31, 2020 AND 2019

|  | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                     |                     |
| Change in net assets   | <u>\$ 1,347,598</u> | <u>\$ 986,989</u>   |
| Adjustments to reconcile change in net assets to net cash flows from operating activities: |                     |                     |
| Depreciation   | 570,806             | 499,974             |
| (Gain) loss on disposal of assets  | (2,450)             | 3,506               |
| Donation of low-income housing projects  | -                   | -                   |
| Unrealized gain on investments   | (398,423)           | (12,233)            |
| (Increase) decrease in operating assets:   |                     |                     |
| Contracts receivable   | 141,978             | 677,107             |
| Accounts receivable  | 99,970              | 14,609              |
| Prepaid expenses   | (64,645)            | (5,034)             |
| Under applied overhead   | -                   | 67,750              |
| Increase (decrease) in operating liabilities:  |                     |                     |
| Accounts payable   | 71,424              | 199,288             |
| Accrued payroll and payroll taxes  | 43,876              | (56,907)            |
| Accrued compensated absences   | 110,482             | 13,852              |
| Accrued other liabilities  | (174,692)           | (10,309)            |
| Refundable advances  | (691,943)           | (280,355)           |
| Over applied overhead  | 152,740             | 27,739              |
| Tenant security deposits   | (1,201)             | 2,430               |
| Total adjustments  | <u>(142,078)</u>    | <u>1,141,417</u>    |
| <b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>  | <u>1,205,520</u>    | <u>2,128,406</u>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                     |                     |
| Purchase of fixed assets   | (1,304,678)         | (1,430,211)         |
| Proceeds from sale of fixed assets   | 9,400               | 16,500              |
| Purchase of investments, reinvested dividends, and capital gains                           | (298,308)           | (307,794)           |
| Proceeds from sale of investments  | -                   | 1,000,000           |
| Deposit to restricted cash accounts  | (46,103)            | (8,842)             |
| <b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>  | <u>(1,639,689)</u>  | <u>(730,347)</u>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                     |                     |
| Payments on long-term debt   | (96,173)            | (111,363)           |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS</b>   | (530,342)           | 1,286,696           |
| <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>                                       | <u>6,986,538</u>    | <u>5,699,842</u>    |
| <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>   | <u>\$ 6,456,196</u> | <u>\$ 6,986,538</u> |
| <b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>                                   |                     |                     |
| Cash paid during the year for interest   | <u>\$ 64,542</u>    | <u>\$ 72,259</u>    |

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

JULY 31, 2020 AND 2019

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NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of the Organization**

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

**Basis of Accounting and Presentation**

The Organization prepares its combined financial statements in accordance with accounting principles generally accepted in the United States of America, which involves the application of accrual accounting; and accordingly reflect all significant receivables, payables, and other liabilities. The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-For-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Under ASU 2016-14, net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

*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 management and the 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 fulfilled and removed by actions of the Organization pursuant to those stipulations or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

The Organization has no net assets with donor restrictions at July 31, 2020 and 2019.

**Combined Financial Statements**

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

**Use of Estimates**

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

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

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NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Cash and Cash Equivalents**

For the purpose of the combined statements of cash flows, the Organization considers all unrestricted highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Organization has no cash equivalents at July 31, 2020 and 2019.

**Current Vulnerabilities Due to Certain Concentrations**

The Organization maintains its cash balances at several financial institutions located in New Hampshire and Maine. The balances are insured by the Federal Deposit Insurance Organization (FDIC) up to \$250,000 per financial institution. In addition, on October 2, 2008, the Organization entered into an agreement with its principal banking partner to collateralize deposits in excess of the FDIC insurance limitation on some accounts. The balances, at times, may exceed amounts covered by the FDIC and collateralization agreements. It is the opinion of management that there is no significant risk with respect to these deposits at either July 31, 2020 and 2019.

**Accounts and Contracts Receivable**

All accounts and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Receivables are recorded on the accrual basis of accounting primarily based on reimbursable contracts, grants and agreements. Balances outstanding after management has used reasonable collection efforts are written off through a charge to bad debt expense and a credit to the applicable accounts receivable. Management does not believe an allowance for uncollectible accounts receivable is necessary at July 31, 2020 and 2019.

**Revenue Recognition**

The Organization's revenue is recognized primarily from federal and state grants and contracts generally structured as reimbursed contracts for services and therefore revenue is recognized based on when their individual allowable budgeted expenditures occur. Refundable advances result from unexpended balances from these exchange transactions. Federal and state grant revenue comprised approximately 91% of total revenue in the fiscal years ended July 31, 2020 and 2019.

**Contributions and In-Kind Donations**

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions, if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions. In-kind revenues and expenses represent fair market value of volunteer services and non-paid goods which were donated to the Organization during the current fiscal year. All in-kind revenues in the fiscal year 2020 and 2019 were generated through the Head Start and Economic Workforce Development programs. Since the recognition criteria is not met, no in-kind revenues are recognized as contributions in the combined financial statements and the in-kind expenses have been eliminated.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

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

**Investments**

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

**Fixed Assets**

Fixed assets acquired by the Organization are capitalized at cost if purchased or fair value if donated. It is the Organization's policy to capitalize expenditures for these items in excess of \$5,000. Major additions and renewals are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line basis over the estimated useful lives of the assets, which range from three to forty years. Depreciation expense for July 31, 2020 and 2019 was \$570,806 and \$499,974, respectively.

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

**Advertising**

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

**Functional Allocation of Expenses**

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated by management based on effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been sub-classified as follows:

*Management and General* - includes all activities related to the Organization's internal management.

**Subsequent Events**

Management has made an evaluation of subsequent events through February 8, 2021, which represents the date on which the combined financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these combined financial statements.

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

JULY 31, 2020 AND 2019

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Recently Accounting Pronouncements**

In November 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. ASU 2016-18 clarifies the classification and presentation requirements specific to changes in restricted cash on the statement of cash flows. The guidance is effective for non-public entities fiscal years beginning after December 15, 2018 with early adoption permitted. Management has evaluated the impact of the ASU on the Organization's statement of cash flows and decided not to adopt it as the change was determined not to be significant to the users of the combined financial statements.

**Recent Accounting Pronouncements***Revenue Recognition*

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and International Financial Reporting Standards. The core principle of the guidance requires entities to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU was effective for fiscal periods beginning after December 15, 2018, however ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842) – Effective Dates for Certain Entities*, allowed for a one-year deferral for implementation. Therefore, the Organization will implement the guidance in its June 31, 2021 consolidated financial statements. Management is currently evaluating the impact of adoption on the Organization's financial statements.

*Leases*

In February 2016, the FASB released ASU 2016-02, *Leases (Topic 842)*, which provides users of the financial statements a more accurate picture of the assets and the long-term financial obligations of organizations that lease. The standard is for a dual-model approach; a lessee will account for most existing capital leases as Type A leases, and most existing operating leases as Type B leases. Both will be reported on the statement of financial condition of the organization for leases with a term exceeding 12 months. Lessors will see changes as well, primarily made to align with the revised model. The guidance is effective for non-public entities for fiscal years beginning after December 15, 2021, with early adoption permitted. The Organization will implement the guidance in its July 31, 2023 consolidated financial statements. Management is currently evaluating the impact of adoption on the Organization's financial statements.

NOTE 2: RESTRICTED CASH

The Organization, as stipulated in many of the loan agreements associated with the housing projects included in SNHS Management Corporation, is required to maintain separate accounts and make monthly deposits into certain restricted reserves for the replacement of property and other expenditures. In addition, the Organization is required to maintain separate accounts for tenant security deposits and any surplus cash that may result from annual operations. These accounts are also not available for operating purposes and generally need additional approval from oversight agencies before withdrawal and use of these funds can occur.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

JULY 31, 2020 AND 2019

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NOTE 3: FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820, *Fair Value Measurements*, are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs that are unobservable for the asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2020 and 2019.

*Mutual Funds*: Valued at the net asset value of shares held on the last trading day of the fiscal year, which is the basis for transactions at that date.

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

NOTE 3: FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of July 31, 2020 and 2019:

|              | <u>2020</u>        |                  |                  |                    |
|--------------|--------------------|------------------|------------------|--------------------|
|              | <u>(Level 1)</u>   | <u>(Level 2)</u> | <u>(Level 3)</u> | <u>Total</u>       |
| Mutual Funds | <u>\$9,102,421</u> | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$9,102,421</u> |

|              | <u>2019</u>        |                  |                  |                    |
|--------------|--------------------|------------------|------------------|--------------------|
|              | <u>(Level 1)</u>   | <u>(Level 2)</u> | <u>(Level 3)</u> | <u>Total</u>       |
| Mutual Funds | <u>\$8,405,690</u> | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$8,405,690</u> |

NOTE 4: INVESTMENTS

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

|              | <u>2020</u>        |                          |                         | <u>2019</u>        |                          |                         |
|--------------|--------------------|--------------------------|-------------------------|--------------------|--------------------------|-------------------------|
|              | <u>Cost</u>        | <u>Fair Market Value</u> | <u>Unrealized Gains</u> | <u>Cost</u>        | <u>Fair Market Value</u> | <u>Unrealized Gains</u> |
| Mutual Funds | <u>\$8,611,376</u> | <u>\$9,102,421</u>       | <u>\$ 491,045</u>       | <u>\$8,313,068</u> | <u>\$8,405,690</u>       | <u>\$ 92,622</u>        |

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

|                                | <u>2020</u>        | <u>2019</u>        |
|--------------------------------|--------------------|--------------------|
| Fair Value - Beginning of Year | <u>\$8,405,690</u> | <u>\$9,085,663</u> |
| Dividends and Capital Gains    | <u>298,308</u>     | <u>307,794</u>     |
| Sale of Investments            | <u>-</u>           | <u>(1,000,000)</u> |
| Unrealized Gains               | <u>398,423</u>     | <u>12,233</u>      |
| Fair Value - End of Year       | <u>\$9,102,421</u> | <u>\$8,405,690</u> |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

NOTE 5: AVAILABILITY AND LIQUIDITY

The Organization's financial assets available for expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date comprise the following as of July 31:

|  | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| Cash and Cash Equivalents                        | \$ 6,456,196        | \$ 6,986,538        |
| Investments                                      | 9,102,421           | 8,405,690           |
| Contracts Receivable                             | 3,346,435           | 3,488,413           |
| Accounts Receivable                              | <u>721,595</u>      | <u>821,565</u>      |
| Total financial assets available within one year | <u>\$19,626,647</u> | <u>\$19,702,206</u> |

None of the financial assets are subject to donor or other contractual restrictions. Accordingly, all such funds are available to meet the needs of the Organization in the next 12 months. In addition, the Organization maintains several reserve funds for property taxes, insurance expenses, and repair and replacement or emergency needs which are required by financing authorities. These funds may be withdrawn only with the approval of the financing authority and are not considered by the Organization to have donor restrictions.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

NOTE 6: LONG-TERM DEBT

The following is a summary of long-term debt as of July 31:

|  | <u>2020</u>       | <u>2019</u>       |
|--|-------------------|-------------------|
| <u>SNHS, Inc.</u>  |                   |                   |
| Mortgage payable to City of Manchester, secured by real estate located in Manchester, NH. A balloon payment of \$11,275 was due on June 30, 2010. Interest is at 0.000%. SNHS, Inc. is currently negotiating with the City of Manchester to write off this debt.   | \$ 11,275         | \$ 11,275         |
| Mortgage payable to bank, secured by real estate located on Temple St., Nashua, NH, payable in fixed monthly principal installments of \$1,833 plus interest through 2020. The note was refinanced on October 1, 2020, payable in monthly installments of \$2,182 plus interest through 2030. Interest is at 4.000% at July 31, 2020 and 2019. | <u>218,502</u>    | <u>238,669</u>    |
| <u>Subtotal</u>  | <u>\$ 229,777</u> | <u>\$ 249,944</u> |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

JULY 31, 2020 AND 2019

NOTE 6: LONG-TERM DEBT (Continued)

|  | <u>2020</u>        | <u>2019</u>        |
|--|--------------------|--------------------|
| <u>Subtotal Carried Forward</u>  | <u>\$ 229,777</u>  | <u>\$ 249,944</u>  |
| <u>SNHS Management Corporation</u>   |                    |                    |
| Mortgage payable to New Hampshire Housing Authority secured by real estate located on Pleasant St., Epping, NH, payable in monthly installments of \$1,084 including interest through 2042. Interest is at 3.500%.                               | 194,418            | 200,514            |
| Mortgage payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low-income housing for 30 years. Interest is at 10.000%, forgiven annually.                     | 900,000            | 900,000            |
| Note payable to City of Nashua secured by real estate located on Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low-income housing for 30 years. Interest is at 10.000%, forgiven annually.                         | 20,000             | 20,000             |
| Mortgage payable to New Hampshire Community Loan Fund secured by real estate located on, Vine St., Nashua, NH. Mortgage will be forgiven only if real estate remains low-income housing for 30 years. Interest is at 10.000%, forgiven annually. | 250,000            | 250,000            |
| Mortgage payable to bank, secured by real estate located on West Pearl St., Nashua, NH. Mortgage will be forgiven only if real estate remains low-income housing for 40 years. Interest is at 0.000%.  | 170,000            | 170,000            |
| Mortgage payable to bank, secured by real estate located on Allds St., Nashua, NH, payable in fixed monthly principal installments of \$2,613 plus interest through 2021. Interest is at 2.906% and 4.980% at July 31, 2020 and 2019.            | 26,131             | 57,487             |
| Mortgage payable to MH Parsons and Sons Lumber, secured by real estate located on Crystal Ave., Derry, NH, payable in monthly installments of \$3,715 including interest through 2031. Interest is at 5.500%.                                    | 373,238            | 396,455            |
| Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH, payable in monthly installments of \$3,327 including interest through 2033. Interest is at 7.000%.  | <u>342,777</u>     | <u>358,114</u>     |
| <u>Subtotal</u>  | <u>\$2,506,341</u> | <u>\$2,602,514</u> |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS  
(Continued)

JULY 31, 2020 AND 2019

| NOTE 6: <u>LONG-TERM DEBT</u> (Continued)  | <u>2020</u>        | <u>2019</u>        |
|--|--------------------|--------------------|
| <u>Subtotal Carried Forward</u>  | <u>\$2,506,341</u> | <u>\$2,602,514</u> |
| Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.000%. | 392,924            | 392,924            |
| Mortgage payable to New Hampshire Housing Authority secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.000%. | <u>150,000</u>     | <u>150,000</u>     |
|  | <u>3,049,265</u>   | <u>3,145,438</u>   |
| Less: Current Portion  | <u>100,012</u>     | <u>109,413</u>     |
| Long-term debt, net of current portion   | <u>\$2,949,253</u> | <u>\$3,036,025</u> |

Principal maturities of long-term debt are as follows as of July 31:

|            |                    |
|------------|--------------------|
| 2021       | \$ 100,012         |
| 2022       | 68,662             |
| 2023       | 72,391             |
| 2024       | 76,332             |
| 2025       | 80,502             |
| Thereafter | <u>2,651,366</u>   |
| Total      | <u>\$3,049,265</u> |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

NOTE 7: OPERATING LEASES

The Organization leases various facilities and equipment under several operating leases. Total lease payments for the years ended July 31, 2020 and 2019 equaled \$681,354 and \$686,840, respectively. The leases expire at various times through August 2022. Some of the leases contain renewal options that are contingent upon federal funding and some contain renewal options subject to renegotiation of lease terms.

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

|       |                   |
|-------|-------------------|
| 2021  | \$ 105,268        |
| 2022  | 12,700            |
| 2023  | <u>575</u>        |
| Total | <u>\$ 118,543</u> |

NOTE 8: RETIREMENT BENEFITS

The Organization has an Employer-Sponsored 403(b) plan offering coverage to all of its employees. Participating employees must contribute at least 1% of their wages, while the Organization contributes 10% of their wages. The pension expense for the years ended July 31, 2020 and 2019 was \$940,492 and \$861,928, respectively.

NOTE 9: RISKS AND UNCERTAINTIES

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

NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES

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

Cotton Mill Square

In 2015, SNHS Management Corporation entered into a contract as part of the Community Development Investment Tax Credit Program with the Community Development Finance Authority (CDFA) and was awarded \$1,000,000 to provide funding for the development and adaptive reuse of an abandoned historic cotton mill in downtown Nashua, NH. Under this program, the Project (Cotton Mill Square) created 109 units of housing and was required to reserve 55 of these units for low to moderate income households.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

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NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES (Continued)

**Cotton Mill Square (Continued)**

As stipulated by the contract and after a 20% program fee retained by the CDFA, SNHS Management Corporation entered into a subrecipient agreement with the owners of the Project (Cotton Mill Square LLC) to provide a promissory note and mortgage of the remaining award amount of \$800,000. The 20 year note to Cotton Mill Square LLC is non-interest bearing and the principal is forgivable at a rate of 5% each year the Project maintains the required minimum of 55 low to moderate income household units.

The Cotton Mill Square Project was awarded the certificate of occupancy on August 22, 2014 and remains in full compliance with the required regulations as of July 31, 2020 and 2019. SNHS Management Corporation feels that it is extremely unlikely that the Project will fall into noncompliance in future periods. Therefore, SNHS Management Corporation has not recorded any contingent receivable or liability related to this transaction. The note repayment is accelerated if the units fall out of compliance.

In October of 2017, the subrecipient agreement with Cotton Mill Square LLC was amended to cease the annual 5% debt forgiveness. This modification effectively holds the promissory note balance at \$720,000 which will now be forgiven in full at the end of the agreement as long as the Project maintains compliance with the original agreement's terms. This modification did not change the contingent receivable or liability with SNHS Management Corporation.

**J. Brown Homestead Property**

On July 1, 2011, Rockingham Community Acton (RCA) was acquired by SNHS. As part of this merger, SNHS assumed all the assets, liabilities and obligations of RCA which included the J. Brown Homestead Property.

The J. Brown Homestead Property was conveyed to RCA in 1999 by the Town of Raymond for \$1 and a mortgage lien of \$604,418. The property contains four apartments limited to low-income seniors, office space for the Outreach operations, space for the Food Pantry operation, and a common meeting room for use by Town of Raymond organizations. The Town of Raymond included a requirement that the property be used for a social service center for a period of 20 years, called the benefit period, after which this requirement terminates.

In the event that SNHS sells or otherwise conveys the property within the benefit period, the remaining lien will be either paid from the proceeds of the sale or remain with the land to any subsequent purchaser for the remaining benefit period.

