

COMMISSIONER
Jared S. Chicoine

DEPUTY COMMISSIONER
Christopher J. Ellms, Jr.



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September 6, 2022

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

REQUESTED ACTION

1) Authorize the New Hampshire Department of Energy (NH DOE) to enter into a **SOLE SOURCE** contract with Southern New Hampshire Services, Inc., (VC #177198), Manchester, NH, in the amount of \$1,375,947.00 for the Low-Income Household Water Assistance Program (LIHWAP) effective upon Governor and Executive Council approval through September 30, 2023. **100% Federal Funds.**

Funds to support this request are anticipated to be available in the following account in FY 2023 upon the availability and continued appropriation of funds in the future operating budget.

<u>NH Department of Energy Water Assistance Program</u>	<u>FY 2023</u>
2-52-52-520010-24520000	
074-500587 Grants for Pub Assist & Relief	\$605,887.00
2-52-52-520010-19880000	
074-500587 Grants for Pub Assist & Relief	\$770,060.00
Total:	<u>\$1,375,947.00</u>

2) Further request authorization to advance Southern New Hampshire Services, Inc. \$550,379.00 from the above-referenced contract amount.

EXPLANATION

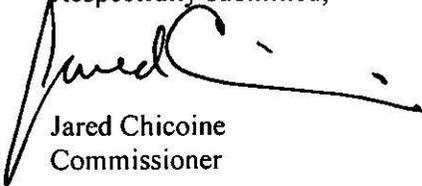
This contract is **SOLE SOURCE** based on the historical performance of the Community Action Agencies (CAA) in the New Hampshire Low-Income Home Energy Assistance Program (LIHEAP), their outreach and client service capabilities, the synergies that will benefit the LIHWAP as a result of the five statewide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

LIHWAP is a statewide program, funded by Federal LIHEAP grants, to provide residential water/sewer arrearage payment services for NH Fuel Assistance Program enrolled families, including those who are elderly or disabled. Program funds will provide arrearage payoffs to low-income households.

This LIHWAP program will be operating on a September 21, 2022 to September 30, 2023 program year. No funds will be obligated under this contract unless federal monies are available to be expended. The proposed advance of funds will enable the CAAs to operate the program between monthly reimbursements from the State.

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

Respectfully submitted,



Jared Chicoine
Commissioner

Federal Award Date: May 28, 2021
 UEI: HLNJBCYDGVM3

FORM NUMBER P-37 (version 12/11/2019)

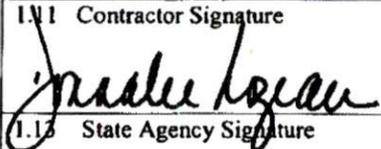
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Energy		1.2 State Agency Address 21 So. Fruit St., Ste. 10 Concord, New Hampshire 03301	
1.3 Contractor Name Southern New Hampshire Services, Inc.		1.4 Contractor Address 40 Pine Street, Manchester, NH	
1.5 Contractor Phone Number (603) 668-8010	1.6 Account Number 02-52-52-52010-19880000-500587 and 02-52-52-52010-24520000-500587	1.7 Completion Date September 30, 2023	1.8 Price Limitation \$1,375,947.00
1.9 Contracting Officer for State Agency Eileen Smiglowksi, Fuel Assistance Program Administrator		1.10 State Agency Telephone Number (603) 271-8317	
1.11 Contractor Signature  Date: 8/29/22		1.12 Name and Title of Contractor Signatory Donnalee Lozeau, Chief Executive Officer	
1.13 State Agency Signature  Date: 8/30/22		1.14 Name and Title of State Agency Signatory Christopher Ellms, Deputy Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: September 2, 2022			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

Contractor Initials *DL*
 Date 8/29/22
 SNHS 2101NHLWC5/6
 CFDA#93.568

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

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

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

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

7. PERSONNEL.

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

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

Contractor Initials *DC*

Date *8/29/22*

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administration or performance of this Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

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

9. TERMINATION.

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

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

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

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

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power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

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

13. INDEMNIFICATION. Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise out of (or which may be claimed to arise out of) the acts or omission of the Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

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

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

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

15. WORKERS' COMPENSATION.

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

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

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

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

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

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

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

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

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

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

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

Contractor Initials *dc*

Date 8/29/22

SNHS 2101NHLWC5/6

CFDA#93.568

EXHIBIT A

SPECIAL PROVISIONS

1. On or before the date set forth in Block 1.7 of the General Provisions, the Contractor shall deliver to the State an independent audit of the Contractor's entire agency by a qualified independent auditor in good standing with the state and federal government.
2. This audit shall be conducted in accordance with the audit requirements of Office of Management and Budget (OMB) Circular 2 CFR 200, Subpart F- Audit Requirements.
3. This audit report shall include a schedule of revenues and expenditures by contract or grant number of all expenditures during the Contractor's fiscal year. The Contractor shall utilize a competitive bidding process to choose a qualified financial auditor.
4. The audit shall be forwarded to NH DOE within one month of the time of receipt by the Agency, accompanied by an action plan for each finding or questioned cost.
5. Delete the following from paragraph 10 of the General Provisions: "The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in Exhibit A."
6. The costs charged under this contract shall be determined as allowable under the cost principles detailed in 2 CFR 200 Subpart E – Cost Principles.
7. Program and financial records pertaining to this contract shall be retained by the Agency for 3 (three) years from the date of submission of the final expenditure report per 2 CFR 200.333 – Retention Requirements for Records and until all audit findings have been resolved.
8. In accordance with Public Law 103-333, the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 1995", the following provisions are applicable to this grant award:
 - a) Section 507: "Purchase of American-Made Equipment and Products" It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made."
 - b) Section 508: " When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, all states receiving federal funds, including but not limited to state and local governments and recipients of federal research grants, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with federal money, (2) the dollar amount of federal funds for the project or program, and (3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources."
9. CLOSE OUT OF CONTRACT. All final required reports and reimbursement requests shall be submitted to the State within thirty (30) days of the completion date (Agreement Block 1.7).

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

EXHIBIT B

SCOPE OF SERVICES

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

Water Assistance Program (LIHWAP) services will be defined to include the following categories:

1. Outreach, eligibility, determination and certification of LIHWAP applicants.
2. Payments directly to water/sewer vendors to remove water/sewer arrearages for currently qualified clients
3. Payments directly to current landlords for proven water/sewer arrearage amounts for their renters who pay their water/sewer costs as undefined portions of their rent.

EXHIBIT C

PAYMENT TERMS

In consideration of the satisfactory performance of the services as determined by the State, the State agrees to pay over to the Contractor the sum of \$1,375,947.00 (which hereinafter is referred to as the "Grant").

Upon the State's receipt of the 2022 LIHWAP American Rescue Plan Act and Consolidated Appropriation Act grants from the US Department of Health and Human Services, and Governor and Executive Council approval, the following funds will be authorized:

American Rescue Plan Act:

\$90,367.00 for administration costs, of which \$36,147.00 will be issued as a cash advance;
\$515,520.00 for program costs, of which \$206,208.00 will be issued as a cash advance;

Consolidated Appropriations Act:

\$112,256.00 for administration costs, of which \$44,902.00 will be issued as a cash advance;
\$657,804.00 for program costs, of which \$263,122.00 will be issued as a cash advance;

The dates for this contract are upon Governor and Council approval through September 30, 2023.

Approval to obligate (Exhibit I) the above-awarded funds will be provided in writing by the New Hampshire Department of Energy to the Contractor as the Federal funds become available.

Drawdowns from the balance of funds will be made to the Contractor only after written documentation of cash need is submitted to the State. Disbursement of the Grant shall be in accordance with procedures established by the State as detailed in the Low-Income Household Water Assistance Program Procedures Manual.

CFDA Title: Low Income Home Energy Assistance Program

CFDA No: 93.568

Award Name: Low Income Home Energy Assistance Program

Federal Agency: Dept, of Health & Human Services
Administration for Children and Families
Office of Community Services

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT D

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

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

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

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

LIHWAP Director, New Hampshire Department of Energy,
21 So. Fruit St., Ste. 10, Concord, NH 03301

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

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

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

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

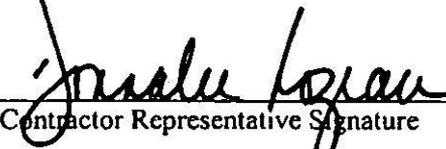
Place of Performance (street address, city, county, state, zip code) (list each location)

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

Southern New Hampshire Services
Contractor Name

September 21, 2022 to September 30, 2023
Period covered by this Certification

Donnalee Lozeau, Chief Executive Officer
Name and Title of Authorized Contractor Representative


Contractor Representative Signature

August-29-2022
Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT E

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

CERTIFICATION REGARDING LOBBYING

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

Programs (indicate applicable program covered):
LIHWAP

Contract Period: September 21, 2022 to September 30, 2023

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.

Jessie Bryan
Contractor Representative Signature

Chief Executive Officer
Contractor's Representative Title

Southern New Hampshire Services
Contractor Name

August 29-2022
Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT F

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

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

Instructions for Certification

- (1) By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH DOE's 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 NH DOE 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, NH DOE may terminate this transaction for cause or default.
- (4) The prospective primary participant shall provide immediate written notice to the NH DOE 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 NH DOE.
- (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 NHDOE, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, NH DOE may terminate this transaction for cause or default.

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

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

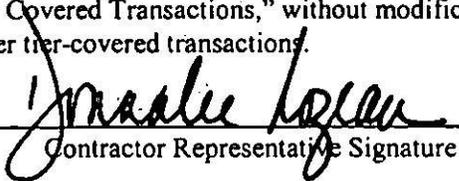
- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 -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

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

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

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

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



Contractor Representative Signature

Chief Executive Officer

Contractor's Representative Title

Southern New Hampshire Services

Contractor Name

August - 29 - 2022

Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT G

CERTIFICATION REGARDING THE
AMERICANS WITH DISABILITIES ACT COMPLIANCE

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

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


Contractor Representative Signature

Chief Executive Officer
Contractor's Representative Title

Southern New Hampshire Services
Contractor Name

August 29-2022
Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT H

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

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

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


Contractor Representative Signature

Chief Executive Officer
Contractor's Representative Title

Southern New Hampshire Services
Contractor Name

August 29, 2022
Date

EXAMPLE ONLY
APPROVAL TO OBLIGATE
FUEL ASSISTANCE PROGRAM

STATE

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

BMCA

First 7/1/2019	ADMIN.	FA PROGRAM	SEAS	ASSURANCE16	TOTAL
CONTRACTED BUDGET	95,663.00	1,003,586.00	1,000.00	69,960.00	1,170,209.00
EXPECTED BUDGET					0.00
PREVIOUSLY OBLIGATED	0.00	0.00	0.00	0.00	0.00
THIS APPROVAL TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
TOTAL AVAILABLE TO OBLIGATE	0.00	207,112.00	0.00	0.00	207,112.00
NOT AUTHORIZED TO OBLIGATE	95,663.00	796,474.00	1,000.00	69,960.00	963,097.00

SNHS

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

SCS

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

CAPSC

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

TCCA

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

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT J

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

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

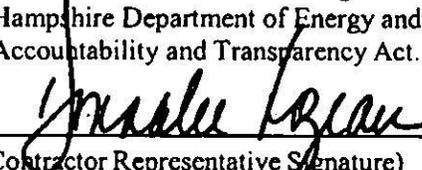
In accordance with 2 CFR Part 170 (*Reporting Sub-award and Executive Compensation Information*), the New Hampshire Department of Energy must report the following information for any sub-award or contract award subject to the FFATA reporting requirements:

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

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

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

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

	Donnalee Lozeau, Chief Executive Officer
_____ (Contractor Representative Signature)	_____ (Authorized Contractor Representative Name & Title)
Southern New Hampshire Services	August - 29 - 2022
_____ (Contractor Name)	_____ (Date)

Contractor Initials DL
Date 8/29/22
Page 1 of 6
LIHWAP CFDA#93.568

NEW HAMPSHIRE DEPARTMENT OF ENERGY

**STANDARD EXHIBIT J
FORM A**

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

1. The Unique Entity Identifier (UEI) number for your entity is:

HLNJBCYDGVM3

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

 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 DC
Date August 29-2022
Page 2 of 2
LIHEAP21 CFDA#93.568

CERTIFICATE OF VOTES

(Corporate Authority)

I, Orville Kerr, Clerk/Secretary of Southern New Hampshire Services, Inc.
(Name) (Corporation name)

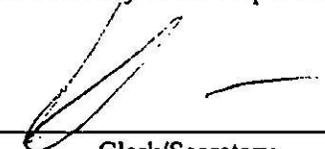
(Hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly
(State)
elected and acting Clerk/Secretary of the Corporation; (2) I maintain and have custody and am familiar with the
minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such
books; (4) that the Board of Directors of the Corporation have authorized, on September 21 2021, such authority
(Date)
to be in force and effect until Sept 30, 2023.
(Contract termination date)

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

<u>Donnalee Lozeau</u> (Name)	<u>Executive Director</u> (Position)
<u>Ryan Clouthier</u> (Name)	<u>Deputy Director</u> (Position)
<u>James Chaisson</u> (Name)	<u>Chief Fiscal Officer</u> (Position)

(5) The meeting of the Board of Directors was held in accordance with New Hampshire
(State of incorporation)
law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded
and continues in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand as the Clerk/Secretary of the corporation this
29th day of August, 20 22.



Clerk/Secretary

STATE OF New Hampshire
COUNTY OF Hillsborough

On this 29th day of August, 20 22, before me, Debra Stohrer
the undersigned Officer, personally appeared Orville Kerr who acknowledged her/himself to be
the Secretary of Southern New Hampshire Services, Inc., a corporation and that she/he
as such Secretary being authorized to do so, executed the foregoing instrument for the purposes therein
contained.

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



Notary Public/Justice of the Peace
Commission Expiration Date: _____

DEBRA D. STOHRER
Notary Public - New Hampshire
My Commission Expires October 7, 2025

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, 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: 0005755694



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 11th day of April A.D. 2022.

A handwritten signature in black ink, appearing to read "D. Scanlan", is written over a faint circular stamp.

David M. Scanlan
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
03/21/2022

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

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

PRODUCER FIA/Cross Insurance 1100 Elm Street Manchester NH 03101	CONTACT NAME: Andrea Nicklin	PHONE (A/C, No, Ext): (603) 669-3218	FAX (A/C, No): (603) 645-4331
	E-MAIL ADDRESS: Manch.Certs@crossagency.com		
INSURED Southern NH Services Inc. P.O. Box 5040 Manchester NH 03108	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A:	Philadelphia Indemnity Ins Co	18058
	INSURER B:	Midwest Employers Casualty Corp	23612
	INSURER C:		
	INSURER D:		
	INSURER E:		

COVERAGES CERTIFICATE NUMBER: 22-23 SNHS 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"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2392811	04/01/2022	04/01/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2392828	04/01/2022	04/01/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ /
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB807546	04/01/2022	04/01/2023	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	HCHS20220000016 (3a.) NH	01/01/2022	01/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2392811	04/01/2022	04/01/2023	Limit 1,000,000

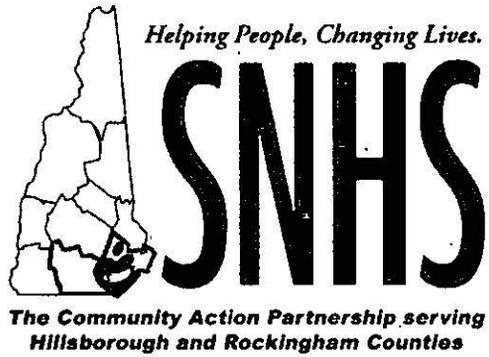
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

NH Department of Energy 21 South Fruit Street Concord NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2021

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SINGLE AUDIT REPORT

YEAR ENDED JULY 31, 2021

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OUELLETTE & ASSOCIATES, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

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**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

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, 2021, 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 March 3, 2022.