This mortgage lien has no scheduled principal or interest payments and is forgivable at a rate of 5% each year of the benefit period until it is completely forgiven in year 2019. The value of this lien at July 31, 2020 and 2019 is \$0 and \$30,221, respectively. SNHS has no plans to sell or transfer this property. Therefore, the contingent mortgage lien liability has not been included in the financial statements.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2020 AND 2019

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NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES (Continued)

**Coronavirus Pandemic**

An outbreak of a novel strain coronavirus (COVID-19) has spread to the U.S. and in March 2020, the World Health Organization characterized COVID-19 as a pandemic. The Organization was unable to meet its matching requirements in accordance with the terms of its Head Start Programs grant award due to the COVID-19 pandemic but received a waiver from DHHS to remain in compliance. Many programs that historically had direct contact with participants were closed or changed significantly while staff was retained. However, the extent of the future impact of COVID-19 on the Organization's operational and financial performance is not known as of the date these financial statements were issued.

**OUELLETTE & ASSOCIATES, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

Mark R. Carrier, C.P.A.  
Michael R. Dunn, C.P.A.  
Jonathan A. Hussey, C.P.A., M.S.T.  
Steven R. Lamontagne, C.P.A.

Gary W. Soucy, C.P.A.  
Gary A. Wigant, C.P.A.  
C. Joseph Wolverton, Jr., C.P.A.

*INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION*

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

We have audited the combined financial statements of Southern New Hampshire Services, Inc. (a nonprofit organization) and affiliate as of and for the years ended July 31, 2020 and 2019, and our report thereon dated February 8, 2021, which contained an unmodified opinion on those combined financial statements, appears on page 1. Our audits were performed for the purpose of forming an opinion on the combined financial statements as a whole.

The combining information in Schedules A and B (pages 23-24), the schedules of revenues and expenses - by contract (pages 25-29), required by the State of New Hampshire Governor's Office of Strategic Initiatives, and the required schedules and financial information for Whispering Pines II, J.B. Milette Manor, and Sherburne Woods (pages 30-49), required by the New Hampshire Housing Finance Authority are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

*Ouellette & Associates, P.A.*  
Certified Public Accountants

February 8, 2021  
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
COMBINING SCHEDULE OF FINANCIAL POSITION  
JULY 31, 2020

|  | SNHS,<br>Inc.       | SNHS<br>Management<br>Corporation | Sub-Total            | Elimination           | Total                |
|--|---------------------|-----------------------------------|----------------------|-----------------------|----------------------|
| <b>ASSETS</b>                                |                     |                                   |                      |                       |                      |
| <b>CURRENT ASSETS</b>                        |                     |                                   |                      |                       |                      |
| Cash   | \$ 70,760           | \$ 6,385,436                      | \$ 6,456,196         | \$ -                  | \$ 6,456,196         |
| Investments                                  | -                   | 9,102,421                         | 9,102,421            | -                     | 9,102,421            |
| Contracts receivable                         | 3,100,475           | 245,960                           | 3,346,435            | -                     | 3,346,435            |
| Accounts receivable                          | -                   | 721,595                           | 721,595              | -                     | 721,595              |
| Prepaid expenses                             | 96,285              | 63,557                            | 159,842              | -                     | 159,842              |
| Due from other corporations                  | 2,755,709           | (108,554)                         | 2,647,155            | (2,647,155)           | -                    |
| Total current assets                         | <u>6,023,229</u>    | <u>16,410,415</u>                 | <u>22,433,644</u>    | <u>(2,647,155)</u>    | <u>19,786,489</u>    |
| <b>FIXED ASSETS</b>                          |                     |                                   |                      |                       |                      |
| Land   | 619,910             | 2,431,008                         | 3,050,918            | -                     | 3,050,918            |
| Buildings and improvements                   | 2,044,340           | 11,266,226                        | 13,310,566           | -                     | 13,310,566           |
| Vehicles and equipment                       | 1,237,244           | 264,707                           | 1,501,951            | -                     | 1,501,951            |
| Total fixed assets                           | <u>3,901,494</u>    | <u>13,961,941</u>                 | <u>17,863,435</u>    | <u>-</u>              | <u>17,863,435</u>    |
| Less - accumulated depreciation              | <u>1,527,067</u>    | <u>4,202,884</u>                  | <u>5,729,951</u>     | <u>-</u>              | <u>5,729,951</u>     |
| Net fixed assets                             | <u>2,374,427</u>    | <u>9,759,057</u>                  | <u>12,133,484</u>    | <u>-</u>              | <u>12,133,484</u>    |
| <b>OTHER ASSETS</b>                          |                     |                                   |                      |                       |                      |
| Restricted cash                              | <u>32,321</u>       | <u>425,362</u>                    | <u>457,683</u>       | <u>-</u>              | <u>457,683</u>       |
| <b>TOTAL ASSETS</b>                          | <u>\$ 8,429,977</u> | <u>\$ 26,594,834</u>              | <u>\$ 35,024,811</u> | <u>\$ (2,647,155)</u> | <u>\$ 32,377,656</u> |
| <b>LIABILITIES AND NET ASSETS</b>            |                     |                                   |                      |                       |                      |
| <b>CURRENT LIABILITIES</b>                   |                     |                                   |                      |                       |                      |
| Current portion of long-term debt            | \$ 26,458           | \$ 73,554                         | \$ 100,012           | \$ -                  | \$ 100,012           |
| Accounts payable                             | 665,598             | 63,502                            | 729,100              | -                     | 729,100              |
| Accrued payroll and payroll taxes            | 271,965             | 817,716                           | 1,089,681            | -                     | 1,089,681            |
| Accrued compensated absences                 | -                   | 470,301                           | 470,301              | -                     | 470,301              |
| Accrued other liabilities                    | 51,275              | 1,736                             | 53,011               | -                     | 53,011               |
| Refundable advances                          | 216,801             | 119,999                           | 336,800              | -                     | 336,800              |
| Over applied overhead                        | 180,479             | -                                 | 180,479              | -                     | 180,479              |
| Tenant security deposits                     | 28,710              | 54,320                            | 83,030               | -                     | 83,030               |
| Due to other corporations                    | 1,451,915           | 1,195,240                         | 2,647,155            | (2,647,155)           | -                    |
| Total current liabilities                    | <u>2,893,201</u>    | <u>2,796,368</u>                  | <u>5,689,569</u>     | <u>(2,647,155)</u>    | <u>3,042,414</u>     |
| <b>LONG-TERM LIABILITIES</b>                 |                     |                                   |                      |                       |                      |
| Long-term debt, less current portion         | <u>203,319</u>      | <u>2,745,934</u>                  | <u>2,949,253</u>     | <u>-</u>              | <u>2,949,253</u>     |
| <b>TOTAL LIABILITIES</b>                     | <u>3,096,520</u>    | <u>5,542,302</u>                  | <u>8,638,822</u>     | <u>(2,647,155)</u>    | <u>5,991,667</u>     |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b> | <u>5,333,457</u>    | <u>21,052,532</u>                 | <u>26,385,989</u>    | <u>-</u>              | <u>26,385,989</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>      | <u>\$ 8,429,977</u> | <u>\$ 26,594,834</u>              | <u>\$ 35,024,811</u> | <u>\$ (2,647,155)</u> | <u>\$ 32,377,656</u> |

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE  
COMBINING SCHEDULE OF ACTIVITIES  
FOR THE YEAR ENDED JULY 31, 2020

|  | SNHS,<br>Inc.       | SNHS<br>Management<br>Corporation | Sub-Total            | Elimination        | Total                |
|--|---------------------|-----------------------------------|----------------------|--------------------|----------------------|
| <b>REVENUES, GAINS AND OTHER SUPPORT</b>       |                     |                                   |                      |                    |                      |
| Grant/contract revenue                         | \$ 38,425,444       | \$ 144,980                        | \$ 38,570,424        | \$ (325,655)       | \$ 38,244,769        |
| Program service fees                           | 17,400              | 779,105                           | 796,505              | -                  | 796,505              |
| Local funding                                  | -                   | 244,926                           | 244,926              | -                  | 244,926              |
| Rental income                                  | -                   | 1,191,263                         | 1,191,263            | -                  | 1,191,263            |
| Gifts and contributions                        | 131,706             | 70,133                            | 201,839              | -                  | 201,839              |
| Interest Income                                | 177                 | 302,423                           | 302,600              | -                  | 302,600              |
| Unrealized gain on investments                 | -                   | 398,423                           | 398,423              | -                  | 398,423              |
| In-kind  | 1,472,831           | -                                 | 1,472,831            | (1,472,831)        | -                    |
| Miscellaneous                                  | 393,809             | 201,686                           | 595,495              | (133,204)          | 462,291              |
| <b>TOTAL REVENUES, GAINS AND OTHER SUPPORT</b> | <b>40,441,367</b>   | <b>3,332,939</b>                  | <b>43,774,306</b>    | <b>(1,931,690)</b> | <b>41,842,616</b>    |
| <b>EXPENSES</b>                                |                     |                                   |                      |                    |                      |
| Program services:                              |                     |                                   |                      |                    |                      |
| Child Development                              | 10,842,143          | -                                 | 10,842,143           | (1,512,112)        | 9,330,031            |
| Community Services                             | 1,557,690           | -                                 | 1,557,690            | (52,270)           | 1,505,420            |
| Economic and Workforce Dev.                    | 7,490,571           | -                                 | 7,490,571            | (40,310)           | 7,450,261            |
| Energy   | 12,740,013          | -                                 | 12,740,013           | (88,503)           | 12,651,510           |
| Language and Literacy                          | 430,934             | -                                 | 430,934              | -                  | 430,934              |
| Housing and Homeless                           | 490,824             | -                                 | 490,824              | -                  | 490,824              |
| Nutrition and Health                           | 2,317,606           | -                                 | 2,317,606            | (10,048)           | 2,307,558            |
| Special Projects                               | 1,879,743           | -                                 | 1,879,743            | (3,317)            | 1,876,426            |
| Volunteer Services                             | 127,449             | -                                 | 127,449              | -                  | 127,449              |
| SNHS Management Corporation                    | -                   | 2,672,183                         | 2,672,183            | (224,475)          | 2,447,708            |
| Total program services                         | 37,876,973          | 2,672,183                         | 40,549,156           | (1,931,035)        | 38,618,121           |
| Support services:                              |                     |                                   |                      |                    |                      |
| Management and general                         | 1,877,552           | -                                 | 1,877,552            | (655)              | 1,876,897            |
| <b>TOTAL EXPENSES</b>                          | <b>39,754,525</b>   | <b>2,672,183</b>                  | <b>42,426,708</b>    | <b>(1,931,690)</b> | <b>40,495,018</b>    |
| <b>CHANGE IN NET ASSETS</b>                    | <b>686,842</b>      | <b>660,756</b>                    | <b>1,347,598</b>     | <b>-</b>           | <b>1,347,598</b>     |
| <b>NET ASSETS - BEGINNING OF YEAR</b>          | <b>4,646,615</b>    | <b>20,391,776</b>                 | <b>25,038,391</b>    | <b>-</b>           | <b>25,038,391</b>    |
| <b>NET ASSETS - END OF YEAR</b>                | <b>\$ 5,333,457</b> | <b>\$ 21,052,532</b>              | <b>\$ 26,385,989</b> | <b>\$ -</b>        | <b>\$ 26,385,989</b> |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2020

State of NH Governor's Office of Strategic Initiatives  
 Headstart Program  
 For the Period  
 August 1, 2019 to July 31, 2020  
 Fund # 305

**REVENUES**

|  |                  |
|--|------------------|
| Program funding                          | \$ 5,673,912     |
| In-kind                                  | 1,296,196        |
| Allocated corporate unrestricted revenue | <u>(232,744)</u> |
| Total revenue                            | <u>6,737,364</u> |

**EXPENSES**

|                                |                  |
|--------------------------------|------------------|
| Payroll                        | 2,935,664        |
| Payroll taxes                  | 222,088          |
| Fringe benefits                | 915,047          |
| Workers comp. insurance        | 68,815           |
| Retirement benefits            | 169,897          |
| Consultant and contractual     | 21,717           |
| Travel and transportation      | 40,971           |
| Occupancy                      | 275,640          |
| Advertising                    | 1,395            |
| Supplies                       | 188,445          |
| Equip. rentals and maintenance | 2,445            |
| Insurance                      | 14,562           |
| Telephone                      | 33,811           |
| Postage                        | 1,418            |
| Printing and publications      | 2,931            |
| Depreciation                   | 12,210           |
| Assistance to clients          | 5,850            |
| Other expense                  | 55,126           |
| Miscellaneous                  | 7,141            |
| In-kind                        | 1,296,196        |
| Administrative costs           | <u>465,995</u>   |
| Total expenses                 | <u>6,737,364</u> |

|                                 |             |
|---------------------------------|-------------|
| Excess of expenses over revenue | <u>\$ -</u> |
|---------------------------------|-------------|

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2020

State of NH Governor's Office of Strategic Initiatives  
 LIHEAP Program  
 For the Period  
 October 1, 2019 to July 31, 2020  
 Fund # 630-20

**REVENUES**

|  |                  |
|--|------------------|
| Program funding                          | \$ 9,024,873     |
| Other revenue                            | 7,267            |
| Allocated corporate unrestricted revenue | 2,466            |
| Total revenue                            | <u>9,034,606</u> |

**EXPENSES**

|                                |                  |
|--------------------------------|------------------|
| Payroll                        | 393,031          |
| Payroll taxes                  | 29,952           |
| Fringe benefits                | 138,744          |
| Workers comp. insurance        | 1,200            |
| Retirement benefits            | 20,705           |
| Consultant and contractual     | 20,146           |
| Travel and transportation      | 5,040            |
| Conference and meetings        | 27               |
| Occupancy                      | 43,485           |
| Advertising                    | 150              |
| Supplies                       | 26,083           |
| Equip. rentals and maintenance | 2,783            |
| Insurance                      | 1,509            |
| Telephone                      | 14,212           |
| Postage                        | 18,345           |
| Subscriptions                  | 262              |
| Program support                | 30,381           |
| Depreciation                   | 2,404            |
| Assistance to clients          | 8,213,248        |
| Miscellaneous                  | 812              |
| Administrative costs           | 72,087           |
| Total expenses                 | <u>9,034,606</u> |

|                                 |             |
|---------------------------------|-------------|
| Excess of expenses over revenue | <u>\$ -</u> |
|---------------------------------|-------------|

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2020

State of NH Governor's Office of Strategic Initiatives  
 LIHEAP Program  
 For the Period  
 August 1, 2019 to September 30, 2019  
 Fund # 630-19

**REVENUES**

|                 |                |
|-----------------|----------------|
| Program funding | \$ 173,486     |
| Total revenue   | <u>173,486</u> |

**EXPENSES**

|                            |                |
|----------------------------|----------------|
| Payroll                    | 77,520         |
| Payroll taxes              | 6,104          |
| Fringe benefits            | 31,195         |
| Workers comp. insurance    | 218            |
| Retirement benefits        | 4,196          |
| Consultant and contractual | 6,373          |
| Travel and transportation  | 1,036          |
| Conference and meetings    | 15             |
| Occupancy                  | 10,114         |
| Advertising                | 25             |
| Supplies                   | 5,720          |
| Insurance                  | 702            |
| Telephone                  | 2,001          |
| Postage                    | 786            |
| Program support            | 7,165          |
| Printing and publications  | 483            |
| Assistance to clients      | 13,190         |
| Miscellaneous              | 155            |
| Administrative costs       | 6,488          |
| Total expenses             | <u>173,486</u> |

|                                 |             |
|---------------------------------|-------------|
| Excess of expenses over revenue | <u>\$ -</u> |
|---------------------------------|-------------|

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2020

State of NH Governor's Office of Strategic Initiatives  
 Early Headstart Program  
 For the Period  
 August 1, 2019 to July 31, 2020  
 Fund # 300

**REVENUES**

|  |                  |
|--|------------------|
| Program funding                          | \$ 1,488,459     |
| In-kind                                  | 116,095          |
| Allocated corporate unrestricted revenue | (105,146)        |
| Total revenue                            | <u>1,499,408</u> |

**EXPENSES**

|                                 |                  |
|---------------------------------|------------------|
| Payroll                         | 739,965          |
| Payroll taxes                   | 56,426           |
| Fringe benefits                 | 192,055          |
| Workers comp. insurance         | 17,331           |
| Retirement benefits             | 39,757           |
| Consultant and contractual      | 3,481            |
| Travel and transportation       | 4,761            |
| Occupancy                       | 80,061           |
| Advertising                     | 200              |
| Supplies                        | 39,910           |
| Equip. rentals and maintenance  | 1,091            |
| Insurance                       | 2,837            |
| Telephone                       | 31,533           |
| Postage                         | 45               |
| Printing and publications       | 842              |
| Interest                        | 9,529            |
| Depreciation                    | 24,953           |
| Other expense                   | 17,737           |
| Miscellaneous                   | 3,417            |
| In-kind                         | 116,095          |
| Administrative costs            | 117,382          |
| Total expenses                  | <u>1,499,408</u> |
| Excess of expenses over revenue | <u>\$ -</u>      |

## SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

## SCHEDULE OF REVENUES AND EXPENSES - BY CONTRACT

FOR THE YEAR ENDED JULY 31, 2020

## Electric Energy Assistance

For the Period

August 1, 2019 to July 31, 2020

Fund # 665

**REVENUES**

|  |                |
|--|----------------|
| Other revenue                            | \$ 812,431     |
| Allocated corporate unrestricted revenue | 9,845          |
| Total revenue                            | <u>822,276</u> |

**EXPENSES**

|                                 |                |
|---------------------------------|----------------|
| Payroll                         | 423,007        |
| Payroll taxes                   | 32,553         |
| Fringe benefits                 | 140,031        |
| Workers comp. insurance         | 1,484          |
| Retirement benefits             | 18,531         |
| Consultant and contractual      | 23,656         |
| Travel and transportation       | 3,236          |
| Conference and meetings         | 42             |
| Occupancy                       | 51,313         |
| Advertising                     | 175            |
| Supplies                        | 30,428         |
| Equip. rentals and maintenance  | 3,088          |
| Insurance                       | 2,033          |
| Telephone                       | 11,805         |
| Postage                         | 10,894         |
| Subscriptions                   | 262            |
| Depreciation                    | 787            |
| Miscellaneous                   | 443            |
| Administrative costs            | 68,508         |
| Total expenses                  | <u>822,276</u> |
| Excess of expenses over revenue | <u>\$ -</u>    |