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

March 3, 2022
Lewiston, Maine

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**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

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, 2021. 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, 2021.

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, 2021, and have issued our report thereon dated March 3, 2022, 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

March 3, 2022
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2021

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
FEDERAL AWARDS				
<u>U.S. Department of Agriculture:</u>				
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>				
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	174NH703W1003	\$ -	\$ 1,334,892
<i>Pass-Through Belknap Merrimack Community Action Program</i>				
<u>Food Distribution Cluster</u>				
Commodity Supplemental Food Program	10.565	202120Y800544	-	5,061
	10.565	202020Y800544	-	19,500
Total Food Distribution Cluster			-	24,561
<i>Pass-Through State of New Hampshire Department of Education</i>				
Child and Adult Care Food Program	10.558		-	695,568
<u>Child Nutrition Cluster</u>				
Summer Food Service Program for Children	10.559		-	155,822
Total U.S. Department of Agriculture			\$ -	\$ 2,210,843
<u>U.S. Department of Housing and Urban Development:</u>				
<i>Direct Program</i>				
<u>Section 8 Project-Based Cluster</u>				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249		\$ -	\$ 540,904
<i>Pass-Through State of New Hampshire Governor's Office of Strategic Initiatives</i>				
<u>CDBG - Entitlement Grants Cluster</u>				
Community Development Block Grants/ Entitlement Grants - COVID	14.218	B-20-MW-33-0001	-	544,242
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>				
Emergency Solutions Grant Program	14.231	E17-DC-33-0001	-	40,929
Total U.S. Department of Housing and Urban Development			\$ -	\$ 1,126,075
<u>U.S. Department of Homeland Security:</u>				
<i>Passed-through Regional United Way Agency</i>				
Emergency Food and Shelter National Board Program	97.024		\$ -	\$ 2,101
<i>Pass-Through State of New Hampshire Governor's Office of Strategic Initiatives</i>				
Emergency Food and Shelter National Board Program	97.024	592600-007	-	20,000
Total U.S. Department of Homeland Security			\$ -	\$ 22,101
Subtotal			\$ -	\$ 3,359,019

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2021

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
Amount Forward			\$ -	\$ 3,359,019
<u>U.S. Department of Labor:</u>				
<i>Pass-Through State of New Hampshire Department of Resources and Economic Development</i>				
<u>WIOA Cluster</u>				
WIOA Adult Program	17.258	02-6000618	\$ 73,162	\$ 1,234,796
WIOA Dislocated Worker Formula Grants	17.278	02-6000618	17,282	122,677
Total WIOA Cluster			<u>90,444</u>	<u>1,357,473</u>
Senior Community Service Employment Program	17.235	02-6000618	-	4,062
Workforce Investment Act (WIA) Dislocated Worker National Reserve Demonstration Grants	17.280	02-6000618	-	1,258,590
Total U.S. Department of Labor			<u>\$ 90,444</u>	<u>\$ 2,620,125</u>
<u>U.S. Department of Treasury:</u>				
<i>Pass-Through State of New Hampshire Governor's Office of Strategic Initiatives</i>				
Coronavirus Relief Fund - COVID	21.019		\$ -	\$ 6,346,350
Emergency Rental Assistance Program - COVID	21.023	ERA0012 and ERA0435	-	16,171,517
<i>Pass-Through State of New Hampshire Department of Health and Human Services</i>				
Coronavirus Relief Fund - COVID	21.019	SS-2021-DEHS-05-CHILD-01	-	249,873
Total U.S. Department of Treasury:			<u>\$ -</u>	<u>\$ 22,767,740</u>
<u>U.S. Department of Energy:</u>				
<i>Pass-Through State of New Hampshire Governor's Office of Strategic Initiatives</i>				
Weatherization Assistance for Low-Income Persons	81.042	EE0007935	\$ -	\$ 564,342
Total U.S. Department of Energy:			<u>\$ -</u>	<u>\$ 564,342</u>
<u>U.S. Department of Education:</u>				
<i>Pass-Through State of New Hampshire Department Of Education</i>				
Adult Education - Basic Grants to States	84.002	67011-ABE	\$ -	\$ 118,530
Total U.S. Department of Education			<u>\$ -</u>	<u>\$ 118,530</u>
<u>Corporation for National and Community Services:</u>				
<i>Direct Program</i>				
Retired and Senior Volunteer Program	94.002	20SRANH002	\$ -	\$ 110,300
Total Corporation for National and Community Services			<u>\$ -</u>	<u>\$ 110,300</u>
Subtotal			<u>\$ 90,444</u>	<u>\$ 29,540,056</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FISCAL YEAR ENDED JULY 31, 2021

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal CFDA Number	Pass-Through Identifying Number	Subrecipient Expenditures	Federal Expenditures
Amount Forward			\$ 90,444	\$ 29,540,056
<u>U.S. Department of Health and Human Services:</u>				
<u>Direct Program</u>				
<u>Head Start Cluster</u>				
Head Start	93.600	01CH01060203	\$ -	\$ 7,178,936
	93.600	01HP00024102	-	315,971
	93.600	01HP00024101C3	-	5,408
COVID	93.600	01CH01060203C3	-	175,293
COVID	93.600	01HE00047401C5	-	11,487
Total Head Start Cluster			-	7,687,095
<u>Pass-Through State of New Hampshire Office of Strategic Initiatives</u>				
Low-Income Home Energy Assistance	93.568	G-20B1NHLIEA	-	7,991,223
COVID	93.568	G-2001NHE5C3	-	82,143
	93.568	G-2101NHLIEA	-	951,365
			-	9,024,731
<u>Pass-Through State of New Hampshire Department Of Health and Human Services</u>				
Temporary Assistance for Needy Families	93.558	18NHTANF	88,647	2,637,339
Community Services Block Grant	93.569	2001NHCCSC3	-	1,656,218
COVID	93.569	2001NHCCSC3	-	174,632
			88,647	1,830,850
Community Services Block Grant Discretionary Awards	93.570	2001NHCCSC3	-	28,904
<u>Aging Cluster</u>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	18AANHT3SS	-	18,610
<u>CCDF Cluster</u>				
Child Care and Development Block Grant	93.575	2001NHCCDF	-	1,119,549
	93.575	2101NHCCDF	-	110,802
			-	1,230,351
Child Care Mandatory and Matching Funds of The Child Care and Development Fund	93.596	2001NHCCDF	-	876,921
Total CCDF Cluster			-	2,107,272
<u>Pass-Through University of New Hampshire</u>				
Every Student Succeeds Act/Preschool Development Grants	93.434	90TP0060	-	87,828
Total U.S. Department of Health and Human Services			\$ 88,647	\$ 23,422,629
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 179,091	\$ 52,962,685

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JULY 31, 2021

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, 2021. 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-19 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, 2021.

NOTE 4: INDIRECT COST RATE

Southern New Hampshire Services, Inc. and affiliate has negotiated an indirect cost rate of 9.50% 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, 2021

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>
Coronavirus Relief Fund	21.019
Emergency Rental Assistance Program	21.023
WIOA Cluster	17.258 / 17.278
CCDF Cluster	93.575 / 93.596

Dollar threshold used to distinguish between
Type A and Type B programs: \$1,588,881

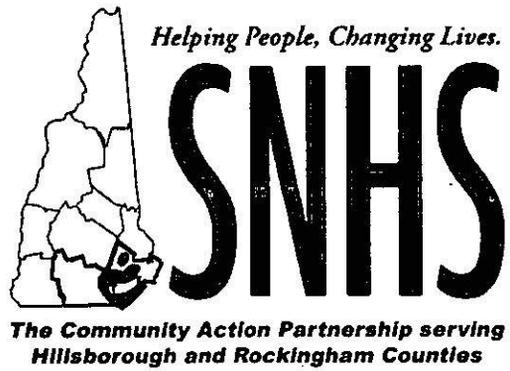
Auditee qualified as low-risk auditee? √ Yes No

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, 2021 AND 2020

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

FINANCIAL STATEMENTS

JULY 31, 2021 AND 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
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, 2021 and 2020, 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 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 audit to obtain reasonable assurance about whether the combined financial statements are free from 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, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2022, 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

March 3, 2022
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

COMBINED STATEMENTS OF FINANCIAL POSITION

JULY 31, 2021 AND 2020

<i>ASSETS</i>		
	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash	\$ 8,496,942	\$ 6,456,196
Investments	10,396,716	9,102,421
Grants receivable	3,451,639	3,346,435
Accounts receivable	778,610	721,595
Prepaid expenses	136,692	159,842
Total current assets	<u>23,260,599</u>	<u>19,786,489</u>
FIXED ASSETS		
Land	3,045,918	3,050,918
Buildings and improvements	13,565,316	13,310,566
Vehicles and equipment	1,575,022	1,501,951
Total fixed assets	<u>18,186,256</u>	<u>17,863,435</u>
Less - accumulated depreciation	<u>6,204,453</u>	<u>5,729,951</u>
Net fixed assets	<u>11,981,803</u>	<u>12,133,484</u>
OTHER ASSETS		
Restricted cash	<u>468,276</u>	<u>457,683</u>
TOTAL ASSETS	<u>\$ 35,710,678</u>	<u>\$ 32,377,656</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long-term debt	\$ 79,998	\$ 100,012
Accounts payable	691,695	729,100
Accrued payroll and payroll taxes	1,187,344	1,089,681
Accrued compensated absences	424,497	470,301
Accrued other liabilities	63,446	53,011
Refundable advances	1,424,138	336,800
Over applied overhead	179,676	180,479
Tenant security deposits	89,232	83,030
Total current liabilities	<u>4,140,026</u>	<u>3,042,414</u>
LONG-TERM LIABILITIES		
Long-term debt, less current portion	<u>2,878,216</u>	<u>2,949,253</u>
TOTAL LIABILITIES	<u>7,018,242</u>	<u>5,991,667</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>28,692,436</u>	<u>26,385,989</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 35,710,678</u>	<u>\$ 32,377,656</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, 2021 AND 2020

	<i>2021</i>	<i>2020</i>
REVENUES, GAINS AND OTHER SUPPORT		
Grant revenue	\$ 57,659,302	\$ 38,244,769
Program service fees	822,662	796,505
Local funding	193,876	244,926
Rental income	1,227,156	1,191,263
Gifts and other contributions	301,421	201,839
Interest and dividend income	228,980	302,600
Unrealized gain on investments	1,066,602	398,423
Miscellaneous	744,238	462,291
TOTAL REVENUES, GAINS AND OTHER SUPPORT	62,244,237	41,842,616
EXPENSES		
Program services:		
Child development	9,606,743	9,330,031
Community services	1,363,706	1,505,420
Economic and workforce development	5,786,299	7,450,261
Energy	10,666,407	12,651,510
Language and literacy	302,502	430,934
Housing and homeless	23,360,337	490,824
Nutrition and health	2,111,260	2,307,558
Special projects	2,316,753	1,876,426
Volunteer services	112,210	127,449
SNHS Management Corporation	2,367,679	2,447,708
Total program services	57,993,896	38,618,121
Support services:		
Management and general	1,943,894	1,876,897
TOTAL EXPENSES	59,937,790	40,495,018
CHANGE IN NET ASSETS	2,306,447	1,347,598
NET ASSETS - BEGINNING OF YEAR	26,385,989	25,038,391
NET ASSETS - END OF YEAR	\$ 28,692,436	\$ 26,385,989

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, 2021

	Program Services						
	Child Development	Community Services	Economic Workforce Development	Energy	Language and Literacy	Housing and Homeless	Nutrition and Health
EXPENSES							
Payroll	\$ 5,475,948	\$ 797,163	\$ 2,740,989	\$ 1,286,379	\$ 204,412	\$ 725,285	\$ 912,550
Payroll taxes	409,962	59,844	204,551	97,778	15,619	54,970	68,761
Fringe benefits	1,677,891	138,364	623,172	382,294	23,750	112,040	242,822
Workers comp. insurance	127,833	9,424	6,924	11,934	6,245	2,469	27,215
Retirement benefits	375,917	69,893	194,325	96,055	8,755	16,206	74,893
Consultant and contractual	72,997	85,282	695,516	970,317	801	238,467	9,785
Travel and transportation	35,627	3,264	13,780	15,113	-	1,045	9,210
Conferences and meetings	-	7,250	-	2,245	-	-	1,914
Occupancy	569,678	136,788	540,570	123,460	24,409	23,349	49,916
Advertising	574	640	800	2,418	-	600	384
Supplies	286,505	32,374	12,180	61,729	7,224	53,747	25,794
Equip. rentals and maintenance	2,430	478	(4,515)	16,962	3,495	2,579	8,745
Insurance	22,375	28,204	9,341	27,769	-	527	3,822
Telephone	80,815	21,885	32,839	36,030	2,712	14,294	55,657
Postage	3,368	40	1,150	27,045	417	6,622	1,931
Printing and publications	40	-	-	6,012	1,156	-	-
Subscriptions	-	-	-	570	-	-	-
Program support	-	181,694	-	59,109	-	-	-
Interest	9,335	-	-	-	-	-	-
Depreciation	129,615	6,300	42,909	5,276	1,266	-	13,187
Assistance to clients	234,976	3,992	676,974	7,518,979	-	22,107,876	393,992
Other expense	167,824	-	10,872	2,937	-	300	224,649
Miscellaneous	37,305	1,391	915	1,424	2,241	830	1,905
In-kind	1,203,823	-	-	-	-	-	-
Gain on disposal of assets	-	-	-	-	-	-	-
SUBTOTAL	10,924,838	1,584,270	5,803,292	10,751,835	302,502	23,361,206	2,127,132
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(1,318,095)	(220,564)	(16,993)	(85,428)	-	(869)	(15,872)
TOTAL EXPENSES	\$ 9,606,743	\$ 1,363,706	\$ 5,786,299	\$ 10,666,407	\$ 302,502	\$ 23,360,337	\$ 2,111,260