WHISPERING PINES II  
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)  
(PROJECT No. A199991-046)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2020 AND 2019

| <i>ASSETS</i>                                  | <u>2020</u>       | <u>2019</u>       |
|--|-------------------|-------------------|
| <b>CURRENT ASSETS</b>                          |                   |                   |
| Cash - Operations                              | \$ 15,319         | 18,732            |
| Prepaid Expenses                               | 8,433             | 6,035             |
| Total Current Assets                           | <u>23,752</u>     | <u>24,767</u>     |
| <b>DEPOSITS HELD IN TRUST, FUNDED</b>          |                   |                   |
| Tenant Security Deposits                       | <u>11,484</u>     | <u>13,294</u>     |
| <b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b> |                   |                   |
| Replacement Reserve                            | 40,591            | 30,028            |
| Operating Reserve                              | 79,253            | 78,399            |
| Tax Escrow                                     | 8,531             | 23,456            |
| Insurance Escrow                               | 2,791             | 4,858             |
| Total Restricted Deposits and Funded Reserves  | <u>131,166</u>    | <u>136,741</u>    |
| <b>RENTAL PROPERTY</b>                         |                   |                   |
| Land   | 166,600           | 166,600           |
| Building and Building Improvements             | 580,758           | 580,758           |
| Total Rental Property                          | <u>747,358</u>    | <u>747,358</u>    |
| Less Accumulated Depreciation                  | <u>59,301</u>     | <u>43,447</u>     |
| Net Rental Property                            | <u>688,057</u>    | <u>703,911</u>    |
| <b>TOTAL ASSETS</b>                            | <u>\$ 854,459</u> | <u>\$ 878,713</u> |
| <b><i>LIABILITIES AND NET ASSETS</i></b>       |                   |                   |
| <b>CURRENT LIABILITIES</b>                     |                   |                   |
| Current Portion of Mortgage Loan Payable       | \$ 6,312          | \$ 6,096          |
| Accounts Payable                               | 5,548             | 1,734             |
| Accrued Expenses                               | 205               | 944               |
| Total Current Liabilities                      | <u>12,065</u>     | <u>8,774</u>      |
| <b>DEPOSIT LIABILITIES</b>                     |                   |                   |
| Tenant Security Deposit Liability              | <u>11,484</u>     | <u>13,294</u>     |
| <b>LONG-TERM LIABILITIES</b>                   |                   |                   |
| Due to Affiliate                               | 18,312            | 32,103            |
| Mortgage Loan Payable, Net of Current Portion  | 188,106           | 194,418           |
| Total Long-Term Liabilities                    | <u>206,418</u>    | <u>226,521</u>    |
| Total Liabilities                              | <u>229,967</u>    | <u>248,589</u>    |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   | <u>624,492</u>    | <u>630,124</u>    |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>        | <u>\$ 854,459</u> | <u>\$ 878,713</u> |

**WHISPERING PINES II**  
**(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)**  
**(PROJECT No. A199991-046)**

**STATEMENTS OF ACTIVITIES**

**FOR THE YEARS ENDED JULY 31, 2020 AND 2019**

|                                       | <u>2020</u>       | <u>2019</u>       |
|---------------------------------------|-------------------|-------------------|
| <b>RENTAL OPERATIONS</b>              |                   |                   |
| <i>Income</i>                         |                   |                   |
| Tenant Rental Income                  | \$ 171,842        | \$ 172,681        |
| Laundry Income                        | 2,275             | 2,235             |
| Other Income                          | 1,466             | 1,470             |
| Interest Income - Unrestricted        | 14                | 15                |
| Interest Income - Restricted          | 1,345             | 2,490             |
| Total Income                          | <u>176,942</u>    | <u>178,891</u>    |
| <i>Expenses (See Schedule)</i>        |                   |                   |
| Administrative                        | 42,309            | 50,777            |
| Utilities                             | 42,448            | 43,570            |
| Maintenance                           | 39,165            | 41,670            |
| Depreciation                          | 15,853            | 15,380            |
| Interest - NHHFA Mortgage Note        | 6,921             | 7,130             |
| General Expenses                      | 35,878            | 33,608            |
| Total Expenses                        | <u>182,574</u>    | <u>192,135</u>    |
| <b>CHANGE IN NET ASSETS</b>           | <b>(5,632)</b>    | <b>(13,244)</b>   |
| <b>NET ASSETS - BEGINNING OF YEAR</b> | <u>630,124</u>    | <u>643,368</u>    |
| <b>NET ASSETS - END OF YEAR</b>       | <u>\$ 624,492</u> | <u>\$ 630,124</u> |

**WHISPERING PINES II**  
**(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)**  
**(PROJECT No. A199991-046)**

**SCHEDULES OF RENTAL OPERATIONS EXPENSES**  
**FOR THE YEARS ENDED JULY 31, 2020 AND 2019**

| <b>EXPENSES:</b>                             | <b>2020</b>       | <b>2019</b>       |
|--|-------------------|-------------------|
| <b><u>Administrative</u></b>                 |                   |                   |
| Management Fees                              | \$ 14,400         | \$ 14,400         |
| Salaries and Wages                           | 16,704            | 20,002            |
| Fringe Benefits                              | 4,701             | 3,415             |
| Investment Fee                               | -                 | 6,120             |
| Telephone                                    | 2,953             | 3,128             |
| Other Administrative Expense                 | 3,551             | 3,712             |
| <b>TOTAL ADMINISTRATIVE EXPENSE</b>          | <b>42,309</b>     | <b>50,777</b>     |
| <b><u>Utilities</u></b>                      |                   |                   |
| Electricity                                  | 20,098            | 19,750            |
| Fuel   | 9,677             | 13,124            |
| Water and Sewer                              | 11,613            | 10,214            |
| Other Utility Expense                        | 1,060             | 482               |
| <b>TOTAL UTILITY EXPENSE</b>                 | <b>42,448</b>     | <b>43,570</b>     |
| <b><u>Maintenance</u></b>                    |                   |                   |
| Custodial Supplies                           | 318               | 692               |
| Trash Removal                                | 2,064             | 2,160             |
| Snow Removal                                 | 10,951            | 10,296            |
| Grounds/Landscaping                          | 17                | -                 |
| Elevator Repairs and Contract                | 5,045             | 2,764             |
| Repairs (Materials)                          | 17,218            | 25,758            |
| Operation (Contract)                         | 3,552             | -                 |
| <b>TOTAL MAINTENANCE EXPENSE</b>             | <b>39,165</b>     | <b>41,670</b>     |
| <b><u>Depreciation</u></b>                   | <b>15,853</b>     | <b>15,380</b>     |
| <b><u>Interest - NHHFA Mortgage Note</u></b> | <b>6,921</b>      | <b>7,130</b>      |
| <b><u>General Expenses</u></b>               |                   |                   |
| Real Estate Taxes                            | 26,490            | 24,293            |
| Payroll Taxes                                | 1,273             | 1,612             |
| Retirement Benefits                          | 1,670             | 1,871             |
| Workman's Compensation                       | 915               | 1,064             |
| Insurance                                    | 5,530             | 4,768             |
| <b>TOTAL GENERAL EXPENSES</b>                | <b>35,878</b>     | <b>33,608</b>     |
| <b>TOTAL EXPENSES</b>                        | <b>\$ 182,574</b> | <b>\$ 192,135</b> |

WHISPERING PINES II  
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)  
(PROJECT No. A199991-046)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2020

**SOURCE OF FUNDS**

Rental Operations

Income

|                  |            |  |
|------------------|------------|--|
| Tenant Paid Rent | \$ 148,881 |  |
| HAP Rent Subsidy | 22,961     |  |

Total Rental Income

\$ 171,842

|                   |       |  |
|-------------------|-------|--|
| Service Income    | 2,275 |  |
| Interest Income   | 14    |  |
| Commercial Income | -     |  |
| Other Income      | 1,466 |  |

Total Rental Operations Receipts

175,597

Expenses

|                                |        |  |
|--------------------------------|--------|--|
| Administrative                 | 45,446 |  |
| Utilities                      | 42,448 |  |
| Maintenance                    | 35,351 |  |
| Interest - NHHFA Mortgage Note | 6,921  |  |
| Interest - Other Notes         | -      |  |
| General                        | 35,878 |  |
| Other                          | -      |  |

Total Rental Operations Disbursements

(166,044)

Cash Provided by Rental Operations

9,553

Amortization of Mortgage

6,095

Cash Provided by Rental Operations

After Debt Service

3,458

**OTHER RECEIPTS**

Due to Management Agent

(13,791)

Owner Advances

-

Transfer from Restricted Cash Reserves

50,659

and Escrows

-

36,868

**OTHER DISBURSEMENTS OR TRANSFERS**

Transfers to Restricted Cash Reserves

43,739

and Escrows

Purchase of Fixed Assets

-

Repayment of Owner Advances

-

Other Partnership Expenses

-

Transfers to Tenant Security Deposit Account

-

43,739

Net Increase or (Decrease) in Project Account Cash

(3,413)

Project Account Cash Balance at Beginning of Year

18,732

Project Account Cash Balance at End of Year

15,319

Composition of Project Account Cash

Balance at End of Year

15,319

Petty Cash

-

Unrestricted Reserve (if applicable)

Decorating Reserve

-

Operating Reserve

-

Other Reserve

-

Total Petty Cash and Unrestricted Reserves

-

Total Project Account Cash

at End of Year

\$ 15,319

WHISPERING PINES II  
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)  
(PROJECT No. A199991-046)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2019

**SOURCE OF FUNDS**

Rental Operations

Income

|                  |            |  |
|------------------|------------|--|
| Tenant Paid Rent | \$ 153,454 |  |
| HAP Rent Subsidy | 19,736     |  |

Total Rental Income

|                   |       |  |
|-------------------|-------|--|
| Service Income    | 2,235 |  |
| Interest Income   | 15    |  |
| Commercial Income | -     |  |
| Other Income      | 1,470 |  |

Total Rental Operations Receipts

176,910

Expenses

|                                |        |  |
|--------------------------------|--------|--|
| Administrative                 | 49,895 |  |
| Utilities                      | 43,570 |  |
| Maintenance                    | 42,665 |  |
| Interest - NHHFA Mortgage Note | 7,130  |  |
| Interest - Other Notes         | -      |  |
| General                        | 33,608 |  |
| Other                          | -      |  |

Total Rental Operations Disbursements

(176,868)

Cash Provided by Rental Operations

42

Amortization of Mortgage

5,886

Cash Provided by Rental Operations

After Debt Service

(5,844)

**OTHER RECEIPTS**

Due to Management Agent

16,156

Owner Advances

-

Transfer from Restricted Cash Reserves  
and Escrows

46,320

-

62,476

**OTHER DISBURSEMENTS OR TRANSFERS**

Transfers to Restricted Cash Reserves  
and Escrows

55,176

Purchase of Fixed Assets

11,359

Repayment of Owner Advances

-

Other Partnership Expenses

-

Transfers to Tenant Security Deposit Account

-

66,535

Net Increase or (Decrease) in Project Account Cash

(9,903)

Project Account Cash Balance at Beginning of Year

28,635

Project Account Cash Balance at End of Year

18,732

Composition of Project Account Cash

Balance at End of Year

18,732

Petty Cash

-

Unrestricted Reserve (if applicable)

Decorating Reserve

-

Operating Reserve

-

Other Reserve

-

Total Petty Cash and Unrestricted Reserves

-

Total Project Account Cash

at End of Year

\$ 18,732

WHISPERING PINES II  
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)  
(PROJECT No. A199991-046)

SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS  
FOR THE YEAR ENDED JULY 31, 2020

| <u>Description of Fund</u>                        | <u>Balance</u><br><u>Beginning of</u><br><u>Period</u> | <u>Deposits</u><br><u>Transfers</u><br><u>From</u><br><u>Operations</u><br><u>Account</u> | <u>Interest</u><br><u>Earned</u> | <u>Withdrawals</u><br><u>Transfers to</u><br><u>Operations</u><br><u>Account</u> | <u>Balance</u><br><u>End of</u><br><u>Period</u> |
|---|--|---|----------------------------------|--|--|
| <u>Restricted Accounts:</u>                       |  |   |                                  |  |  |
| Insurance Escrow                                  | \$ 4,858   | \$ 4,767  | \$ 39                            | \$ 6,873   | \$ 2,791   |
| Tax Escrow  | 23,456   | 28,772  | 89                               | 43,786   | 8,531  |
| Replacement Reserve                               | 30,028   | 10,200  | 363                              | -  | 40,591   |
| Operating Reserve                                 | 78,399   | -   | 854                              | -  | 79,253   |
| <b>Total Restricted Cash Reserves and Escrows</b> | <b>\$ 136,741</b>                                      | <b>\$ 43,739</b>  | <b>\$ 1,345</b>                  | <b>\$ 50,659</b>   | <b>\$ 131,166</b>                                |

SCHEDULE OF SURPLUS CASH CALCULATION  
JULY 31, 2020

|  |                   |
|--|-------------------|
| NET LOSS   | \$ (5,632)        |
| ADD: DEPRECIATION  | 15,853            |
| DEDUCT REQUIRED PRINCIPAL REPAYMENTS   | 6,095             |
| DEDUCT REQUIRED PAYMENTS TO<br>REPLACEMENT RESERVES  | 10,200            |
| ADD/DEDUCT NHHFA APPROVED ITEMS<br>Repair and Maintenance Expenses Reimbursed Through Replacement Reserves | -                 |
| <b>SURPLUS CASH (DEFICIT)</b>  | <b>\$ (6,074)</b> |

WHISPERING PINES II  
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)  
(PROJECT No. A199991-046)

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION

FOR THE YEAR ENDED JULY 31, 2020

| <u>YEAR</u> | <u>MAXIMUM ALLOWABLE<br/>DISTRIBUTION</u> | <u>DISTRIBUTION<br/>RECEIVED</u> | <u>BALANCE</u> |
|-------------|---|----------------------------------|----------------|
| 12/31/2001  | \$ 243,855                                | \$ -                             | \$ 243,855     |
| 12/31/2002  | \$ 243,855                                | \$ -                             | \$ 487,710     |
| 12/31/2003  | \$ 243,855                                | \$ 5,895                         | \$ 725,670     |
| 12/31/2004  | \$ 243,855                                | \$ 7,200                         | \$ 962,325     |
| 12/31/2005  | \$ 243,855                                | \$ -                             | \$ 1,206,180   |
| 12/31/2006  | \$ 243,855                                | \$ 6,120                         | \$ 1,443,915   |
| 12/31/2007  | \$ 243,855                                | \$ -                             | \$ 1,687,770   |
| 12/31/2008  | \$ 243,855                                | \$ -                             | \$ 1,931,625   |
| 12/31/2009  | \$ 243,855                                | \$ -                             | \$ 2,175,480   |
| 12/31/2010  | \$ 243,855                                | \$ -                             | \$ 2,419,335   |
| 12/31/2011  | \$ 243,855                                | \$ -                             | \$ 2,663,190   |
| 12/31/2012  | \$ 243,855                                | \$ -                             | \$ 2,907,045   |
| 12/31/2013  | \$ 243,855                                | \$ 7,200                         | \$ 3,143,700   |
| 12/31/2014  | \$ 243,855                                | \$ -                             | \$ 3,387,555   |
| 12/31/2015  | \$ 243,855                                | \$ -                             | \$ 3,631,410   |
| 7/31/2016   | \$ 142,249                                | \$ -                             | \$ 3,773,659   |
| 7/31/2017   | \$ 243,855                                | \$ -                             | \$ 4,017,514   |
| 7/31/2018   | \$ 243,855                                | \$ -                             | \$ 4,261,369   |
| 7/31/2019   | \$ 243,855                                | \$ -                             | \$ 4,505,224   |
| 7/30/2020   | \$ 243,855                                | \$ -                             | \$ 4,749,079   |

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2020 AND 2019

| <i>ASSETS</i>                                  |                            |                            |
|--|----------------------------|----------------------------|
|  | <u>2020</u>                | <u>2019</u>                |
| <b>CURRENT ASSETS</b>                          |                            |                            |
| Cash - Operations                              | \$ 19,889                  | \$ 17,001                  |
| Prepaid Expenses                               | 9,178                      | 6,880                      |
| Total Current Assets                           | <u>29,067</u>              | <u>23,881</u>              |
| <b>DEPOSITS HELD IN TRUST, FUNDED</b>          |                            |                            |
| Tenant Security Deposits                       | <u>16,316</u>              | <u>15,764</u>              |
| <b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b> |                            |                            |
| Replacement Reserve                            | 84,264                     | 154,554                    |
| Operating Reserve                              | 69,966                     | 96,431                     |
| Tax Escrow                                     | 6,548                      | 6,543                      |
| Total Restricted Deposits and Funded Reserves  | <u>160,778</u>             | <u>257,528</u>             |
| <b>RENTAL PROPERTY</b>                         |                            |                            |
| Land   | 176,000                    | 176,000                    |
| Building and Building Improvements             | 1,157,330                  | 1,071,375                  |
| Total Rental Property                          | <u>1,333,330</u>           | <u>1,247,375</u>           |
| Less Accumulated Depreciation                  | 121,276                    | 89,879                     |
| Net Rental Property                            | <u>1,212,054</u>           | <u>1,157,496</u>           |
| <b>TOTAL ASSETS</b>                            | <b><u>\$ 1,418,215</u></b> | <b><u>\$ 1,454,669</u></b> |
| <b><i>LIABILITIES AND NET ASSETS</i></b>       |                            |                            |
| <b>CURRENT LIABILITIES</b>                     |                            |                            |
| Accounts Payable                               | \$ 2,908                   | \$ 1,355                   |
| Accrued Expenses                               | 714                        | 430                        |
| Total Current Liabilities                      | <u>3,622</u>               | <u>1,785</u>               |
| <b>DEPOSIT LIABILITIES</b>                     |                            |                            |
| Tenant Security Deposit Liability              | <u>16,332</u>              | <u>15,781</u>              |
| <b>LONG-TERM LIABILITIES</b>                   |                            |                            |
| Due to Affiliate                               | 45,834                     | 45,617                     |
| Mortgage Loan Payable, Net of Current Portion  | 1,170,000                  | 1,170,000                  |
| Total Long-Term Liabilities                    | <u>1,215,834</u>           | <u>1,215,617</u>           |
| Total Liabilities                              | <u>1,235,788</u>           | <u>1,233,183</u>           |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   | <u>182,427</u>             | <u>221,486</u>             |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>        | <b><u>\$ 1,418,215</u></b> | <b><u>\$ 1,454,669</u></b> |

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2020 AND 2019

|                                       | <u>2020</u>       | <u>2019</u>       |
|---------------------------------------|-------------------|-------------------|
| <b>RENTAL OPERATIONS</b>              |                   |                   |
| <i>Income</i>                         |                   |                   |
| Tenant Rental Income                  | \$ 209,157        | \$ 208,237        |
| Laundry Income                        | 1,355             | 1,274             |
| Other Income                          | 150               | -                 |
| Interest Income - Unrestricted        | 21                | 15                |
| Interest Income - Restricted          | 124               | 175               |
| Total Income                          | <u>210,807</u>    | <u>209,701</u>    |
| <i>Expenses (See Schedule)</i>        |                   |                   |
| Administrative                        | 60,452            | 71,428            |
| Utilities                             | 59,251            | 59,196            |
| Maintenance                           | 66,329            | 59,672            |
| Depreciation                          | 31,397            | 27,458            |
| General Expenses                      | 32,437            | 29,058            |
| Total Expenses                        | <u>249,866</u>    | <u>246,812</u>    |
| <b>CHANGE IN NET ASSETS</b>           | (39,059)          | (37,111)          |
| <b>NET ASSETS - BEGINNING OF YEAR</b> | <u>221,486</u>    | <u>258,597</u>    |
| <b>NET ASSETS - END OF YEAR</b>       | <u>\$ 182,427</u> | <u>\$ 221,486</u> |