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, 2021

	Program Services			Total Program Services	Support Services	Total Expenses
	Special Projects	Volunteer Services	SNHS Management Corporation		Management and General	
EXPENSES						
Payroll	\$ 84,906	\$ 60,715	\$ 579,614	\$ 12,867,961	\$ 1,290,991	\$ 14,158,952
Payroll taxes	6,517	4,220	45,415	967,637	94,236	1,061,873
Fringe benefits	6,176	17,742	223,039	3,447,290	183,099	3,630,389
Workers comp. insurance	1,770	157	10,661	204,632	7,679	212,311
Retirement benefits	6,118	5,287	43,218	890,667	121,520	1,012,187
Consultant and contractual	2,122,049	2,780	129,628	4,327,622	106,077	4,433,699
Travel and transportation	1,141	1,973	33,587	114,740	4,283	119,023
Conferences and meetings	1,454	50	14,412	27,325	1,025	28,350
Occupancy	15,201	-	641,741	2,125,112	44,864	2,169,976
Advertising	-	1,766	3,232	10,414	25	10,439
Supplies	593	6,819	21,240	508,205	58,393	566,598
Equip. rentals and maintenance	2,645	41	8,933	41,793	1,457	43,250
Insurance	2,636	1,762	55,107	151,543	10,161	161,704
Telephone	3,079	2,633	26,997	276,941	6,779	283,720
Postage	-	605	1,470	42,648	13,123	55,771
Printing and publications	-	-	-	7,208	-	7,208
Subscriptions	-	900	630	2,100	-	2,100
Program support	560	-	45,948	287,311	-	287,311
Interest	-	-	51,209	60,544	-	60,544
Depreciation	60,191	-	405,478	664,222	2,670	666,892
Assistance to clients	2,101	-	24,342	30,963,232	-	30,963,232
Other expense	-	-	7,306	413,888	797	414,685
Miscellaneous	1,225	4,760	47,257	99,253	2,711	101,964
In-kind	-	-	-	1,203,823	-	1,203,823
Gain on disposal of assets	(1,049)	-	(2,349)	(3,398)	-	(3,398)
SUBTOTAL	2,317,313	112,210	2,418,115	59,702,713	1,949,890	61,652,603
Over applied indirect costs	-	-	-	-	(809)	(809)
Eliminations	(560)	-	(50,436)	(1,708,817)	(5,187)	(1,714,004)
TOTAL EXPENSES	\$ 2,316,753	\$ 112,210	\$ 2,367,679	\$ 57,993,896	\$ 1,943,894	\$ 59,937,790

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 Development	Community Services	Economic Workforce Development	Energy	Language and Literacy	Housing and Homeless	Nutrition and Health
EXPENSES							
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	-	-	-	-	-	-	-
SUBTOTAL	10,842,143	1,557,690	7,490,571	12,740,013	430,934	490,824	2,317,606
Over applied indirect costs	-	-	-	-	-	-	-
Eliminations	(1,512,112)	(52,270)	(40,310)	(88,503)	-	-	(10,048)
TOTAL EXPENSES	\$ 9,330,031	\$ 1,505,420	\$ 7,450,261	\$ 12,651,510	\$ 430,934	\$ 490,824	\$ 2,307,558

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	
EXPENSES						
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)
SUBTOTAL	<u>1,879,743</u>	<u>127,449</u>	<u>2,672,183</u>	<u>40,549,156</u>	<u>1,877,549</u>	<u>42,426,705</u>
Over applied indirect costs	-	-	-	-	3	3
Eliminations	(3,317)	-	(224,475)	(1,931,035)	(655)	(1,931,690)
TOTAL EXPENSES	<u>\$ 1,876,426</u>	<u>\$ 127,449</u>	<u>\$ 2,447,708</u>	<u>\$ 38,618,121</u>	<u>\$ 1,876,897</u>	<u>\$ 40,495,018</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, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ 2,306,447</u>	<u>\$ 1,347,598</u>
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	666,892	570,806
Gain on disposal of assets	(3,398)	(2,450)
Unrealized gain on investments	(1,066,602)	(398,423)
(Increase) decrease in operating assets:		
Contracts receivable	(105,204)	141,978
Accounts receivable	(57,015)	99,970
Prepaid expenses	23,150	(64,645)
Increase (decrease) in operating liabilities:		
Accounts payable	(37,405)	71,424
Accrued payroll and payroll taxes	97,663	43,876
Accrued compensated absences	(45,804)	110,482
Accrued other liabilities	10,435	(174,692)
Refundable advances	1,087,338	(691,943)
Over applied overhead	(803)	152,740
Tenant security deposits	6,202	(1,201)
Total adjustments	<u>575,449</u>	<u>(142,078)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>2,881,896</u>	<u>1,205,520</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(560,313)	(1,304,678)
Proceeds from sale of fixed assets	48,500	9,400
Purchase of investments, reinvested dividends and capital gains	(227,693)	(298,308)
Deposit to restricted cash accounts	(10,593)	(46,103)
NET CASH FLOWS FROM INVESTING ACTIVITIES	<u>(750,099)</u>	<u>(1,639,689)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	(91,051)	(96,173)
CHANGE IN CASH AND CASH EQUIVALENTS	2,040,746	(530,342)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>6,456,196</u>	<u>6,986,538</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,496,942</u>	<u>\$ 6,456,196</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 60,544</u>	<u>\$ 64,542</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, 2021 AND 2020

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Southern New Hampshire Services, Inc. (SNHS) is a nonprofit 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, 2021 and 2020.

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, 2021 AND 2020

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, 2021 and 2020.

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, 2021 and 2020.

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, 2021 and 2020.

Support and Revenue Recognition

Contracts with Customers

Program fees are reported at the amount that reflects the consideration to which the Organization expects to be entitled for providing childcare services to its clients.

Generally, the Organization bills customers and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization. The Organization measures the performance obligations of its childcare services to the point when it is no longer required to provide services to the client, which is generally weekly for childcare services. These services are considered to be a single performance obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided, and the Organization does not believe it is required to provide additional services to the client.

Based on the nature of services provided by the Organization and due to the fact that all of the Organization's performance obligations related to contracts with a duration of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

The transaction price for childcare services is based on standard charges for services provided to clients. Under the terms of the State of New Hampshire Department of Health and Human Services childcare subsidy programs, reimbursement for childcare services provided may differ from established rates. It is the Organization's policy to set its rates to be consistent with current reimbursement rates. Therefore, amounts due do not include significant variable consideration subject to retroactive revenue adjustments due to settlement of reviews and audits.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2021 AND 2020

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

Support and Revenue Recognition - Continued

Contracts with Customers – Continued

The Organization has elected to apply the practical expedient allowed under FASB ASC 606-10-10-4 for applying the revenue standard to a portfolio of contracts with similar characteristics. The Organization accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the similar nature and characteristics of the clients within each portfolio. The portfolios consist of major payor classes for childcare services. Based on historical collection trends and other analysis, the Organization has concluded that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract-by-contract basis.

The Organization has also elected to apply the practical expedient allowed under FASB ASC 606-10-32-18 for the financing component, as the period of time between the service being provided and the time that the client or third-party payor pays for the service is typically one year or less.

Private Grant Revenue and Contributions

Private grant contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. 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.

Grants and Support

Grant revenue is derived from various federal grant agreements and various state and private entity pass-through grant agreements and contracts to provide funding support of the Organization's programs and services provided by the Organization including childcare, child development, social, health, nutrition, employment, language, energy, and special needs services to families enrolled in the Organization's programs. The Organization has evaluated its grant agreements against applicable accounting standard guidance and determined that the grant agreements are contributions (nonreciprocal transaction) conditioned upon certain performance requirements and/or incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenses in compliance with specific provisions of the grant agreements. Refundable advances result from unexpended balances from these conditional contributions and will be subsequently recognized as contribution revenue when donor conditions are met. Federal and state grant revenue comprised approximately 93% and 91% of total revenue in the fiscal years ended July 31, 2021 and 2020, respectively.

In-Kind Donations

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 2021 and 2020 were generated through the Head Start and Economic Workforce Development programs. Since the recognition criteria is not met under financial accounting standards, 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, 2021 AND 2020

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, 2021 and 2020 was \$666,892 and \$570,806, 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 March 3, 2022, 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, 2021 AND 2020

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

Recently Adopted Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued 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 due to the coronavirus pandemic. The Organization implemented the guidance for the year ended July 31, 2021 combined financial statements. The adoption of this update did not result in adjustments to net assets, or any other account balance and no account has been affected in the current period by the application of the guidance.

Contributions

In June 2018, the FASB issued ASU No. 2018-08: *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The issuance of this ASU was in response to the difficulty and diversity in practice of distinguishing between exchange transactions (reciprocal) and contributions (nonreciprocal), as well as distinguishing between conditional and unconditional contributions. The guidance is effective for the Organization's fiscal years beginning after June 15, 2018, with early adoption permitted. Management has adopted the ASU effective August 1, 2020, on a modified prospective basis. As a result, this ASU has been applied to the portion of revenue that has not been recognized before the effective date in accordance with current guidance. No prior period results have been restated, and there has been no cumulative-effect adjustment to the opening balance of net assets on August 1, 2020.

Recent Accounting Pronouncements

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, 2021 AND 2020

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, 2021 and 2020.

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, 2021 AND 2020

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, 2021 and 2020:

	<u>2021</u>			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
Mutual Funds	<u>\$10,396,716</u>	\$ ___-	\$ ___-	<u>\$10,396,716</u>
	<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>\$ 9,102,421</u>

NOTE 4: INVESTMENTS

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

	<u>2021</u>			<u>2020</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>\$8,839,069</u>	<u>\$10,396,716</u>	<u>\$1,557,648</u>	<u>\$8,611,376</u>	<u>\$9,102,421</u>	<u>\$ 491,045</u>

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

	<u>2021</u>	<u>2020</u>
Fair Value - Beginning of Year	\$ 9,102,421	\$8,405,690
Dividends and Capital Gains	227,692	298,308
Unrealized Gains	<u>1,066,603</u>	<u>398,423</u>
Fair Value - End of Year	<u>\$10,396,716</u>	<u>\$9,102,421</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2021 AND 2020

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>2021</u>	<u>2020</u>
Cash and Cash Equivalents	\$ 8,496,942	\$ 6,456,196
Investments	10,396,716	9,102,421
Grants Receivable	3,451,639	3,346,435
Accounts Receivable	<u>778,610</u>	<u>721,595</u>
Total financial assets available within one year	<u>\$23,123,907</u>	<u>\$19,626,647</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>2021</u>	<u>2020</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 obtain forgiveness.	\$ 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, 2021 and 2020.	<u>200,776</u>	<u>218,502</u>
<u>Subtotal</u>	<u>\$ 212,051</u>	<u>\$ 229,777</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
(Continued)

JULY 31, 2021 AND 2020

NOTE 6: LONG-TERM DEBT (Continued)

	<u>2021</u>	<u>2020</u>
<u>Subtotal Carried Forward</u>	<u>\$ 212,051</u>	<u>\$ 229,777</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%.	188,106	194,418
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% at July 31, 2021 and 2020.	-	26,131
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%.	348,801	373,238
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>326,332</u>	<u>342,777</u>
<u>Subtotal</u>	<u>\$2,415,290</u>	<u>\$2,506,341</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2021 AND 2020

NOTE 6: LONG-TERM DEBT (Continued)

	<u>2021</u>	<u>2020</u>
<u>Subtotal Carried Forward</u>	<u>\$2,415,290</u>	<u>\$2,506,341</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>
	2,958,214	3,049,265
Less: Current Portion	<u>79,998</u>	<u>100,012</u>
Long-term debt, net of current portion	<u>\$2,878,216</u>	<u>\$2,949,253</u>

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

2022	\$	79,998
2023		72,455
2024		76,399
2025		80,571
2026		84,984
Thereafter		<u>2,563,807</u>
Total		<u>\$2,958,214</u>

NOTE 7: OPERATING LEASES

The Organization leases various facilities and equipment under several operating leases. Total lease payments for the years ended July 31, 2021 and 2020 equaled \$865,098 and \$681,354, respectively. The leases expire at various times through October 2025. Some of the leases contain renewal options that are contingent upon federal funding and some contain renewal options subject to renegotiation of lease terms. Annual leases with the Organization for the years ended July 31, 2021 and 2020 totaled \$222,117 and \$133,204, respectively. These leases have been eliminated in the combined financial statements.

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

2022	\$	266,156
2023		77,617
2024		37,598
2025		<u>36,096</u>
Total		<u>\$ 417,467</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2021 AND 2020

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, 2021 and 2020 was \$1,012,187 and \$940,492, 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 grant 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.

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, 2021 and 2020. 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.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS

(Continued)

JULY 31, 2021 AND 2020

NOTE 10: CONTINGENCIES AND CONTINGENT LIABILITIES (Continued)

Cotton Mill Square (Continued)

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.

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, but management will continue to monitor conditions as the COVID-19 pandemic continues and take further action if considered necessary.

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, 2021 and 2020, and our report thereon dated March 3, 2022, 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 grant (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 combining 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

March 3, 2022
Lewiston, Maine

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2021

	SNHS, Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
ASSETS					
CURRENT ASSETS					
Cash	\$ 175,062	\$ 8,321,880	\$ 8,496,942	\$ -	\$ 8,496,942
Investments	-	10,396,716	10,396,716	-	10,396,716
Grants receivable	3,419,743	31,896	3,451,639	-	3,451,639
Accounts receivable	-	778,610	778,610	-	778,610
Prepaid expenses	76,089	60,603	136,692	-	136,692
Due from other corporations	3,926,838	(1,525,081)	2,401,757	(2,401,757)	-
Total current assets	<u>7,597,732</u>	<u>18,064,624</u>	<u>25,662,356</u>	<u>(2,401,757)</u>	<u>23,260,599</u>
FIXED ASSETS					
Land	619,910	2,426,008	3,045,918	-	3,045,918
Buildings and improvements	2,221,578	11,343,738	13,565,316	-	13,565,316
Vehicles and equipment	1,320,322	254,700	1,575,022	-	1,575,022
Total fixed assets	<u>4,161,810</u>	<u>14,024,446</u>	<u>18,186,256</u>	<u>-</u>	<u>18,186,256</u>
Less - accumulated depreciation	1,683,134	4,521,319	6,204,453	-	6,204,453
Net fixed assets	<u>2,478,676</u>	<u>9,503,127</u>	<u>11,981,803</u>	<u>-</u>	<u>11,981,803</u>
OTHER ASSETS					
Restricted cash	29,235	439,041	468,276	-	468,276
TOTAL ASSETS	<u>\$ 10,105,643</u>	<u>\$ 28,006,792</u>	<u>\$ 38,112,435</u>	<u>\$ (2,401,757)</u>	<u>\$ 35,710,678</u>
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 29,770	\$ 50,228	\$ 79,998	\$ -	\$ 79,998
Accounts payable	624,231	67,464	691,695	-	691,695
Accrued payroll and payroll taxes	254,234	933,110	1,187,344	-	1,187,344
Accrued compensated absences	-	424,497	424,497	-	424,497
Accrued other liabilities	50,755	12,691	63,446	-	63,446
Refundable advances	1,424,138	-	1,424,138	-	1,424,138
Over applied overhead	179,676	-	179,676	-	179,676
Tenant security deposits	30,528	58,704	89,232	-	89,232
Due to other corporations	1,341,985	1,059,772	2,401,757	(2,401,757)	-
Total current liabilities	<u>3,935,317</u>	<u>2,606,466</u>	<u>6,541,783</u>	<u>(2,401,757)</u>	<u>4,140,026</u>
LONG-TERM LIABILITIES					
Long-term debt, less current portion	182,281	2,695,935	2,878,216	-	2,878,216
TOTAL LIABILITIES	<u>4,117,598</u>	<u>5,302,401</u>	<u>9,419,999</u>	<u>(2,401,757)</u>	<u>7,018,242</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>5,988,045</u>	<u>22,704,391</u>	<u>28,692,436</u>	<u>-</u>	<u>28,692,436</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 10,105,643</u>	<u>\$ 28,006,792</u>	<u>\$ 38,112,435</u>	<u>\$ (2,401,757)</u>	<u>\$ 35,710,678</u>