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)  
SCHEDULES OF RENTAL OPERATIONS EXPENSES  
FOR THE YEARS ENDED JULY 31, 2020 AND 2019

| EXPENSES:                           | <u>2020</u>       | <u>2019</u>       |
|-------------------------------------|-------------------|-------------------|
| <u>Administrative</u>               |                   |                   |
| Advertising                         | \$ 25             | \$ 350            |
| Management Fees                     | 17,688            | 17,688            |
| Salaries and Wages                  | 28,918            | 31,953            |
| Fringe Benefits                     | 8,636             | 10,362            |
| Audit and Accounting Expense        | -                 | 400               |
| Legal Expenses                      | 446               | 253               |
| Telephone                           | 1,352             | 1,431             |
| Other Administrative Expense        | 3,387             | 8,991             |
| <b>TOTAL ADMINISTRATIVE EXPENSE</b> | <u>60,452</u>     | <u>71,428</u>     |
| <u>Utilities</u>                    |                   |                   |
| Electricity                         | 32,400            | 33,814            |
| Fuel                                | 15,602            | 15,853            |
| Water and Sewer                     | 10,067            | 8,733             |
| Other Utility Expense               | 1,182             | 796               |
| <b>TOTAL UTILITY EXPENSE</b>        | <u>59,251</u>     | <u>59,196</u>     |
| <u>Maintenance</u>                  |                   |                   |
| Custodial Supplies                  | 689               | 1,726             |
| Trash Removal                       | 2,617             | 3,615             |
| Snow Removal                        | 4,170             | 4,242             |
| Grounds/Landscaping                 | -                 | 3,100             |
| Elevator Repairs and Contract       | 6,047             | 4,835             |
| Repairs (Materials)                 | 48,763            | 42,154            |
| Repairs (Contract)                  | 4,043             | -                 |
| <b>TOTAL MAINTENANCE EXPENSE</b>    | <u>66,329</u>     | <u>59,672</u>     |
| <u>Depreciation</u>                 | <u>31,397</u>     | <u>27,458</u>     |
| <u>General Expenses</u>             |                   |                   |
| Real Estate Taxes                   | 20,974            | 17,040            |
| Payroll Taxes                       | 2,225             | 2,613             |
| Workman's Compensation              | 827               | 1,102             |
| Insurance                           | 8,411             | 8,303             |
| <b>TOTAL GENERAL EXPENSES</b>       | <u>32,437</u>     | <u>29,058</u>     |
| <b>TOTAL EXPENSES</b>               | <u>\$ 249,866</u> | <u>\$ 246,812</u> |

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT  
FOR THE YEAR ENDED JULY 31, 2020

**SOURCE OF FUNDS**Rental OperationsIncome

|                  |    |         |  |
|------------------|----|---------|--|
| Tenant Paid Rent | \$ | 180,736 |  |
| HAP Rent Subsidy |    | 28,421  |  |

Total Rental Income\$ 209,157

|                   |  |       |  |
|-------------------|--|-------|--|
| Service Income    |  | 1,355 |  |
| Interest Income   |  | 21    |  |
| Commercial Income |  | -     |  |
| Other Income      |  | 150   |  |

Total Rental Operations Receipts210,683Expenses

|                                |  |        |  |
|--------------------------------|--|--------|--|
| Administrative                 |  | 62,467 |  |
| Utilities                      |  | 59,251 |  |
| Maintenance                    |  | 64,776 |  |
| Interest - NHHFA Mortgage Note |  | -      |  |
| Interest - Other Notes         |  | -      |  |
| General                        |  | 32,437 |  |
| Other                          |  | -      |  |

Total Rental Operations Disbursements(218,931)Cash Provided by Rental Operations(8,248)Amortization of Mortgage-Cash Provided by Rental OperationsAfter Debt Service(8,248)**OTHER RECEIPTS**Due to Management Agent217Owner Advances-Transfer from Restricted Cash Reserves  
and Escrows112,474-112,691**OTHER DISBURSEMENTS OR TRANSFERS**Transfers to Restricted Cash Reserves  
and Escrows15,600Purchase of Fixed Assets85,955Repayment of Owner Advances-Other Partnership Expenses-Transfers to Tenant Security Deposit Account-101,555Net Increase or (Decrease) in Project Account Cash2,888Project Account Cash Balance at Beginning of Year17,001Project Account Cash Balance at End of Year19,889Composition of Project Account CashBalance at End of Year19,889Petty Cash-Unrestricted Reserve (if applicable)

## Decorating Reserve

-

## Operating Reserve

-

## Other Reserve

-Total Petty Cash and Unrestricted Reserves-Total Project Account Cashat End of Year\$ 19,889

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT  
FOR THE YEAR ENDED JULY 31, 2019

**SOURCE OF FUNDS**Rental OperationsIncome

|                  |            |  |
|------------------|------------|--|
| Tenant Paid Rent | \$ 177,824 |  |
| HAP Rent Subsidy | 30,413     |  |

Total Rental Income\$ 208,237

|                   |       |  |
|-------------------|-------|--|
| Service Income    | 1,274 |  |
| Interest Income   | 15    |  |
| Commercial Income | -     |  |
| Other Income      | -     |  |

Total Rental Operations Receipts209,526Expenses

|                                |        |  |
|--------------------------------|--------|--|
| Administrative                 | 69,543 |  |
| Utilities                      | 59,196 |  |
| Maintenance                    | 61,862 |  |
| Interest - NHHFA Mortgage Note | -      |  |
| Interest - Other Notes         | -      |  |
| General                        | 29,058 |  |
| Other                          | -      |  |

Total Rental Operations Disbursements(219,659)Cash Provided by Rental Operations(10,133)Amortization of Mortgage

-

Cash Provided by Rental OperationsAfter Debt Service(10,133)**OTHER RECEIPTS**Due to Management Agent

4,960

Owner Advances

-

Transfer from Restricted Cash Reserves  
and Escrows

112,474

-

117,434**OTHER DISBURSEMENTS OR TRANSFERS**Transfers to Restricted Cash Reserves  
and Escrows

15,600

Purchase of Fixed Assets

-

Repayment of Owner Advances

-

Other Partnership Expenses

-

Transfers to Tenant Security Deposit Account

-

15,600Net Increase or (Decrease) in Project Account Cash91,701Project Account Cash Balance at Beginning of Year37,774Project Account Cash Balance at End of Year129,475Composition of Project Account CashBalance at End of Year17,001Petty Cash

-

Unrestricted Reserve (if applicable)

## Decorating Reserve

-

## Operating Reserve

-

## Other Reserve

-

Total Petty Cash and Unrestricted Reserves

-

Total Project Account Cashat End of Year\$ 17,001

J.B. MILETTE MANOR  
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)  
SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS  
FOR THE YEAR ENDED JULY 31, 2020

| <u>Description of Fund</u>                            | <u>Balance</u><br><u>Beginning of</u><br><u>Period</u> | <u>Deposits</u><br><u>Transfers</u><br><u>From</u><br><u>Operations</u><br><u>Account</u> | <u>Interest</u><br><u>Earned</u> | <u>Withdrawals</u><br><u>Transfers to</u><br><u>Operations</u><br><u>Account</u> | <u>Balance</u><br><u>End of</u><br><u>Period</u> |
|---|--|---|----------------------------------|--|--|
| <u>Restricted Accounts:</u>                           |  |   |                                  |  |  |
| Tax Escrow  | \$ 6,543   | \$ -  | \$ 5                             | \$ -   | \$ 6,548   |
| Replacement Reserve                                   | 154,554  | 15,600  | 65                               | 85,955   | 84,264   |
| Operating Reserve                                     | 96,431   | -   | 54                               | 26,519   | 69,966   |
| <b>Total Restricted Cash<br/>Reserves and Escrows</b> | <b>\$ 257,528</b>                                      | <b>\$ 15,600</b>  | <b>\$ 124</b>                    | <b>\$ 112,474</b>  | <b>\$ 160,778</b>                                |

SCHEDULE OF SURPLUS CASH CALCULATION  
JULY 31, 2020

|  |                         |
|--|-------------------------|
| NET LOSS   | \$ (39,059)             |
| ADD: DEPRECIATION  | 31,397                  |
| DEDUCT REQUIRED PRINCIPAL REPAYMENTS   | -                       |
| DEDUCT REQUIRED PAYMENTS TO<br>REPLACEMENT RESERVES  | 15,600                  |
| ADD/DEDUCT NHHFA APPROVED ITEMS<br>Repair and Maintenance Expenses Reimbursed Through Replacement Reserves | <u>85,955</u>           |
| <b>SURPLUS CASH (DEFICIT)</b>  | <b>\$ <u>62,693</u></b> |

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2020 AND 2019

| <i>ASSETS</i>                                  | <u>2020</u>         | <u>2019</u>         |
|--|---------------------|---------------------|
| <b>CURRENT ASSETS</b>                          |                     |                     |
| Cash - Operations                              | \$ 100,810          | \$ 91,630           |
| Prepaid Expenses                               | 7,936               | 6,318               |
| Total Current Assets                           | <u>108,746</u>      | <u>97,948</u>       |
| <b>DEPOSITS HELD IN TRUST, FUNDED</b>          |                     |                     |
| Tenant Security Deposits                       | <u>14,871</u>       | <u>15,855</u>       |
| <b>RESTRICTED DEPOSITS AND FUNDED RESERVES</b> |                     |                     |
| Replacement Reserve                            | 153,325             | 124,871             |
| Operating Reserve                              | 67,842              | 67,111              |
| Tax Escrow                                     | 5,927               | 11,877              |
| Insurance Escrow                               | 3,480               | 3,581               |
| Total Restricted Deposits and Funded Reserves  | <u>230,574</u>      | <u>207,440</u>      |
| <b>RENTAL PROPERTY</b>                         |                     |                     |
| Land   | 211,000             | 211,000             |
| Building and Building Improvements             | 907,200             | 907,200             |
| Total Rental Property                          | <u>1,118,200</u>    | <u>1,118,200</u>    |
| Less Accumulated Depreciation                  | 52,355              | 28,775              |
| Net Rental Property                            | <u>1,065,845</u>    | <u>1,089,425</u>    |
| <b>TOTAL ASSETS</b>                            | <u>\$ 1,420,036</u> | <u>\$ 1,410,668</u> |
| <b><i>LIABILITIES AND NET ASSETS</i></b>       |                     |                     |
| <b>CURRENT LIABILITIES</b>                     |                     |                     |
| Current Portion of Mortgage Loan Payable       | \$ 16,453           | \$ 15,344           |
| Accounts Payable                               | 370                 | 4,240               |
| Accrued Expenses                               | -                   | 194                 |
| Total Current Liabilities                      | <u>16,823</u>       | <u>19,778</u>       |
| <b>DEPOSIT LIABILITIES</b>                     |                     |                     |
| Tenant Security Deposit Liability              | <u>14,822</u>       | <u>15,805</u>       |
| <b>LONG-TERM LIABILITIES</b>                   |                     |                     |
| Due to Affiliate                               | 133,513             | 131,432             |
| Mortgage Loan Payable, Net of Current Portion  | 869,248             | 885,694             |
| Total Long-Term Liabilities                    | <u>1,002,761</u>    | <u>1,017,126</u>    |
| Total Liabilities                              | <u>1,034,406</u>    | <u>1,052,709</u>    |
| <b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>   | <u>385,630</u>      | <u>357,959</u>      |
| <b>TOTAL LIABILITIES AND NET ASSETS</b>        | <u>\$ 1,420,036</u> | <u>\$ 1,410,668</u> |

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2020 AND 2019

|   | 2020           | 2019           |
|---|----------------|----------------|
| <b>RENTAL OPERATIONS</b>                  |                |                |
| <i>Income</i>                             |                |                |
| Tenant Rental Income                      | \$ 250,537     | \$ 260,808     |
| Laundry Income                            | 2,545          | 2,640          |
| Other Income                              | 1,084          | 1,070          |
| Interest Income - Unrestricted            | 68             | 56             |
| Interest Income - Restricted              | 2,320          | 3,633          |
| Total Income                              | 256,554        | 268,207        |
| <i>Expenses (See Schedule)</i>            |                |                |
| Administrative                            | 44,581         | 38,625         |
| Utilities                                 | 33,892         | 35,850         |
| Maintenance                               | 68,243         | 55,722         |
| Depreciation                              | 23,580         | 23,180         |
| Interest - NHHFA Mortgage Note            | 24,582         | 25,616         |
| General Expenses                          | 34,005         | 31,348         |
| Total Expenses                            | 228,883        | 210,341        |
| <br><b>CHANGE IN NET ASSETS</b>           | <br>27,671     | <br>57,866     |
| <br><b>NET ASSETS - BEGINNING OF YEAR</b> | <br>357,959    | <br>300,093    |
| <br><b>NET ASSETS - END OF YEAR</b>       | <br>\$ 385,630 | <br>\$ 357,959 |

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

SCHEDULES OF RENTAL OPERATIONS EXPENSES  
FOR THE YEARS ENDED JULY 31, 2020 AND 2019

| <b>EXPENSES:</b>                      | <u>2020</u>       | <u>2019</u>       |
|---------------------------------------|-------------------|-------------------|
| <u>Administrative</u>                 |                   |                   |
| Advertising                           | \$ 150            | \$ 125            |
| Management Fees                       | 18,000            | 20,872            |
| Salaries and Wages                    | 16,085            | 8,526             |
| Fringe Benefits                       | 4,911             | 3,021             |
| Audit and Accounting Expense          | -                 | 75                |
| Telephone                             | 2,299             | 2,291             |
| Other Administrative Expense          | 3,136             | 3,715             |
| <b>TOTAL ADMINISTRATIVE EXPENSE</b>   | <u>44,581</u>     | <u>38,625</u>     |
| <u>Utilities</u>                      |                   |                   |
| Electricity                           | 20,299            | 20,577            |
| Fuel                                  | 9,276             | 8,898             |
| Water and Sewer                       | 2,425             | 4,597             |
| Other Utility Expense                 | 1,892             | 1,778             |
| <b>TOTAL UTILITY EXPENSE</b>          | <u>33,892</u>     | <u>35,850</u>     |
| <u>Maintenance</u>                    |                   |                   |
| Custodial Supplies                    | 121               | -                 |
| Trash Removal                         | 3,170             | 1,523             |
| Snow Removal                          | 21,724            | 25,123            |
| Grounds/Landscaping                   | -                 | 292               |
| Repairs (Materials)                   | 43,228            | 28,784            |
| <b>TOTAL MAINTENANCE EXPENSE</b>      | <u>68,243</u>     | <u>55,722</u>     |
| <u>Depreciation</u>                   | <u>23,580</u>     | <u>23,180</u>     |
| <u>Interest - NHHFA Mortgage Note</u> | <u>24,582</u>     | <u>25,616</u>     |
| <u>General Expenses</u>               |                   |                   |
| Real Estate Taxes                     | 26,673            | 25,184            |
| Payroll Taxes                         | 1,237             | 714               |
| Workman's Compensation                | 788               | 454               |
| Retirement benefits                   | 276               | 228               |
| Insurance                             | 5,031             | 4,768             |
| <b>TOTAL GENERAL EXPENSES</b>         | <u>34,005</u>     | <u>31,348</u>     |
| <b>TOTAL EXPENSES</b>                 | <u>\$ 228,883</u> | <u>\$ 210,341</u> |

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2020

**SOURCE OF FUNDS**

Rental Operations

Income

|                  |            |  |
|------------------|------------|--|
| Tenant Paid Rent | \$ 113,921 |  |
| HAP Rent Subsidy | 136,616    |  |

Total Rental Income

|                   |       |            |
|-------------------|-------|------------|
| Service Income    | 2,545 | \$ 250,537 |
| Interest Income   | 68    |            |
| Commercial Income | -     |            |
| Other Income      | 1,084 |            |

Total Rental Operations Receipts

254,234

Expenses

|                                |        |  |
|--------------------------------|--------|--|
| Administrative                 | 46,393 |  |
| Utilities                      | 33,892 |  |
| Maintenance                    | 72,113 |  |
| Interest - NHHFA Mortgage Note | 24,582 |  |
| Interest - Other Notes         | -      |  |
| General                        | 34,005 |  |
| Other                          | -      |  |

Total Rental Operations Disbursements

(210,985)

Cash Provided by Rental Operations

43,249

Amortization of Mortgage

15,337

Cash Provided by Rental Operations

After Debt Service

27,912

**OTHER RECEIPTS**

Due to Management Agent

-

Owner Advances

-

Transfer from Restricted Cash Reserves  
and Escrows

37,340

37,340

**OTHER DISBURSEMENTS OR TRANSFERS**

Transfers to Restricted Cash Reserves  
and Escrows

58,154

Purchase of Fixed Assets

-

Repayment of Owner Advances

(2,081)

Other Partnership Expenses

(1)

Transfers to Tenant Security Deposit Account

-

56,072

Net Increase or (Decrease) in Project Account Cash

9,180

Project Account Cash Balance at Beginning of Year

91,630

Project Account Cash Balance at End of Year

100,810

Composition of Project Account Cash

Balance at End of Year

100,810

Petty Cash

-

Unrestricted Reserve (if applicable)

Decorating Reserve

-

Operating Reserve

-

Other Reserve

-

Total Petty Cash and Unrestricted Reserves

-

Total Project Account Cash

at End of Year

\$ 100,810

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
PROJECT OPERATING ACCOUNT

FOR THE YEAR ENDED JULY 31, 2019

**SOURCE OF FUNDS**

Rental Operations

Income

|                  |            |  |
|------------------|------------|--|
| Tenant Paid Rent | \$ 119,235 |  |
| HAP Rent Subsidy | 141,573    |  |

Total Rental Income

|                   |       |  |
|-------------------|-------|--|
| Service Income    | 2,640 |  |
| Interest Income   | 56    |  |
| Commercial Income | -     |  |
| Other Income      | 1,070 |  |

Total Rental Operations Receipts

264,574

Expenses

|                                |        |  |
|--------------------------------|--------|--|
| Administrative                 | 38,243 |  |
| Utilities                      | 35,850 |  |
| Maintenance                    | 53,892 |  |
| Interest - NHHFA Mortgage Note | 25,616 |  |
| Interest - Other Notes         | -      |  |
| General                        | 31,348 |  |
| Other                          | -      |  |

Total Rental Operations Disbursements

(184,949)