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2021

	SNHS, Inc.	SNHS Management Corporation	Sub-Total	Elimination	Total
REVENUES, GAINS AND OTHER SUPPORT					
Grant revenue	\$ 57,946,613	\$ -	\$ 57,946,613	\$ (287,311)	\$ 57,659,302
Program service fees	2,329	820,333	822,662	-	822,662
Local funding	-	193,876	193,876	-	193,876
Rental income	-	1,227,156	1,227,156	-	1,227,156
Gifts and other contributions	185,272	116,149	301,421	-	301,421
Interest Income	155	228,825	228,980	-	228,980
Unrealized gain on investments	-	1,066,602	1,066,602	-	1,066,602
In-kind	1,203,823	-	1,203,823	(1,203,823)	-
Miscellaneous	550,075	417,033	967,108	(222,870)	744,238
TOTAL REVENUES, GAINS AND OTHER SUPPORT	59,888,267	4,069,974	63,958,241	(1,714,004)	62,244,237
EXPENSES					
Program services:					
Child Development	10,924,838	-	10,924,838	(1,318,095)	9,606,743
Community Services	1,584,270	-	1,584,270	(220,564)	1,363,706
Economic and Workforce Dev.	5,803,292	-	5,803,292	(16,993)	5,786,299
Energy	10,751,835	-	10,751,835	(85,428)	10,666,407
Language and Literacy	302,502	-	302,502	-	302,502
Housing and Homeless	23,361,206	-	23,361,206	(869)	23,360,337
Nutrition and Health	2,127,132	-	2,127,132	(15,872)	2,111,260
Special Projects	2,317,313	-	2,317,313	(560)	2,316,753
Volunteer Services	112,210	-	112,210	-	112,210
SNHS Management Corporation	-	2,418,115	2,418,115	(50,436)	2,367,679
Total program services	57,284,598	2,418,115	59,702,713	(1,708,817)	57,993,896
Support services:					
Management and general	1,949,081	-	1,949,081	(5,187)	1,943,894
TOTAL EXPENSES	59,233,679	2,418,115	61,651,794	(1,714,004)	59,937,790
CHANGE IN NET ASSETS	654,588	1,651,859	2,306,447	-	2,306,447
NET ASSETS - BEGINNING OF YEAR	5,333,457	21,052,532	26,385,989	-	26,385,989
NET ASSETS - END OF YEAR	\$ 5,988,045	\$ 22,704,391	\$ 28,692,436	\$ -	\$ 28,692,436

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY GRANT

FOR THE YEAR ENDED JULY 31, 2021

State of NH Governor's Office of Strategic Initiatives
 Head start Program
 For the Period
 August 1, 2020 to July 31, 2021
 Fund # 305

REVENUES

Program funding	\$ 5,744,821
In-kind	1,055,443
Allocated corporate unrestricted revenue	<u>18,027</u>
Total revenue	<u>6,818,291</u>

EXPENSES

Payroll	2,971,787
Payroll taxes	222,486
Fringe benefits	1,002,519
Workers comp. insurance	67,870
Retirement benefits	218,254
Consultant and contractual	41,070
Travel and transportation	27,457
Occupancy	353,209
Advertising	434
Supplies	189,024
Equip. rentals and maintenance	2,213
Insurance	13,873
Telephone	34,794
Postage	1,119
Printing and publications	40
Depreciation	24,089
Assistance to clients	12,259
Other expense	61,278
Miscellaneous	24,106
In-kind	1,055,443
Administrative costs	<u>494,967</u>
Total expenses	<u>6,818,291</u>

Excess of expenses over revenue \$ -

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY GRANT

FOR THE YEAR ENDED JULY 31, 2021

State of NH Governor's Office of Strategic Initiatives
 LIHEAP Program
 For the Period
 October 1, 2020 to July 31, 2021
 Fund # 630-20

REVENUES

Program funding	\$ 8,010,833
Other revenue	50
Allocated corporate unrestricted revenue	2,167
Total revenue	<u>8,013,050</u>

EXPENSES

Payroll	236,761
Payroll taxes	17,758
Fringe benefits	82,919
Workers comp. insurance	590
Retirement benefits	15,257
Consultant and contractual	18,181
Travel and transportation	5,301
Conference and meetings	328
Occupancy	47,143
Advertising	366
Supplies	18,751
Equip. rentals and maintenance	1,805
Insurance	835
Telephone	15,952
Postage	13,273
Printing and publications	3,006
Subscriptions	285
Program support	39,653
Depreciation	2,163
Assistance to clients	7,448,172
Other expense	5
Miscellaneous	599
Administrative costs	43,947
Total expenses	<u>8,013,050</u>

Excess of expenses over revenue	<u>\$ -</u>
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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY GRANT

FOR THE YEAR ENDED JULY 31, 2021

State of NH Governor's Office of Strategic Initiatives
 LIHEAP Program
 For the Period
 August 1, 2020 to September 30, 2020
 Fund # 630-19

REVENUES

Program funding	\$ 137,270
Total revenue	<u>137,270</u>

EXPENSES

Payroll	66,838
Payroll taxes	5,031
Fringe benefits	25,140
Workers comp. insurance	189
Retirement benefits	3,732
Consultant and contractual	5,533
Travel and transportation	857
Occupancy	7,200
Advertising	50
Supplies	2,678
Equip. rentals and maintenance	460
Insurance	1,807
Telephone	2,089
Postage	1,217
Program support	3,649
Assistance to clients	(343)
Miscellaneous	28
Administrative costs	11,115
Total expenses	<u>137,270</u>

Excess of expenses over revenue	<u>\$ -</u>
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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY GRANT

FOR THE YEAR ENDED JULY 31, 2021

State of NH Governor's Office of Strategic Initiatives
 Early Head start Program
 For the Period
 August 1, 2020 to July 31, 2021
 Fund # 300

REVENUES

Program funding	\$ 1,434,114
In-kind	121,208
Allocated corporate unrestricted revenue	12,213
Total revenue	<u>1,567,535</u>

EXPENSES

Payroll	767,184
Payroll taxes	57,829
Fringe benefits	222,132
Workers comp. insurance	17,389
Retirement benefits	49,041
Consultant and contractual	3,525
Travel and transportation	3,077
Occupancy	86,815
Advertising	75
Supplies	35,540
Equip. rentals and maintenance	42
Insurance	2,203
Telephone	21,161
Postage	55
Interest	9,335
Depreciation	29,938
Other expense	17,130
Miscellaneous	980
In-kind	121,208
Administrative costs	122,876
Total expenses	<u>1,567,535</u>

Excess of expenses over revenue	<u>\$ -</u>
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SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF REVENUES AND EXPENSES - BY GRANT

FOR THE YEAR ENDED JULY 31, 2021

Electric Energy Assistance

For the Period

August 1, 2020 to July 31, 2021

Fund # 665

REVENUES

Other revenue	\$ 669,174
Allocated corporate unrestricted revenue	1,018
Total revenue	670,192

EXPENSES

Payroll	323,953
Payroll taxes	24,492
Fringe benefits	106,513
Workers comp. insurance	828
Retirement benefits	20,855
Consultant and contractual	23,368
Travel and transportation	3,189
Conference and meetings	328
Occupancy	53,321
Advertising	416
Supplies	24,416
Equip. rentals and maintenance	2,265
Insurance	2,424
Telephone	13,720
Postage	9,501
Printing and publications	3,006
Subscriptions	285
Depreciation	787
Other expense	5
Miscellaneous	347
Administrative costs	56,173
Total expenses	670,192