Cash Provided by Rental Operations

79,625

Amortization of Mortgage

14,302

Cash Provided by Rental Operations

After Debt Service

65,323

**OTHER RECEIPTS**

Due to Management Agent

-

Owner Advances

-

Transfer from Restricted Cash Reserves  
and Escrows

43,443

-

43,443

**OTHER DISBURSEMENTS OR TRANSFERS**

Transfers to Restricted Cash Reserves  
and Escrows

56,778

Purchase of Fixed Assets

12,000

Repayment of Owner Advances

5,266

Other Partnership Expenses

50

Transfers to Tenant Security Deposit Account

-

74,094

Net Increase or (Decrease) in Project Account Cash

34,672

Project Account Cash Balance at Beginning of Year

56,958

Project Account Cash Balance at End of Year

91,630

Composition of Project Account Cash

Balance at End of Year

91,630

Petty Cash

-

Unrestricted Reserve (if applicable)

Decorating Reserve

-

Operating Reserve

-

Other Reserve

-

Total Petty Cash and Unrestricted Reserves

-

Total Project Account Cash

at End of Year

\$ 91,630

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS

FOR THE YEAR ENDED JULY 31, 2020

| <u>Description of Fund</u>                            | <u>Deposits</u>  |  |                                  | <u>Withdrawals</u>   |  |
|---|--|--|----------------------------------|--|--|
|   | <u>Balance</u><br><u>Beginning of</u><br><u>Period</u> | <u>Transfers</u><br><u>From</u><br><u>Operations</u><br><u>Account</u> | <u>Interest</u><br><u>Earned</u> | <u>Transfers to</u><br><u>Operations</u><br><u>Account</u> | <u>Balance</u><br><u>End of</u><br><u>Period</u> |
| <u>Restricted Accounts:</u>                           |  |  |                                  |  |  |
| Insurance Escrow                                      | \$ 3,581   | \$ 5,077   | \$ 41                            | \$ 5,219   | \$ 3,480   |
| Tax Escrow  | 11,877   | 26,077   | 94                               | 32,121   | 5,927  |
| Replacement Reserve                                   | 124,871  | 27,000   | 1,454                            | -  | 153,325  |
| Operating Reserve                                     | 67,111   | -  | 731                              | -  | 67,842   |
| <b>Total Restricted Cash<br/>Reserves and Escrows</b> | <b>\$ 207,440</b>                                      | <b>\$ 58,154</b>   | <b>\$ 2,320</b>                  | <b>\$ 37,340</b>   | <b>\$ 230,574</b>                                |

SCHEDULE OF SURPLUS CASH CALCULATION

JULY 31, 2020

|  |                 |
|--|-----------------|
| NET INCOME   | \$ 27,671       |
| ADD: DEPRECIATION  | 23,580          |
| DEDUCT REQUIRED PRINCIPAL REPAYMENTS   | 15,337          |
| DEDUCT REQUIRED PAYMENTS TO<br>REPLACEMENT RESERVES  | 27,000          |
| ADD/DEDUCT NHHFA APPROVED ITEMS<br>Repair and Maintenance Expenses Reimbursed Through Replacement Reserves | -               |
| <b>SURPLUS CASH (DEFICIT)</b>  | <b>\$ 8,914</b> |

SHERBURNE WOODS  
(FORMERLY: SNHS DEERFIELD ELDERLY HOUSING LIMITED PARTNERSHIP)  
(PROJECT No. HAP PBA 901-02-05)

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION

FOR THE YEAR ENDED JULY 31, 2020

| <u>YEAR</u> | <u>MAXIMUM ALLOWABLE<br/>DISTRIBUTION</u> | <u>DISTRIBUTION<br/>RECEIVED</u> | <u>BALANCE</u> |
|-------------|---|----------------------------------|----------------|
| 12/31/2003  | \$ 113,850                                | \$ -                             | \$ 113,850     |
| 12/31/2004  | \$ 113,850                                | \$ -                             | \$ 227,700     |
| 12/31/2005  | \$ 113,850                                | \$ -                             | \$ 341,550     |
| 12/31/2006  | \$ 113,850                                | \$ -                             | \$ 455,400     |
| 12/31/2007  | \$ 113,850                                | \$ -                             | \$ 569,250     |
| 12/31/2008  | \$ 113,850                                | \$ -                             | \$ 683,100     |
| 12/31/2009  | \$ 113,850                                | \$ -                             | \$ 796,950     |
| 12/31/2010  | \$ 113,850                                | \$ -                             | \$ 910,800     |
| 12/31/2011  | \$ 113,850                                | \$ -                             | \$ 1,024,650   |
| 12/31/2012  | \$ 113,850                                | \$ -                             | \$ 1,138,500   |
| 12/31/2013  | \$ 113,850                                | \$ -                             | \$ 1,252,350   |
| 12/31/2014  | \$ 113,850                                | \$ -                             | \$ 1,366,200   |
| 12/31/2015  | \$ 113,850                                | \$ -                             | \$ 1,480,050   |
| 12/30/2016  | \$ 113,850                                | \$ -                             | \$ 1,593,900   |
| 12/30/2017  | \$ 113,850                                | \$ -                             | \$ 1,707,750   |
| 7/31/2018   | \$ 66,413                                 | \$ -                             | \$ 1,774,163   |
| 7/31/2019   | \$ 113,850                                | \$ -                             | \$ 1,888,013   |
| 7/30/2020   | \$ 113,850                                | \$ -                             | \$ 2,001,863   |

**SOUTHERN NEW HAMPSHIRE SERVICES, INC.**

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

*The Community Action Partnership for Hillsborough and Rockingham Counties*

**BOARD OF DIRECTORS ~ as of Feb. 18, 2021**

| Public Sector  | Private Sector  | Low-Income Sector  | HS Policy Council  |
|--|---|--|--|
| <p><u>Representing Manchester</u><br/>                     Lou D'Allesandro, Chair<br/><br/>                     Toni Pappas</p> | <p><u>Representing Manchester</u><br/>                     Peter Ramsey<br/> <i>Term: 4/18-9/21</i><br/><br/>                     Carrie Marshall Gross<br/> <i>Term: 9/20-9/23</i></p> | <p><u>Representing Manchester</u><br/>                     James Brown<br/> <i>9/18-9/21</i><br/><br/>                     Orville Kerr, Secretary<br/> <i>Term 9/18-9/21</i><br/><br/>                     Anna Hamel<br/> <i>Term Expires Sept. 2022</i></p> | <p>Cristina Bonilla<br/>                     Term begins: 2/18/2021-</p> |
| <p><u>Representing Nashua</u><br/>                     Kevin Moriarty Vice Chair</p>   | <p><u>Representing Nashua</u></p>   | <p><u>Representing Nashua</u><br/>                     Bonnie Henault<br/> <i>Term: 9/17-9/21</i><br/><br/>                     Shirley Pelletier<br/> <i>Term: 9/17-9/21</i></p>  |  |
| <p><u>Representing Towns</u><br/>                     Thomas Mullins, Treasurer</p>  | <p><u>Representing Towns</u><br/>                     German J. Ortiz<br/> <i>Term: 9/20-9/23</i></p>   | <p><u>Representing Towns</u></p>   |  |
| <p><u>Representing Rockingham County</u><br/>                     Rep. Sherman Packard</p>                                       | <p><u>Representing Rockingham County</u></p>  | <p><u>Representing Rockingham County</u></p>   |  |

## DONNALEE LOZEAU

### Community and Civic Involvement- Current

- NH Community Action Partnership.
- HB4 Cliff Effect Working Group, Co-chair
- Governor's Office for Emergency Relief and Recovery Stakeholders Advisory Board, Chair
- Whole Family Approach to Jobs NH Chapter, Co-chair
- St. Joseph Hospital Board of Directors
- St. Mary's Bank Supervisory Committee, Chair
- NH Healthy Families Board of Directors
- Mary's House Advisory Board
- The Plus Company
- NH Tomorrow Leadership Council
- Eagle Scout Board of Review
- American Council of Young Political Leaders, Alumni Member

### Community and Civic Involvement- Past

- Reaching Higher NH
- NH Center for Public Policies Studies
- Governor's Judicial Selection Commission
- Big Brothers Big Sisters Board of Directors, Past President
- Statewide Workforce Innovation Board
- Greater Nashua Dental Connection BOD, Founding Member
- Great American Downtown, Founding Member
- Domestic Violence Coordinating Council Nashua
- US Conference of Mayors
- No Labels
- Fix the Debt

## EXPERIENCE

**Southern New Hampshire Services, Inc.**  
Manchester, NH  
(January 2016-Present)

### Executive Director/CEO

- Development and oversight of Community Action Partnership serving NH's two largest counties, Hillsborough and Rockingham.
- Cooperation and engagement with local, state and federal agencies and organizations on issues and programs that intersect with the Community Action Mission
- Work to fundamentally enhance the delivery of service to targeted community to wrap services around clients and streamline the application process by implementing the Whole Family Approach

**City of Nashua, New Hampshire**  
(2008-2016) – Elected

### Mayor

- Full time overall day to day management and operations of 2<sup>nd</sup> largest city in the state of NH with development and implementation of \$245 million dollar (2016) annual budget
- Worked with elected boards including Board of Aldermen; Public Works; Board of Education and others to prioritize and balance budget requirements and the needs of the community
- Chaired Board of Public Works and the Finance Committee
- Successfully negotiated the City's purchase of the publicly traded water company (Pennichuck) after a prolonged case before the NHPUC and the NH Supreme Court

**Southern New Hampshire Services, Inc.**  
(1993 – 2008) Manchester, NH

### Director of Program and Community Development

- Assessed the need for services throughout Hillsborough County through community outreach by developing partnerships, collaborations and new initiatives with service providers and businesses
- Negotiated purchases and contracts and presented projects before local boards, commissions and departments relative to housing, support services and economic development
- Designed and implemented strategies for developing working relationships with town and city officials, local service providers and appropriate private sector officials in order to project a positive image of Southern New Hampshire Services, Inc.
- Founded Mary's House 40 units of housing for homeless women and developed 219 units of Elderly Housing
- Pioneered initiatives for the Community Corrections and Academy Programs
- Expanded Head Start Services and developed the program and secured the site for Economic Opportunity Center

DONNALEE LOZEAU  
CONTINUED

### **Community and Civic Involvement- Past**

- NH Center for Public Policy Studies
- Greater Nashua Chamber of Commerce, Director
- Greater Nashua Workforce Housing Coalition, Founding Member
- Greater Nashua Asset Building Coalition, Founding Member
- New Hampshire Charitable Foundation State Board, Member

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### **Education and Training**

- CCAP, Certified Community Action Professional
- CCAP Proctor
- Rivier College, Nashua- Undergraduate work in Political Science
- Restaurant Management Institute
- Mediation and Alternative Dispute Resolution Training
- Leadership Institute, Aspen
- Justice of the Peace

**NH State Representative, Hillsborough County, District 30  
(1984 – 2000)**

**Deputy Speaker of the NH House of Representatives  
(1996 – 2000)**

- Addressed constituent concerns
- Assisted Non-Profit organizations and local businesses with governmental concerns and steering legislation through the political process by working with members and leadership in the NH House of Representatives and the NH Senate and representatives of the Executive and Judicial branches
- Managed floor debates and supervised *House Calendar* content
- Responsible for functions of the House on behalf of or in the absence of the Speaker

#### **Committee Assignments:**

- House Rules Committee, Vice Chairman
- House Legislative Administration Committee
- Joint Facilities Committee
- New Member Orientation, Chair
- House Corrections and Criminal Justice Committee, Vice Chairman
- House Judiciary Committee
- Criminal Justice Sub-Committee, Chairman
- State and Federal Relations Committee

#### **Appointments:**

- Joint Legislative Performance Audit and Oversight Committee
- Juvenile Justice Commission, Chairman
- Supreme Court Guardian Ad Litem Committee
- Superior Court Alternative Dispute Resolution Committee
- Work Force Opportunity Council
- Interbranch Criminal and Juvenile Justice Council
  - Subcommittee on Offenders, Chairman
  - Space and Prison Programming
  - Juveniles Subcommittee, Co-Chair
- National Conference of State Legislatures Law and Justice, Vice Chair
- Council of State Governments Intergovernmental Affairs, Corrections and Public Safety

**City Streets Restaurant, (1986-1991)**  
**City Streets Diner, (2000 – 2003) Nashua, NH**

#### **Co-Owner/Operator**

- Operated 450 seat restaurant and banquet facility and effectively managed financial accounts, staff and licensing requirements

## JAMES M. CHAISSON

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### SUMMARY

Dedicated accounting professional with 8 years of non-profit experience and over 20 years of broad experience in manufacturing, distribution, reorganizations, mergers and acquisitions, sales/operations planning/forecasting and establishing & monitoring performance metrics in a manufacturing environment. Experienced in private and public corporations, including 8 years in a private equity environment with a strong focus on equity sponsor communication and liquidity management. Complete knowledge of P&L, balance sheet, cash flow and cost accounting. Proven skills at staff leadership, training and development in a team environment. Professional Experience:

- Fiscal Officer in nonprofit organization
  - Controller in MFG & Distribution
  - Treasury and Cash Flow Management
  - Financial & Capital Budgeting, Reporting & Control
  - Cost Accounting Manager
  - General Accounting Manager
  - Business Performance Metric Establishment and Measurement
- 

### PROFESSIONAL EXPERIENCE

#### **Southern New Hampshire Services, Manchester, NH**

**5/2009-Present**

Southern New Hampshire Services (SNHS) is a non-profit entity dedicated to helping people help themselves. SNHS accomplishes this through a variety of programs offered at centers, offices, clinics, and intake sights located throughout Rockingham and Hillsborough counties. The agency also oversees 29 housing facilities with approximately 1000 tenants. SNHS receives and administers \$36 million in program funds annually with over 450 employees.

#### Chief Fiscal Officer

**1/2017 to Present**

- Oversee financial and accounting compliance, maintaining controls and managing potential business risks
- Manage the annual budget process and analysis activities
- Prepare presentation for Board of Directors meetings presenting the organization's financial results
- Develop and maintain banking relationships
- Manage the Annual Audit process

#### Senior Accountant

**5/2009-1/2017**

Assisted Fiscal Director in overseeing all fiscal and financial activities including compliance with federal, state, and funding source requirements as well as accordance with GAAP

- Developed and implemented indirect cost calculation and interfaced with General Ledger
- Monitored and prepared monthly budget vs actual reporting; recommended adjustments and forecast spending
- Created specialized reports for the individual grant's reporting requirements
- Designed allocation methods for properly billing shared items to individual grants and programs
- Prepared monthly agency program reviews for Fiscal Director's Board of Directors review

James M. Chaisson

**WOOD STRUCTURES, INC. Biddeford, ME**

**2001-4/2009**

WSI, is a highly leveraged business owned by Roark Capital, a private equity fund, headquartered in Atlanta, GA. WSI is a \$70 million manufacturer of roof and floor trusses, wall panels and a distributor of engineered wood products. The company's products are sold into the residential and light commercial construction markets

Controller

**2006-4/2009**

Managed all aspects of accounting and reporting in a truss manufacturing plant as well as an engineered wood products distribution location that included 2 locations in Maine and 1 in Massachusetts.

- Calculated and assisted in the management of the company's covenants
- Worked closely with senior management during the sale process from the seller (Harbour Group) and buyer (Roark Capital)
- Identified cost drivers and implemented process changes to reduce the monthly closing cycle from 18 to 5 days
- Conducted monthly reviews with the managers on financial results and measurement
- Oversaw the payroll function of 160+ employees

Accounting Manager

**2001-2006**

Recruited to company to restore financial controls and establish best practices concerning both general ledger and cost accounting processes. Responsible for overseeing the accounting of 2 locations in Maine and 1 in Alabama.

- Established the reporting protocols of the company used by both equity sponsors
- Educated, motivated and developed a staff of 3 to succeed in their rolls of financial responsibility
- Identified and implemented processes and procedures for all intercompany sales, transfers, consolidation and eliminations
- Streamlined the payroll process that included transferring to an external supplier (ADP), which reduced cost by 40%
- Conducted physical inventories and defined their policies and procedure at all locations.

**VISHAY SPRAGUE, Sanford, ME**

**1978-2001**

Vishay Sprague is a division of Vishay Intertechnology Inc. (NYSE: VSH) a global manufacturer of discrete semiconductors and passive electronic components. The Sprague Division manufactures solid tantalum capacitors with annual sales of \$200 million and 1,400 employees.

Plant Cost Accounting Manager

**1997-2001**

Division General Accounting Manager

**1995-1997**

Division Operation Accountant

**1989-1995**

Division Fixed Asset Accountant

**1987-1989**

Master Engineering Technician

**1984-1987**

Lead Production Technician

**1978-1984**

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**EDUCATION**

**NASSON COLLEGE, Springvale, ME**

B.S. in Business Administration

# RYAN CLOUTHIER



## OBJECTIVE

Seeking a leadership role which will allow me the opportunity to utilize and build upon my knowledge and passion for the work performed by Community Action Agencies in the state of New Hampshire, while at the same time being the support and strength for the Communities we serve.



## EXPERIENCE

**Deputy Director | Southern New Hampshire Services Inc.**  
FEB. 2018-PRESENT

Serving as part of the Executive Management Team and is responsible for providing inspiring leadership to the Southern New Hampshire Services (SNHS) senior management team and developing a performance culture to ensure the effective management of a comprehensive array of over sixty programs. The Deputy Director will tie the various component programs including: nutrition; housing; energy; workforce development; income enhancement; education; and elderly services to the agency, to each other, and to the general community, by promoting and communicating the mission of Community Action. In conjunction with the Executive Director and Fiscal Officer the Deputy Director provides the stewardship of SNHS by being actively involved with the agency's high-performance senior leadership team in the development, implementation, and management of the program content as well as annual budgets. Responsible for ensuring that services and programs provided fulfill the agency's mission, and are in compliance with all federal, state, funding, and city regulations, certifications, and licensing requirements.

**Energy and Housing Operations Director | Southern New Hampshire Services Inc.**  
2016 – 2018

Responsible for providing the various SNHS Energy and Crisis programs, Information Technology, Housing and Maintenance programs with mission, vision and leadership. Responsible for the planning, implementation, and evaluation of all facets of fiscal and program management, effectiveness while providing general oversight for all of the program's administration and day-to-day management, including budget management, grant writing and purchasing. Also responsible for maintaining a working relationship with governmental officials, local boards and agencies in developing and managing the programs. In conjunction with the Executive Director and Fiscal Officer this positions provides the stewardship of SNHS by being actively involved with the agency's high-performance senior leadership team in the development, implementation, and management of program content as well as annual budgets. Responsible for ensuring that services and programs provided fulfill the agency's mission and are in compliance with all federal, state, funding, city, certifications, and licensing requirements.

**Energy Director | Southern New Hampshire Services Inc.**  
2013 – 2016

Responsible for coordination, implementation, budgeting, overall supervision and management of the Fuel and Electric Assistance Programs, Crisis Programs, Weatherization Program, Lead Hazard Control Program, and YouthBuild Program for Hillsborough and Rockingham Counties. Develop and Maintain relationships with federal, state and local grantors. Intervene on behalf of the Community Action pertaining to the Core Utility Weatherization Energy Efficiency Programs. Maintains a strong working relationships with OCA, NH Legal Assistance, Office of Strategic Initiative, DOE, Liberty Utilities, Eversource, NHEC, Unitil, NHHFA, NREL, Apprise and other local non-profit and private companies in the industry. Participates in multiple Healthy Home strategic planning committees.

**Weatherization Director | Southern New Hampshire Services Inc.**  
2006-2013

Responsible for coordination, implementation, budgeting, overall supervision and management of the Weatherization, Lead Abatement, and YouthBuild Programs for Hillsborough and Rockingham Counties. Developed and Maintain relationships with federal, state and local grantors. Intervened on behalf of the Community Action Association during the merge of Liberty Energy and National Grid Gas along with filings pertaining to the Core Energy Efficiency Programs. Developed strong working relationships with OCA, NH

Legal Assistance, Office of Energy and Planning, DOE, Liberty Energy, Eversource, NHEC, Unitil, NHHFA, NREL, Apprise and other local non-profit and private companies in the industry. Served on the Department of Energy special task force designed to implement a National Best Practices Manual for JTA/KSA for Weatherization Energy Auditor Certification. Participated in a "One Touch" pilot effort which became a statewide practice and has received national recognition

**Energy Auditor | Southern New Hampshire Services Inc.**  
2004 – 2006

Responsible for performing field energy audits of low income residential properties; record the data in written and computerized formats to determine cost effectiveness of conservation measures needed; generate work order specs for the contractors. Conduct proper follow through and field inspections to assure quality installations and client satisfaction.

**Network Analyst | Genuity**  
2004 – 2006

Responsible for monitoring the Genuity Dial up network supporting AOL Domestic and International subscribers including Japan, USA and Canada. Responsibilities include isolating and troubleshooting problems/outages and configuration issues, on different types of Cisco routers, Lucent APX's, MAX's, and Nortel CVX's. Troubleshooting consists of isolating problems through head to head testing with different Telco's. Also responsible for creating, troubleshooting, and closing tickets in a group ticketing queue. Demonstrated strengths in the areas of interpersonal skills and negotiation.



## EDUCATION

2000 NH Community Technical College  
1994-1998: Dover High School

*Other:* Weatherization written and field certification, Department of Energy Quality Control Inspector Certification, multiple national and regional weatherization best practices trainings. Intro to Cisco routers, T1 and T3 design and troubleshooting training, ATM and Frame Relay network design training, LAN and WAN training, OC3, OC48, and OC192 design and troubleshooting training, BPI Energy Analyst. Lead contractor abatement Certification, RRP certification, OSHA 30 hour worker safety, DOE Lead Safe Weatherization certification.



## SKILLS

- Problem solving
- New Business Development
- Social Media
- Public Speaking
- Data Analysis/Analytical thinking
- Strategic Planning
- Operations Management
- Contract Negotiations
- Team and Relationship building
- Planning and forecasting
- Budget and Financial management
- Leadership
- Community Assessment
- Computer skills specific to job include, TREAT, NEAT, OTTER, FAP/EAP, Microsoft 365, PowerPoint, Outlook, Word, Excel, Web, EmpowOR and CSST and many others that can be beneficial.



## ACTIVITIES/ACCOMPLISHMENTS

- Numerous press articles related to Weatherization including visits from the Assistant Secretary of Energy Efficiency from the Department of Energy and Vice President Joe Biden.
- Member of the City of Nashua Healthy Homes Strategic Planning Committee.
- Member of the City of Manchester Healthy Homes Strategic Planning Committee.
- Union Leader 40 under 40 Class of 2015.
- Vice President of the Neighbor helping Neighbor Board.
- Member of the Energy Efficiency and Sustainable Energy Board.
- Member of the Residential Ratepayers Advisory Board.

**SOUTHERN NEW HAMPSHIRE SERVICES, INC.**

The Community Action Partnership serving Hillsborough and Rockingham Counties

Mailing Address: PO Box 5040, Manchester, NH 03108

40 Pine Street, Manchester, NH 03013

Telephone: (603) 668-8010      FAX: (603) 645-6734

**List of Key Administrative Personnel**

**April 2021**

| <b>Title</b>            | <b>Name</b>     | <b>Annual Salary</b> | <b>Percentage</b> | <b>Amount</b> |
|-------------------------|-----------------|----------------------|-------------------|---------------|
| Executive Director      | Donnalee Lozeau | \$196,178            | 0.00%             | 0             |
| Deputy Director         | Ryan Clouthier  | \$115,606            | 0.00%             | 0             |
| Chief Financial Officer | James Chaisson  | \$129,620            | 0.00%             | 0             |
|                         |                 |                      |                   |               |
|                         |                 |                      |                   |               |
|                         |                 |                      |                   |               |

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**STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION OF ECONOMIC & HOUSING STABILITY**

Jeffrey A. Meyers  
Commissioner  
  
Christine L. Santaniello  
Director

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9474 1-800-852-3345 Ext. 9474  
Fax: 603-271-4230 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 22, 2019

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division of Economic and Housing Stability, to enter into an agreement with Southern New Hampshire Services, 40 Pine Street, Manchester, NH 03103, (Vendor # 177198), to provide a Combined Services Program that will assist individuals who are low-income with building the skills, knowledge and work habits necessary to obtain and retain gainful employment in occupations that support long-term self-sufficiency, in an amount not to exceed \$10,270,058, effective July 1, 2019 or upon date of Governor and Executive Council approval, whichever is later, through September 30, 2021. 75% Federal Funds, 25% General Funds.

Funds are anticipated to be available in the following account(s) for State Fiscal Year (SFY) 2020, 2021 and SFY 2022, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust encumbrances between state fiscal years through the Budget Office if needed and justified.

**05-95-45-450010-61270000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: TRANSITIONAL ASSISTANCE, DIVISION OF FAMILY ASSISTANCE, EMPLOYMENT SUPPORT**

| State Fiscal Year | Class/Account | Class Title            | Job Number     | Total Amount        |
|-------------------|---------------|------------------------|----------------|---------------------|
| 2020              | 102-500731    | Contracts for Prog Svc | Do not specify | \$4,564,470         |
| 2021              | 102-500731    | Contracts for Prog Svc | Do not specify | \$4,564,470         |
| 2022              | 102-500731    | Contracts for Prog Svc | Do not specify | \$1,141,118         |
|                   |               |                        | <b>Total</b>   | <b>\$10,270,058</b> |

### EXPLANATION

The purpose of this request is to provide a Combined Services Program that assists individuals who are low-income with building the skills, knowledge, work experience and work habits necessary to obtain and retain gainful employment in occupations that support long-term self-sufficiency.

The Department anticipates 2,000 individuals will be served through contracted services between July 1, 2019 and September 30, 2021

These services include case management services for Temporary Assistance for Needy Families (TANF) clients, which meet both federal TANF work program requirements and requirements of the New Hampshire Employment Program (NHEP). NHEP Employment Counselor Specialists use motivational interviewing and coaching techniques, as well as a whole family approach, to assist clients to gain a pathway out of poverty and improve the health, well-being and stability of children and their parents. The Employment Counselor Specialists and related staff are located throughout the State.

Simulated work environments are also provided through this program. The Contractor is required to have 185 program spaces available, statewide. Clients using the simulated work environments are required to participate in defined work activities so they may develop the skills necessary to obtain, retain and advance in their employment. Activities include how to appropriately balance work and family responsibilities, which assists the family to thrive. Staff will facilitate the operation of the simulated work environments and provide services that align with allowable TANF work activities.

Individuals who receive the services provided through this program participate in defined, allowable TANF work activities. Participation in work activities ensures participants either meet TANF work participation requirements or obtain employment and other services, which help families through the employment of parents. The services provided as a result of this contract, work to eliminate or reduce the harmful effects of poverty on families and children by fostering employment and opportunity as a means to economic independence. Individuals receiving services include low-income parents, as well as other populations eligible to receive services under the TANF program.

In addition to case management services, simulated work environments and work activities, the Contractor will also provide job readiness services. These job readiness services include conducting vocational assessments, assisting program participants in identifying and defining short, medium and long-term vocational goals and establishing a career pathway to achieve those goals.

The Contractor develops appropriate training plans and identifies funding resources to assist program participants meet their established goals, as well as defining secondary and post-secondary education and/or training programs, including apprenticeships. Careers, career paths, labor needs within the current local job market or labor market of interest are identified with clients to set them on a path to successful long-term employment. Job readiness services also include consumer credit and financial literacy training, including budget training, leading participants to holistic economic and career success.

The following performance measures/objectives will be used to measure the effectiveness of the agreement:

- One-hundred percent (100%) of all participants successfully exit the program:
  - Through completion of all hours, as assigned, or
  - In order to pursue employment, or
  - In order to pursue another approved TANF activity, or
  - Eligibility for the program has ended.
- Ninety percent (90%) of all participants complete a vocational assessment within sixty (60) days of beginning services.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
Page 3 of 3

- Eighty percent (80%) of participants receive a WorkKeys certification, prior to exiting the program.
- Eighty percent (80%) of participants update or create their resume and complete job search, application and interviewing training, prior to exiting the program.
- Sixty percent (60%) of participants who participate in community service placement and/or work experience placement transition directly into On-the-Job Training (OJT), or into unsubsidized employment.
- Ninety percent (90%) of participants who enter into an OJT position remain employed for the length of the OJT contract period.

Southern New Hampshire Services, Inc. was selected for contract services through a competitive bid process. A Request for Proposals was posted on the Department of Health and Human Services' website from January 11, 2019 through February 7, 2019. The Department received two (2) proposals. The proposals were reviewed and evaluated by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The Score Summary Sheet is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of this contract, the Department has the option to extend contract services for up to four (4) additional year(s), contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Executive Council.

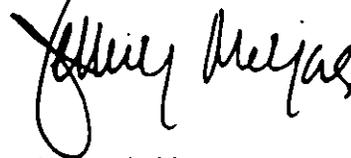
Should the Governor and Executive Council not authorize this request, individuals in the New Hampshire TANF program would be in jeopardy of not meeting the Department's federal participation requirements, which, in return, may result in significant financial penalties imposed by the federal Administration of Children and Families.

Area served: Statewide, 2,000 individuals served.

Source of Funds: 75% Federal Funds from the U.S. Department of Health and Human Services, Administration for Children and Families, Temporary Assistance for Needy Families, CFDA #93.558; FAIN# 18NHTANF; and 25% General Funds.

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

Respectfully submitted,



Jeffrey A. Meyers  
Commissioner



**New Hampshire Department of Health and Human Services  
Office of Business Operations  
Contracts & Procurement Unit  
Summary Scoring Sheet**

**Combined Services Program for TANF  
Work Requirements**

**RFP-2019-OHS-01-COMBI**

**RFP Name**

**RFP Number**

**Bidder Name**

- 1. Southern New Hampshire Services, Inc.
- 2. RES-CARE, Inc.
- 3. 0

| Pass/Fail | Maximum Points | Actual Points |
|-----------|----------------|---------------|
| 484       | 525            | 0             |
| 340       | 525            | 0             |
|           | 525            | 0             |

**Reviewer Names**

- 1. Jill Burke, Chief of Prevention & Educational Services, BDAS
- 2. Karyl Provost, Administrator, DEHS, Bureau of Employment Supports
- 3. Jean Drouin, Business Administratr, Finance Dept, DHHS
- 4. Michelle Balon, Employment Counselor Spclst, Trans Assist Div, DFA
- 5. Laurie Foster, AIU-Supervisor, Prog Specialist II, Bureau of Employ Suprt

Subject: RFP-2019-OHS-01-COMBI

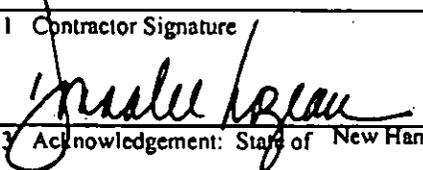
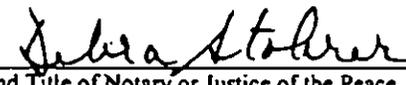
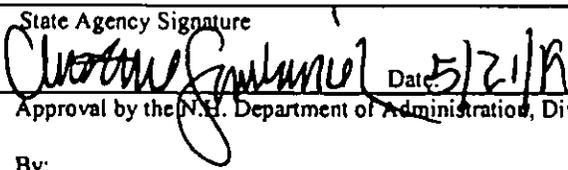
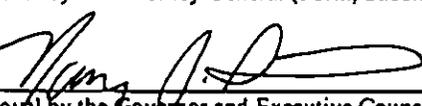
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**AGREEMENT**

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

**GENERAL PROVISIONS**

**I. IDENTIFICATION.**

|   |   |  |                                      |
|---|---|--|--------------------------------------|
| 1.1 State Agency Name<br>NH Department of Health and Human Services   |   | 1.2 State Agency Address<br>129 Pleasant Street<br>Concord, NH 03301-3857              |                                      |
| 1.3 Contractor Name<br>Southern New Hampshire Services  |   | 1.4 Contractor Address<br>40 Pine Street, Manchester, NH 03103                         |                                      |
| 1.5 Contractor Phone Number<br>603-668-8010   | 1.6 Account Number<br>010-045-61270000-102-500731 | 1.7 Completion Date<br>September 30, 2021  | 1.8 Price Limitation<br>\$10,270,058 |
| 1.9 Contracting Officer for State Agency<br>Nathan D. White, Director<br>Bureau of Contracts and Procurement  |   | 1.10 State Agency Telephone Number<br>603-271-9631                                     |                                      |
| 1.11 Contractor Signature<br>   |   | 1.12 Name and Title of Contractor Signatory<br>Donnalee Lozeau, Executive Director     |                                      |
| 1.13 Acknowledgement: State of New Hampshire, County of Hillsborough<br>On <u>May 17, 2019</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.  |   |  |                                      |
| 1.13.1 Signature of Notary Public or Justice of the Peace<br><div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">                     [Seal] <br/>                     DEBRA D. STOHRER<br/>                     Notary Public - New Hampshire<br/>                     My Commission Expires November 18, 2020                 </div> </div> |   |  |                                      |
| 1.13.2 Name and Title of Notary or Justice of the Peace<br>Debra Stohrer, Notary  |   |  |                                      |
| 1.14 State Agency Signature<br>  |   | 1.15 Name and Title of State Agency Signatory<br>Christine Santaniello, Director, DEHS |                                      |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable)<br>By: _____ Date: <u>5/21/19</u><br>Director, On: _____  |   |  |                                      |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable)<br>By:  On: <u>5/29/2019</u>   |   |  |                                      |
| 1.18 Approval by the Governor and Executive Council (if applicable)<br>By: _____ On: _____  |   |  |                                      |

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.**

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

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

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

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

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

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

**7. PERSONNEL.**

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

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

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Agreement. This provision shall survive termination of this Agreement.

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

#### 8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

#### 9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

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

#### 14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

**15. WORKERS' COMPENSATION.**

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

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

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

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

**18. AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

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

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

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

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

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

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



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**Scope of Services**

**1. Provisions Applicable to All Services**

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after September 30, 2021, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 biennia.
- 1.4. For the purposes of this Agreement, the Department has identified the Contractor as a Subrecipient, in accordance with 2 CFR 200.0. et seq.

**2. Scope of Services -**

- 2.1. The Contractor shall provide services to Temporary Assistance for Needy Families (TANF)-eligible individuals and low-income parents, statewide, including individuals who are applicants for or recipients of TANF program services, per the TANF State Plan, which may include:
  - 2.1.1. Low-income parents;
  - 2.1.2. Non-custodial parents; and
  - 2.1.3. Childless adults ages 18 – 24 years of age.
- 2.2. The Contractor shall propose re-designs of the delivery of contracted services due to lessons learned; federal requirements; and the changing labor market.
- 2.3. The Contractor shall provide the following separate and distinct services:
  - 2.3.1. Staffing to provide case management and coaching services for TANF clients to meet the requirements of;
    - 2.3.1.1. The New Hampshire Employment Program (NHEP); and
    - 2.3.1.2. The work program under TANF. The Contractor shall:



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- 2.3.1.2.1. Assist clients with obtaining and retaining employment as well as creating pathways out of poverty.
- 2.3.1.2.2. Operate simulated work environments and provide services that align with allowable TANF work activities.
- 2.3.2. Staffing and operating a minimum of twelve (12) simulated work environment locations identified by the Department, statewide.
- 2.4. The Contractor shall ensure:
  - 2.4.1. NHEP Employment Counselor Specialists utilize motivational interviewing and coaching techniques and a whole family approach to jobs, in order to assist clients with gaining a pathway out of poverty.
  - 2.4.2. Employment Counselor Specialists and related staff are located at the simulated work environment locations identified by the Department.
  - 2.4.3. TANF clients at the simulated work environments participate in allowable work activities to obtain the necessary skills for obtaining, retaining and advancing in employment, including, but not limited to, creating a career path and developing skills for balancing work and family responsibilities in order that the family can thrive.
  - 2.4.4. All clients leaving the program complete Vocational Assessments, that include the development of career pathways.
  - 2.4.5. Clients complete the WorkKeys Assessment and attain a WorkKeys Certification.
  - 2.4.6. Clients successfully complete the Job Readiness activities.
  - 2.4.7. Clients leaving Job Readiness create Job Search tools necessary to conduct an effective job search.
  - 2.4.8. Clients engage in the Works Skills Training activity and demonstrate two (2) or more new job skills, prior to exiting the activity.
  - 2.4.9. Client satisfaction exit surveys are conducted prior to clients exiting from the program.
  - 2.4.10. Clients who engage in community service and work experience activities are able to demonstrate two (2) or more new job skills prior to exiting the activities.
  - 2.4.11. A minimum of 300 Work Experience Program (WEP) active and inactive host sites are maintained.

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- 2.4.12. A database of Alternative Work Experience Program (AWEP), Community Work Experience Program (CWEP) and On-the-Job Training (OJT) host sites developed are created and maintained;
  - 2.4.13. Clients successfully transition community service and work experience activities into employment.
  - 2.4.14. Employment, community service and work experience activities support the identified career plan.
  - 2.4.15. A minimum of 50 OJT contracts are executed and monitored in each year.
  - 2.4.16. Clients placed in OJT employment successfully complete the training programs with the employer
  - 2.4.17. Clients meet the requirements of the TANF Work Program.
  - 2.4.18. Services provided meet the requirements of Public Law 104-193, August 22, 1996 and 45 CFR, section 260 – 265.
  - 2.4.19. Should federal requirements be altered, the Contractor shall work in good faith with the Department to alter services to meet the current federal requirements.
  - 2.4.20. Should Revised Statutes Annotated ( RSA) 167:77 – 91 be altered, the Contractor shall work in good faith to meet the requirements of current state laws.
- 2.5. The Contractor shall provide job readiness services, that include but are not limited to:
- 2.5.1. Conducting vocational assessments using standardized tools as approved by the Department.
  - 2.5.2. Assisting clients create career pathways that include that include short, medium and long-term goals to identified vocational goals.
  - 2.5.3. Developing appropriate training plans and identifying funding resources to achieve goals for
    - 2.5.3.1. Secondary and post-secondary education; and/or
    - 2.5.3.2. Training programs that include, but are not limited to, apprenticeships.
  - 2.5.4. Assisting clients with access to education, training and apprenticeship funds and services.
  - 2.5.5. Identifying careers that are available and employers' labor needs within the current local job market or labor market area of interest.

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- 2.5.6. Training on successfully balancing work and family.
- 2.5.7. Training on consumer credit and financial literacy training that includes budget training and tools most frequently used by clients including, but not limited to:
  - 2.5.7.1. Earned Income Tax Credit (EITC) utilization;
  - 2.5.7.2. Child Care Tax Credit and education; and
  - 2.5.7.3. Current information available through Cash Coalition seminars.
- 2.5.8. Providing post TANF/job retention curriculum.
- 2.5.9. Providing Job search education to assist clients with effective job searches that lead to employment, which may include but is not limited to:
  - 2.5.9.1. Creating cover letters and resumes.
  - 2.5.9.2. Completing applications.
  - 2.5.9.3. Developing job interviewing skills.
  - 2.5.9.4. Utilizing existing labor market tools including, but not limited to:
    - 2.5.9.4.1. Job Club,
    - 2.5.9.4.2. Networking.
    - 2.5.9.4.3. Peer support.
    - 2.5.9.4.4. Learning about suitable job openings.
  - 2.5.9.5. Providing forums for client-facilitated conversations to discuss client barriers and potential resolutions and resources regarding barriers that may include, but are not limited to:
    - 2.5.9.5.1. Transportation.
    - 2.5.9.5.2. Childcare.
    - 2.5.9.5.3. Current workforce issues.
    - 2.5.9.5.4. Life challenges.
  - 2.5.9.6. Providing Alternative Work Experience Placements (AWEP) in accordance with RSA 167.91 that provide individuals with an opportunity to acquire the general skills, knowledge, and work habits necessary to obtain employment.



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- 2.5.9.7. Providing Community Work Experience Placements (CWEP) in accordance with RSA 167.91, The Contractor shall ensure:
  - 2.5.9.7.1. CWEP activities serve a useful community purpose and improve the employability of clients.
  - 2.5.9.7.2. CWEP activities are available from both:
    - 2.5.9.7.2.1. The Contractor's worksite locations.
    - 2.5.9.7.2.2. Non-profit organizations.
  - 2.5.9.7.3. Short-term trainings provided are of limited duration and are an integral part of a CWEP.
  - 2.5.9.7.4. Appropriate CWEP host sites are of sufficient number in order for clients to utilize this activity.
- 2.5.9.8. Providing Job Skills Training Directly Related to Employment (JSTDRE)
- 2.5.9.9. Executing On-the-Job Training (OJT) employment contracts.

**2.5.10.** Provide support to clients enrolled in education and training programs, including, but not limited to basic education activities that lead to a high school diploma, HiSET certificate, or equivalent.

2.5.11. Ensuring additional curricula are available, as approved by the Department, to ensure clients who repeat the program have access to further advance and new curriculum in order to improve upon their current skills.

**3. Simulated Work Environment Sites and Requirements**

- 3.1. The Contractor shall ensure Simulated Work Environment (SWE) staff and sites, are open and providing services Monday through Friday from 8:00 AM to 4:00 PM, excluding NH State Employee Holidays.
- 3.2. The Contractor shall ensure SWE sites adhere to all Department guidance for openings and closings during inclement weather and emergencies.
- 3.3. The Contractor shall provide a minimum one (1) SWE site in each of the twelve (12) areas listed below:
  - 3.3.1. Littleton,



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- 3.3.2. Manchester,
- 3.3.3. Rochester,
- 3.3.4. Seacoast (Portsmouth),
- 3.3.5. Southern (Nashua),
- 3.3.6. Berlin,
- 3.3.7. Claremont,
- 3.3.8. Derry,
- 3.3.9. Concord,
- 3.3.10. Conway,
- 3.3.11. Keene, and
- 3.3.12. Laconia.

**3.4. The Contractor shall ensure each site:**

- 3.4.1. Is easily accessibility to NHEP and other BES clients.
- 3.4.2. Is handicapped accessible and climate-controlled between approximately 65 and 75 degrees Fahrenheit.
- 3.4.3. Has space and seating available for activities for up to the number of client slots as identified by the Department.
- 3.4.4. Has space for private consultations available, to maintain confidentiality of records and discussions that relate to individual clients.
- 3.4.5. Has available workspace to accommodate staff plus two additional workspaces for visiting NHEP Employment Counselor Specialist staff.
- 3.4.6. Provides remote services for clients who are unable to access the vendor site and potential host sites.
- 3.4.7. Meets all Americans with Disabilities Act requirements for handicapped accessibility and have adequate parking for clients and staff.
- 3.4.8. Provides appropriate equipment necessary to meet federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2, and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), 45 C.F.R. Pts. 160 & 164.
- 3.4.9. Has conference room meeting space for the program, other on-site vendors, Department staff, and other individuals to hold client meetings or TANF-related meetings when necessary.

**3.5.] The Contractor shall ensure program slots are available at any one time in the following amounts in the locations identified below:**

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| Areas to Consider for simulated work environment/locations | Number of requested slots per site |
|--|------------------------------------|
| Berlin   | 10                                 |
| Claremont  | 10                                 |
| Concord  | 10                                 |
| Conway   | 10                                 |
| Keene  | 10                                 |
| Seacoast (Portsmouth)                                      | 10                                 |
| Littleton  | 10                                 |
| Manchester   | 50                                 |
| Southern/Derry   | 45                                 |
| Rochester  | 10                                 |
| Laconia  | 10                                 |
| <b>Total</b>   | <b>185</b>                         |

#### 4. Staffing

4.1. The Contract shall provide staff to perform, at a minimum, the following:

4.1.1. Staff at the simulated work environments to:

- 4.1.1.1. Instruct and oversee participation in allowable NHEP work activities identified in this RFP and
- 4.1.1.2. Report work participation hours timely to NHEP Employment Counselors Specialists;
- 4.1.1.3. Provide vocational assessment and career plan development;
- 4.1.1.4. Tailor activities to enhance work skills, immediate employability and long-term career planning;

4.1.2. Staff to work with public and private sector employers to

- 4.1.2.1. Develop community service and work experience placements;
- 4.1.2.2. Enhance work skills and immediate employability.
- 4.1.2.3. Monitor clients participating in community service and work experience placements statewide.
- 4.1.2.4. Work with related employers.



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- 4.1.2.5. Develop on-the-job training and subsidized employment opportunities for TANF eligible individuals.
- 4.1.2.6. Monitor clients participating in OJT and subsidized placements statewide
- 4.1.2.7. Work with related employers.
- 4.1.3. Staff to work in Department District Offices to:
  - 4.1.3.1. Provide case management to TANF clients participating in the NHEP and
  - 4.1.3.2. Assist clients with meeting TANF work requirements as specified by federal and state law.
- 4.1.4. Staff to provide support to the program for tailoring, quality assurance and program service enhancements.
- 4.1.5. Management staff to oversee all staff and services.
- 4.2. The Contractor shall provide and maintain staffing levels as follows:
  - 4.2.1. One (1) Full Time Equivalent (FTE) NHEP Administrator who has the minimum qualifications of:
    - 4.2.1.1. Masters' degree in social work, psychology, education, or business/public administration or a related field and
    - 4.2.1.2. 6 years' experience as a social worker or counselor in a public or private social service agency with 3 years in the supervisory or management level position; or
    - 4.2.1.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
  - 4.2.2. Sixteen (16) Full Time Equivalent (FTE) Employment Counselor Specialists (ECS) for NHEP who shall work a minimum of 37.5 hours per week to provide direct services to TANF clients in DHHS offices statewide as staffing needs require and as determined by the Department. The vendor shall not incur costs for the location of these staffs. The Contractor shall ensure the minimum qualification for ECS positions include, but are not limited to:
    - 4.2.2.1. Bachelor's degree from an approved college or university with a major study in social work, psychology, education, human services, sociology, counseling or behavioral science; and

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- 4.2.2.2. One year of experience as an Employment Counselor Specialist Trainee or three years as a social worker or counselor in a public or private social service agency; or
- 4.2.2.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.3. One (1) FTE who shall work a minimum of 37.5 hours and serve as Field Support Managers (FSM) with oversight of all contracted field staff, whose minimum qualifications include, but are not limited to:
  - 4.2.3.1. Bachelor's degree from an approved college or university with a major study in social work, psychology, education, human services, sociology, counseling or behavioral science; and
  - 4.2.3.2. Six years' experience as a social worker or counselor in a public or private social service agency with three (3) years in a supervisory or management level position; or
  - 4.2.3.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.4. One (1) FTE Career Pathways Specialist whose minimum qualifications include, but are not limited to:
  - 4.2.4.1. Bachelor's degree in social work, psychology, counseling, education, or business/public administration or a related field and
  - 4.2.4.2. One (1) year experience working as an Employment Counselor Trainee; or
  - 4.2.4.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.5. One-(1) FTE to serve as TANF Operations Assistant whose minimum qualifications include, but are not limited to:
  - 4.2.5.1. Associates degree from an approved college or university with a major study in Human Services, Business, or Management; and
  - 4.2.5.2. One year of experience in program monitoring and evaluation; Or
  - 4.2.5.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.6. Two (2) FTE TANF Quality Assurance Reviewers whose minimum qualifications include, but are not limited to:

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- 4.2.6.1. Bachelor's degree in social work, psychology, education, or business/public administration or a related field; and
- 4.2.6.2. One-year experience as an ECS Trainee; or
- 4.2.6.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.7. Nineteen (19) FTEs to serve as Combined Services Program Coordinators whose minimum qualifications include but are not limited to:
  - 4.2.7.1. Bachelor's degree from an approved college or university,
  - 4.2.7.2. Minimum of two (2) years of professional work experience in social work, counseling, education, staff training, employee development, or human resources; or
  - 4.2.7.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.8. Three (3) FTEs to serve as CSP OJT- Developers whose minimum qualifications include, but are not limited to:
  - 4.2.8.1. Bachelor's degree in Marketing of Business Administration or related field.
  - 4.2.8.2. Minimum of two (2) years' experience in career counseling, recruiting candidates, marketing to employers and job development with demonstrated placement success; or
  - 4.2.8.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.9. Six (6) FTEs to serve as Community Job Specialist whose minimum qualifications include, but are not limited to:
  - 4.2.9.1. Bachelor's degree from an approved college or university with a degree in social work, psychology, counseling, human services or education; and
  - 4.2.9.2. A minimum of two (2) years of professional work experience in social work, counseling, education, staff training, employee development, or human resources; or
  - 4.2.9.3. A combination of education and experience that demonstrates an ability to fulfill the duties.



**New Hampshire Department of Health and Human Services  
Combined Services Program for TANF Work Requirements  
Exhibit A**

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- 4.2.10. Four (4) FTEs to serve as Program Managers whose minimum qualifications include, but are not limited to:
  - 4.2.10.1. Bachelor's degree from an approved college or university in social work, psychology, education, or business/public administration or related field,
  - 4.2.10.2. Three years' experience working with job readiness training, teaching, community organization/outreach, program development, or administrative supervision; or
  - 4.2.10.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.11. One (1) FTE to serve as Combined Service Program Assistant whose minimum qualifications include, but are not limited to:
  - 4.2.11.1. Associates degree or higher from a recognized college or university
  - 4.2.11.2. 2 years' experience as an administrative assistant; or
  - 4.2.11.3. A combination of education and experience that demonstrates an ability to fulfill the duties.
- 4.2.12. One (1) Administrative-- Assistant whose minimum qualifications include, but are not limited to:
  - 4.2.12.1. Associates degree from an approved college or university in social work, psychology, counseling, or business administration or related field;
  - 4.2.12.2. 2 years' experience in counseling, teaching, social services, or business services;
  - 4.2.12.3. A combination of education and experience that demonstrates an ability to fulfill the duties
- 4.2.13. One (1) FTE to serve as Combined Services Program Limited English Proficiency (LEP) Coordinator whose minimum qualifications include, but are not limited to:
- 4.2.14. A Bachelor's degree from an approved college or university in social work, psychology, teaching, social services, or business.
- 4.2.15. Minimum of two (2) years of professional work experience in social work, counseling, education, staff training, employee development, or human resources; or
- 4.2.16. A combination of education and experience that demonstrates cultural awareness and sensitivity, and ability to fulfill the duties.

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5/17/19



**New Hampshire Department of Health and Human Services  
Combined Services Program for TANF Work Requirements  
Exhibit A**

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**5. Reporting**

- 5.1. The Contractor shall provide monthly and Year to Date (YTD) reports, in a format approved by the Department no later than the 5<sup>th</sup> day of the following month.
- 5.2. The Contractor shall provide monthly reports that include both agency reporting and specific client reporting, including but not limited to:
  - 5.2.1. Client attendance and participation in work activities;
  - 5.2.2. Criteria-based evaluation of clients' exit and completion of the activities that identify the services the client received and the skills attained;
  - 5.2.3. Data gathered from client exit feedback surveys;
- 5.3. The Contractor shall submit Program outcome reports, on a monthly, quarterly basis ensuring the reports track YTC program progress.
- 5.4. The Contractor shall submit weekly reporting of individual program site capacity in order that the Department can identify open or available slots to be filled.
- 5.5. The Contractor shall submit quarterly reports that identify funding resources for clients to achieve goals of secondary, post-secondary and/or training education programs that may include apprenticeships.
- 5.6. The Contractor shall provide an annual report that identifies the 300 WEP active and inactive host sites.

**6. Performance Measures**

- 6.1. The Contractor shall ensure 100% of clients successfully exit the program:
  - 6.1.1. Through completion of all hours as assigned;
  - 6.1.2. In order to pursue employment;
  - 6.1.3. In order to pursue another approved activity; or
  - 6.1.4. Eligibility for the program has ended.
- 6.2. The Contractor shall ensure 90% of all clients complete a vocational assessment within sixty (60) days of beginning program services.
- 6.3. The Contractor shall ensure 80% of clients receive a WorkKeys certification, prior to exiting the program.
- 6.4. The Contractor shall ensure 80% of clients update or create resumes and completed job searches, applications and interviewing training, prior to exiting the program.
- 6.5. The Contractor shall ensure 80% of clients in community service placement demonstrate marketable employment skills.

*DC*  
Date 5/17/19



**New Hampshire Department of Health and Human Services  
Combined Services Program for TANF Work Requirements  
Exhibit A**

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- 6.6. The Contractor shall ensure 60% of clients in community service placement and/or work experience placement transition directly into On-the-Job Training (OJT), or unsubsidized employment.
- 6.7. The Contractor shall ensure 90% of clients entering into an OJT position remain employed for the length of the OJT contract period.
- 6.8. The Contractor agrees that failure to meet the reporting requirements identified in this Contract shall result in the Department taking corrective actions as indicated on form P-37.
- 6.9. The Contractor shall be subject and open to potential evaluations studies from federal and/or state agencies. The Contractor agrees that these evaluations studies also include and apply to:
  - 6.9.1. Subcontractors
  - 6.9.2. Successful work program engagement and
  - 6.9.3. Program outcomes.

*DL*

5/17/19



**New Hampshire Department of Health and Human Services  
Combined Services Program for TANF Work Requirements  
Exhibit B**

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**Method and Conditions Precedent to Payment**

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided pursuant to Exhibit A, Scope of Services.
2. This Agreement is funded with general funds and federal funds as follows: 75% Federal Funds from U.S. Department of Health & Human Services, Temporary Assistance for Needy Families, Administration for Children and Families, CFDA #93.558, Federal Award Identification Number (FAIN) 18NHTANF and 25% General Funds.
3. Failure to meet the scope of services may jeopardize the funded Contractor's current and/or future funding.
4. Payment for said services shall be made monthly as follows:
  - 4.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibits B-1, Budget through Exhibit B-3, Budget.
  - 4.2. The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month.
  - 4.3. The Contractor shall ensure the invoice is completed, signed, dated and returned to the Department in order to initiate payment.
  - 4.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
5. The Contractor shall keep detailed records of their activities related to Department-funded programs and services and have records available for Department review, as requested.
6. The final invoice shall be due to the State no later than forty (40) days after the contract completion date specified in Form P-37, General Provisions Block 1.7 Completion Date.
7. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to [besinvoices@dhhs.nh.gov](mailto:besinvoices@dhhs.nh.gov), or invoices may be mailed to:

Financial Administrator  
Department of Health and Human Services  
Bureau of Employment Supports  
129 Pleasant St.  
Concord, NH 03301

*DL*  
Date 5/17/19



**New Hampshire Department of Health and Human Services  
Combined Services Program for TANF Work Requirements  
Exhibit B**

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8. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.
9. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.
10. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

*DC*  
5/17/19

**New Hampshire Department of Health and Human Services**

Contractor name: Southern New Hampshire Services, Inc.

Budget Request for: Combined Services Program for TAMP Work Requirements

Budget Period: July 1, 2010 - Jun 30, 2011

| Line Item                             | Total Program Cost |               |                 | Contractor Share / Match |          |       | Funded by Direct contract share |               |                 |
|---------------------------------------|--------------------|---------------|-----------------|--------------------------|----------|-------|---------------------------------|---------------|-----------------|
|                                       | Direct             | Indirect      | Total           | Direct                   | Indirect | Total | Direct                          | Indirect      | Total           |
| 1. Total Salary/Wages - Note 2        | \$ 2,754,908.00    | \$ -          | \$ 2,754,908.00 |                          |          |       | \$ 2,754,908.00                 |               | \$ 2,754,908.00 |
| 2. Employee Benefits                  | \$ 653,918.00      |               | \$ 653,918.00   |                          |          |       | \$ 653,918.00                   |               | \$ 653,918.00   |
| 3. Composites                         |                    |               |                 |                          |          |       |                                 |               |                 |
| 4. Fundament                          |                    |               |                 |                          |          |       |                                 |               |                 |
| Revol                                 |                    |               |                 |                          |          |       |                                 |               |                 |
| Rent and Maintenance                  | \$ 22,150.00       |               | \$ 22,150.00    |                          |          |       | \$ 22,150.00                    |               | \$ 22,150.00    |
| Purchase/Depreciation                 | \$ 19,750.00       |               | \$ 19,750.00    |                          |          |       | \$ 19,750.00                    |               | \$ 19,750.00    |
| 5. Purchases                          |                    |               |                 |                          |          |       |                                 |               |                 |
| Educational                           | \$ 22,694.00       |               | \$ 22,694.00    |                          |          |       | \$ 22,694.00                    |               | \$ 22,694.00    |
| Life                                  |                    |               |                 |                          |          |       |                                 |               |                 |
| Pharmacy                              |                    |               |                 |                          |          |       |                                 |               |                 |
| Medical                               |                    |               |                 |                          |          |       |                                 |               |                 |
| Office                                | \$ 20,728.00       |               | \$ 20,728.00    |                          |          |       | \$ 20,728.00                    |               | \$ 20,728.00    |
| 6. Travel                             | \$ 65,800.00       |               | \$ 65,800.00    |                          |          |       | \$ 65,800.00                    |               | \$ 65,800.00    |
| 7. Contingency                        | \$ 493,842.00      |               | \$ 493,842.00   |                          |          |       | \$ 493,842.00                   |               | \$ 493,842.00   |
| 8. Current Expenses                   |                    |               |                 |                          |          |       |                                 |               |                 |
| Telephone                             | \$ 42,362.00       |               | \$ 42,362.00    |                          |          |       | \$ 42,362.00                    |               | \$ 42,362.00    |
| Postage                               | \$ 1,488.00        |               | \$ 1,488.00     |                          |          |       | \$ 1,488.00                     |               | \$ 1,488.00     |
| Subscriptions                         |                    |               |                 |                          |          |       |                                 |               |                 |
| Amp and Local                         |                    |               |                 |                          |          |       |                                 |               |                 |
| Insurance                             | \$ 7,674.00        |               | \$ 7,674.00     |                          |          |       | \$ 7,674.00                     |               | \$ 7,674.00     |
| Recall Expenses                       |                    |               |                 |                          |          |       |                                 |               |                 |
| 9. Software                           | \$ 24,780.00       |               | \$ 24,780.00    |                          |          |       | \$ 24,780.00                    |               | \$ 24,780.00    |
| 10. Material/Consumables              | \$ 13,854.00       |               | \$ 13,854.00    |                          |          |       | \$ 13,854.00                    |               | \$ 13,854.00    |
| 11. Risk Education and Training       | \$ 18,000.00       |               | \$ 18,000.00    |                          |          |       | \$ 18,000.00                    |               | \$ 18,000.00    |
| 12. Subcontract/Agreements - Note 3   | \$ 206,884.00      |               | \$ 206,884.00   |                          |          |       | \$ 206,884.00                   |               | \$ 206,884.00   |
| 13. Other (specify details mandatory) |                    |               |                 |                          |          |       |                                 |               |                 |
| TOTAL                                 | \$ 4,130,002.00    | \$ 433,898.00 | \$ 4,564,479.00 |                          |          |       | \$ 4,130,002.00                 | \$ 433,898.00 | \$ 4,564,479.00 |

Indirect As A Percent of Direct - Note 1: 10.5%

Note 1 - Indirect Costs are largely administrative costs which include Executive, Administrative and Support staff whose duties are not assignable to a specific program (i.e., Executive Director, Fiscal Officer, Director of Operations, Accounting staff, Chief of staff and Human Resources Manager). These costs encompass salaries, taxes, insurance, utilities, travel, and fringe benefits of the latter plus the administrative portion of other resources including travel, space and utilities, telephone, copying, consumable supplies and other non-personal services. Total Combined Services Program Indirect Cost for 2010 and its 2 subcontractors totals 10.5% of Direct Program Costs.

Note 2 - Number of CSP (20.21 FTE) and Staffing Services (22.57 FTE) together total 42.78 FTE; Budget includes a 7% annual wage increase.

Note 3 - Carolina Mountains Community Resource Center (CMCRC) program expenses, including staff wages & salaries.

*Handwritten:* 5/17/10

Continued Services Program for TAMF Work Requirements

Exhibit B-3

New Hampshire Department of Health and Human Services

Contractor name: Southern New Hampshire Services, Inc.

Budget Request for: Continued Services Program for TAMF Work Requirements

Budget Period: July 1, 2008 - Jun 30, 2009

| Line Item                             | Total Program Cost |            |              | Contractor Share / Match |          |       | Funded by DRH's contract share |            |              |
|---------------------------------------|--------------------|------------|--------------|--------------------------|----------|-------|--------------------------------|------------|--------------|
|                                       | Direct             | Indirect   | Total        | Direct                   | Indirect | Total | Direct                         | Indirect   | Total        |
| 1. Total Salary/Wages - Note 2        | 2,212,100.00       | -          | 2,212,100.00 | -                        | -        | -     | 2,212,100.00                   | -          | 2,212,100.00 |
| 2. Employee Benefits                  | 897,846.00         | -          | 897,846.00   | -                        | -        | -     | 897,846.00                     | -          | 897,846.00   |
| 3. Conferences                        | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 4. Equipment                          | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 5. Travel                             | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 6. Food and Lodging                   | 22,150.00          | -          | 22,150.00    | -                        | -        | -     | 22,150.00                      | -          | 22,150.00    |
| 7. Purchases/Procurement              | 19,760.00          | -          | 19,760.00    | -                        | -        | -     | 19,760.00                      | -          | 19,760.00    |
| 8. Supplies                           | 22,808.00          | -          | 22,808.00    | -                        | -        | -     | 22,808.00                      | -          | 22,808.00    |
| 9. Educational                        | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 10. Medical                           | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 11. Office                            | 20,728.00          | -          | 20,728.00    | -                        | -        | -     | 20,728.00                      | -          | 20,728.00    |
| 12. Travel                            | 82,900.00          | -          | 82,900.00    | -                        | -        | -     | 82,900.00                      | -          | 82,900.00    |
| 13. Occupancy                         | 495,842.00         | -          | 495,842.00   | -                        | -        | -     | 495,842.00                     | -          | 495,842.00   |
| 14. Office Expenses                   | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 15. Insurance                         | 44,870.00          | -          | 44,870.00    | -                        | -        | -     | 44,870.00                      | -          | 44,870.00    |
| 16. Printing                          | 1,498.00           | -          | 1,498.00     | -                        | -        | -     | 1,498.00                       | -          | 1,498.00     |
| 17. Subscriptions                     | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 18. Audit and Legal                   | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 19. Insurance                         | 7,124.00           | -          | 7,124.00     | -                        | -        | -     | 7,124.00                       | -          | 7,124.00     |
| 20. Board Expenses                    | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| 21. Software                          | 25,780.00          | -          | 25,780.00    | -                        | -        | -     | 25,780.00                      | -          | 25,780.00    |
| 22. Marketing/Communications          | 13,852.00          | -          | 13,852.00    | -                        | -        | -     | 13,852.00                      | -          | 13,852.00    |
| 23. Staff Education and Training      | 10,000.00          | -          | 10,000.00    | -                        | -        | -     | 10,000.00                      | -          | 10,000.00    |
| 24. Subcontracts/Agreements - Note 3  | 277,801.00         | -          | 277,801.00   | -                        | -        | -     | 277,801.00                     | -          | 277,801.00   |
| 25. Other (specify directly monetary) | -                  | -          | -            | -                        | -        | -     | -                              | -          | -            |
| TOTAL                                 | 4,126,783.00       | 436,787.00 | 4,563,570.00 | -                        | -        | -     | 4,126,783.00                   | 436,787.00 | 4,563,570.00 |

Note 1 - Indirect Costs are largely administrative costs which include Executive, Administrative and Support staff whose duties are not assignable to a specific program (i.e., Executive Director, Fiscal Officer, Director of Operations, Accounting staff, Clerical staff and Human Resources Manager). These costs encompass salaries, taxes, employee benefits, travel, and fringe benefits of the labor plus the administrative portion of other expenses including rent, water and utilities, telephone, copying, computerized equipment and other overhead services. Total Continued Services Program Indirect Cost for DRH and its 3 sub-contractors equals 9.6% of Direct Program Costs.

Note 2 - Number of CDF (26.27 FTEs) and Staffing Services (21.03 FTEs) together total 47.30 FTEs. A reduction of 1 FTE over BYF 2008. Budget includes a 3% annual wage increase.

Note 3 - Continue Manchester Community Resource Center (MCR) program expenses, including staff wages & salaries.

*[Handwritten Signature]*  
 Date: 5/17/19

Combined Services Program for TANF Work Requirements

Line 04

New Hampshire Department of Health and Human Services

Contractor name: Southern New Hampshire Services, Inc.

Budget Request for: Combined Services Program for TANF Work Requirements

Budget Period: July 1, 2021 - Sep 30, 2022 (SFY 2022 for Quarter)

| Line Item                             | Total Program Cost |            |               | Contractor Share / Match |          |       | Funded by DHSJ contract share |            |               |
|---------------------------------------|--------------------|------------|---------------|--------------------------|----------|-------|-------------------------------|------------|---------------|
|                                       | Direct             | Indirect   | Total         | Direct                   | Indirect | Total | Direct                        | Indirect   | Total         |
| 1. Total Salary/Wages - Note 2        | \$ 853,047.00      | -          | \$ 853,047.00 | -                        | -        | -     | \$ 853,047.00                 | -          | \$ 853,047.00 |
| 2. Contract Benefits                  | 224,000.00         | -          | 224,000.00    | -                        | -        | -     | 224,000.00                    | -          | 224,000.00    |
| 3. Contingency                        | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| 4. Supplies                           | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Rent                                  | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Repay and Maintenance                 | 8,638.00           | -          | 8,638.00      | -                        | -        | -     | 8,638.00                      | -          | 8,638.00      |
| Purchase Description                  | 4,938.00           | -          | 4,938.00      | -                        | -        | -     | 4,938.00                      | -          | 4,938.00      |
| 5. Supplies                           | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Fuel/Oil                              | 8,097.00           | -          | 8,097.00      | -                        | -        | -     | 8,097.00                      | -          | 8,097.00      |
| Lab                                   | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Pharmacy                              | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Medical                               | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Office                                | 8,882.00           | -          | 8,882.00      | -                        | -        | -     | 8,882.00                      | -          | 8,882.00      |
| 6. Travel                             | 18,725.00          | -          | 18,725.00     | -                        | -        | -     | 18,725.00                     | -          | 18,725.00     |
| 7. Contract Expenses                  | 121,293.00         | -          | 121,293.00    | -                        | -        | -     | 121,293.00                    | -          | 121,293.00    |
| 8. Contract Expenses                  | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Travel                                | 11,009.00          | -          | 11,009.00     | -                        | -        | -     | 11,009.00                     | -          | 11,009.00     |
| Purchase                              | 372.00             | -          | 372.00        | -                        | -        | -     | 372.00                        | -          | 372.00        |
| Subscriptions                         | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Auto and Lease                        | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| Insurance                             | 1,781.00           | -          | 1,781.00      | -                        | -        | -     | 1,781.00                      | -          | 1,781.00      |
| Board Expenses                        | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| 9. Others                             | 8,188.00           | -          | 8,188.00      | -                        | -        | -     | 8,188.00                      | -          | 8,188.00      |
| 10. Marketing/Communications          | 3,413.00           | -          | 3,413.00      | -                        | -        | -     | 3,413.00                      | -          | 3,413.00      |
| 11. Staff Education and Training      | 2,800.00           | -          | 2,800.00      | -                        | -        | -     | 2,800.00                      | -          | 2,800.00      |
| 12. Subcontracts/Agreements - Note 3  | 89,488.00          | -          | 89,488.00     | -                        | -        | -     | 89,488.00                     | -          | 89,488.00     |
| 13. Other (specify details necessary) | -                  | -          | -             | -                        | -        | -     | -                             | -          | -             |
| TOTAL                                 | 1,832,177.00       | 108,041.00 | 1,940,218.00  | -                        | -        | -     | 1,832,177.00                  | 108,041.00 | 1,940,218.00  |

Indirect As % Percent of Direct - Note 1

Note 1 - Indirect Costs are largely administrative costs which include Executive, Administrative and Support staff whose duties are not assignable to a specific program (i.e., Executive Director, Plant Officer, Director of Operations, Accounting staff, Chief of Staff and Human Resources Manager). These costs encompass salaries, fees, computer salaries, travel, and fringe benefits of the latter plus the administrative portion of other expenses including travel, space and utilities, telephone, copying, miscellaneous supplies and other contractual services. Total Combined Services Program Indirect Cost for 2022 and its 3 sub-contractors equals 16.8% of Direct Program Costs.

Note 2 - Number of CSP (06.27 FTEs) and Staffing Services (21.30 FTEs) together total 28.2 FTEs.

Note 3 - Southern Manchester Community Resource Center (SMCRC) program expenses, including staff wages & salaries.

Contractor Name: *SNH*  
 Date: *5/17/19*

New Hampshire Department of Health and Human Services  
Exhibit C



**SPECIAL PROVISIONS**

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

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
  - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
  - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

Exhibit C - Special Provisions

Contractor Initials

Date

*DL*  
5/17/19

**New Hampshire Department of Health and Human Services  
Exhibit C**



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

**RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:**

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
- 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
- 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
- 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.



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Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

- 11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
  - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
  - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
  
- 12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
  
- 13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
  - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
  
- 14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
  
- 15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
  
- 16. **Equal Employment Opportunity Plan (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or



New Hampshire Department of Health and Human Services  
Exhibit C

more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

- 17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
- 18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

- (a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.
- (b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.
- (c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

- 19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

DC  
Date 5/17/19



**New Hampshire Department of Health and Human Services  
Exhibit C**

- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

**DEFINITIONS**

As used in the Contract, the following terms shall have the following meanings:

**COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

**DEPARTMENT:** NH Department of Health and Human Services.

**FINANCIAL MANAGEMENT GUIDELINES:** Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

**PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

**UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

**FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

**CONTRACTOR MANUAL:** Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

**SUPPLANTING OTHER FEDERAL FUNDS:** The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

New Hampshire Department of Health and Human Services  
Exhibit C-1



**REVISIONS TO STANDARD CONTRACT LANGUAGE**

**1. Revisions to Form P-37, General Provisions**

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

**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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account in the event funds are reduced or unavailable.

1.2. Section 10, Termination, is amended by adding the following language:

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, 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, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

**2. Renewal**

2.1. The Department reserves the right to extend this agreement for up to four (4) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

*DL*  
Date 5/17/19



**New Hampshire Department of Health and Human Services  
Exhibit D**

**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS**

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

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

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

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

New Hampshire Department of Health and Human Services  
Exhibit D



has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
  - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

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

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

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

Contractor Name: Southern New Hampshire Services

May 17-2019  
Date

*Donna Lee Lozano*  
Name: Donna Lee Lozano  
Title: Executive Director



New Hampshire Department of Health and Human Services  
Exhibit E

**CERTIFICATION REGARDING LOBBYING**

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

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

Programs (indicate applicable program covered):

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

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

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

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

Contractor Name: Southern New Hampshire Services

May 17, 2019  
Date

Donnalee Lozano  
Name: Donnalee Lozano  
Title: Executive Director

New Hampshire Department of Health and Human Services  
Exhibit F



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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

New Hampshire Department of Health and Human Services  
Exhibit F



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

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

**PRIMARY COVERED TRANSACTIONS**

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

**LOWER TIER COVERED TRANSACTIONS**

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

Contractor Name: Southern New Hampshire Services

May 17-2019  
Date

Donnalee Lozeau  
Name: Donnalee Lozeau  
Title: Executive Director

Contractor Initials DL  
Date 5/17/19



New Hampshire Department of Health and Human Services  
Exhibit G

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

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:

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

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

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

Exhibit G

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

Contractor Initials

*ML*

Date

5/17/19

New Hampshire Department of Health and Human Services  
Exhibit G



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

The 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:

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

Contractor Name: Southern New Hampshire Services

May 17-2019  
Date

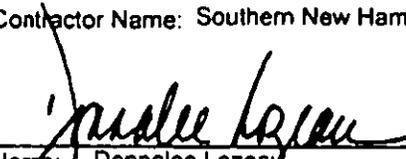
  
Name: Donnalee Lozeau  
Title: Executive Director

Exhibit G

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

Contractor Initials DL

Date 5/17/19

New Hampshire Department of Health and Human Services  
Exhibit H



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name: Southern New Hampshire Services

May 17 - 2019  
Date

*Donnalee Lozeau*  
Name: Donnalee Lozeau  
Title: Executive Director

Contractor Initials *DL*  
Date 5/17/19



New Hampshire Department of Health and Human Services

Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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Contractor Initials

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Date

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New Hampshire Department of Health and Human Services



Exhibit I

- I. **"Required by Law"** shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. **"Secretary"** shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. **"Security Rule"** shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. **"Unsecured Protected Health Information"** means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. **Other Definitions** - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

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

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
  - I. For the proper management and administration of the Business Associate;
  - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
  - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

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New Hampshire Department of Health and Human Services



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

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

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

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
  - o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
  - o The unauthorized person used the protected health information or to whom the disclosure was made;
  - o Whether the protected health information was actually acquired or viewed
  - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (l). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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Contractor Initials

*DL*

Date 5/17/19

New Hampshire Department of Health and Human Services



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Contractor Initials

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Date 5/17/19



New Hampshire Department of Health and Human Services

Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

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Date 5/17/19



New Hampshire Department of Health and Human Services

Exhibit I

- e. **Segregation.** If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. **Survival.** Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

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

Department of Health and Human Services  
 The State  
 Signature of Authorized Representative  
 Name of Authorized Representative  
 Title of Authorized Representative  
 Date

Southern New Hampshire Services  
 Name of the Contractor  
 Signature of Authorized Representative  
 Name of Authorized Representative  
 Executive Director  
 Title of Authorized Representative  
 Date

New Hampshire Department of Health and Human Services  
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 Department of Health and Human Services (DHHS) 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. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
  - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
  - 10.2. 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 NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name: Southern New Hampshire Services

May 17-2019  
Date

  
Name: Donnalee Lozano  
Title: Executive Director

New Hampshire Department of Health and Human Services  
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: 088584065
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

       NO                        X   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                        X   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: _____ |

Contractor Initials DL  
Date 5/17/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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**New Hampshire Department of Health and Human Services**

**Exhibit K**

**DHHS Information Security Requirements**



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

**I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR**

**A. Business Use and Disclosure of Confidential Information.**

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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5/17/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

DL  
Date 5/17/19

**New Hampshire Department of Health and Human Services**

**Exhibit K**

**DHHS Information Security Requirements**



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

**III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS**

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

**A. Retention**

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

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whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
  1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
  2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doiit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
  - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
  - b. safeguard this information at all times.
  - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
  - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

**V. LOSS REPORTING**

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

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5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

**VI. PERSONS TO CONTACT**

**A. DHHS Privacy Officer:**

DHHSPrivacyOfficer@dhhs.nh.gov

**B. DHHS Security Officer:**

DHHSInformationSecurityOffice@dhhs.nh.gov

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