Excess of expenses over revenue	\$ -
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WHISPERING PINES II
(FORMERLY: EPPING SENIOR HOUSING ASSOCIATES LIMITED PARTNERSHIP)
(PROJECT No. A199991-046)

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2021 AND 2020

ASSETS		
	<i>2021</i>	<i>2020</i>
CURRENT ASSETS		
Cash - Operations	\$ 30,530	15,319
Prepaid Expenses	7,405	8,433
Total Current Assets	37,935	23,752
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	12,884	11,484
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	21,712	40,591
Operating Reserve	79,373	79,253
Tax Escrow	5,228	8,531
Insurance Escrow	2,911	2,791
Total Restricted Deposits and Funded Reserves	109,224	131,166
RENTAL PROPERTY		
Land	166,600	166,600
Building and Building Improvements	592,108	580,758
Total Rental Property	758,708	747,358
Less Accumulated Depreciation	75,722	59,301
Net Rental Property	682,986	688,057
TOTAL ASSETS	\$ 843,029	\$ 854,459
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Portion of Mortgage Loan Payable	\$ 6,537	\$ 6,312
Accounts Payable	2,488	5,548
Accrued Expenses	38	205
Total Current Liabilities	9,063	12,065
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	12,884	11,484
LONG-TERM LIABILITIES		
Due to Affiliate	29,019	18,312
Mortgage Loan Payable, Net of Current Portion	181,569	188,106
Total Long-Term Liabilities	210,588	206,418
Total Liabilities	232,535	229,967
NET ASSETS WITHOUT DONOR RESTRICTIONS	610,494	624,492
TOTAL LIABILITIES AND NET ASSETS	\$ 843,029	\$ 854,459

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

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 170,685	\$ 171,842
Laundry Income	2,475	2,275
Other Income	1,684	1,466
Interest Income - Unrestricted	12	14
Interest Income - Restricted	211	1,345
Total Income	<u>175,067</u>	<u>176,942</u>
<i>Expenses (See Schedule)</i>		
Administrative	31,548	42,309
Utilities	45,016	42,448
Maintenance	62,604	39,165
Depreciation	16,421	15,853
Interest - NHHFA Mortgage Note	6,704	6,921
General Expenses	26,772	35,878
Total Expenses	<u>189,065</u>	<u>182,574</u>
CHANGE IN NET ASSETS	(13,998)	(5,632)
NET ASSETS - BEGINNING OF YEAR	<u>624,492</u>	<u>630,124</u>
NET ASSETS - END OF YEAR	<u><u>\$ 610,494</u></u>	<u><u>\$ 624,492</u></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, 2021 AND 2020

EXPENSES:	<u>2021</u>	<u>2020</u>
<u>Administrative</u>		
Management Fees	\$ 14,400	\$ 14,400
Salaries and Wages	6,781	16,704
Fringe Benefits	2,033	4,701
Legal Expenses	56	-
Telephone	3,153	2,953
Other Administrative Expense	5,125	3,551
TOTAL ADMINISTRATIVE EXPENSE	<u>31,548</u>	<u>42,309</u>
<u>Utilities</u>		
Electricity	19,887	20,098
Fuel	8,177	9,677
Water and Sewer	15,713	11,613
Other Utility Expense	1,239	1,060
TOTAL UTILITY EXPENSE	<u>45,016</u>	<u>42,448</u>
<u>Maintenance</u>		
Custodial Supplies	72	318
Trash Removal	2,245	2,064
Snow Removal	10,153	10,951
Grounds/Landscaping	-	17
Elevator Repairs and Contract	3,718	5,045
Repairs (Materials)	37,829	17,218
Operation (Contract)	8,587	3,552
TOTAL MAINTENANCE EXPENSE	<u>62,604</u>	<u>39,165</u>
<u>Depreciation</u>	<u>16,421</u>	<u>15,853</u>
<u>Interest - NHHFA Mortgage Note</u>	<u>6,704</u>	<u>6,921</u>
<u>General Expenses</u>		
Real Estate Taxes	19,163	26,490
Payroll Taxes	516	1,273
Retirement Benefits	631	1,670
Workman's Compensation	385	915
Insurance	6,077	5,530
TOTAL GENERAL EXPENSES	<u>26,772</u>	<u>35,878</u>
TOTAL EXPENSES	<u>\$ 189,065</u>	<u>\$ 182,574</u>

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, 2021

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 156,712	
HAP Rent Subsidy	13,973	

Total Rental Income

Service Income	2,475	\$ 170,685
Interest Income	12	
Commercial Income	-	
Other Income	1,684	

Total Rental Operations Receipts

174,856

Expenses

Administrative	30,687
Utilities	45,016
Maintenance	65,664
Interest - NHHFA Mortgage Note	6,704
Interest - Other Notes	-
General	26,772
Other	-

Total Rental Operations Disbursements

(174,843)

Cash Provided by Rental Operations

13

Amortization of Mortgage

6,312

Cash Provided by Rental Operations

After Debt Service

(6,299)

OTHER RECEIPTS

Due to Management Agent

10,707

Owner Advances

-

Transfer from Restricted Cash Reserves

68,568

and Escrows

-

79,275

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves

46,415

and Escrows

Purchase of Fixed Assets

11,350

Repayment of Owner Advances

-

Other Partnership Expenses

-

Transfers to Tenant Security Deposit Account

-

57,765

Net Increase or (Decrease) in Project Account Cash

15,211

Project Account Cash Balance at Beginning of Year

15,319

Project Account Cash Balance at End of Year

30,530

Composition of Project Account Cash

Balance at End of Year

30,530

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

\$ 30,530

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

Service Income	2,275	\$ 171,842
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
and Escrows

50,659

-

36,868

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves
and Escrows

43,739

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 RESTRICTED CASH RESERVES AND ESCROWS

FOR THE YEAR ENDED JULY 31, 2021

<u>Description of Fund</u>	<u>Balance</u> <u>Beginning of</u> <u>Period</u>	<u>Deposits</u> <u>Transfers</u> <u>From</u> <u>Operations</u> <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> <u>Transfers to</u> <u>Operations</u> <u>Account</u>	<u>Balance</u> <u>End of</u> <u>Period</u>
<u>Restricted Accounts:</u>					
Insurance Escrow	\$ 2,791	\$ 7,840	\$ 7	\$ 7,727	\$ 2,911
Tax Escrow	8,531	28,375	21	31,699	5,228
Replacement Reserve	40,591	10,200	63	29,142	21,712
Operating Reserve	79,253	-	120	-	79,373
Total Restricted Cash Reserves and Escrows	\$ 131,166	\$ 46,415	\$ 211	\$ 68,568	\$ 109,224

SCHEDULE OF SURPLUS CASH CALCULATION

JULY 31, 2021

NET LOSS	\$ (13,998)
ADD: DEPRECIATION	16,421
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	6,312
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	10,200
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	<u>29,142</u>
SURPLUS CASH (DEFICIT)	<u>\$ 15,053</u>

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, 2021

<u>YEAR</u>	<u>MAXIMUM ALLOWABLE DISTRIBUTION</u>	<u>DISTRIBUTION 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
7/30/2021	\$ 243,855	\$ -	\$ 4,992,934

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

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2021 AND 2020

<i>ASSETS</i>		
	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash - Operations	\$ 17,999	\$ 19,889
Prepaid Expenses	9,077	9,178
Total Current Assets	<u>27,076</u>	<u>29,067</u>
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	<u>16,746</u>	<u>16,316</u>
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	99,929	84,264
Operating Reserve	70,015	69,966
Tax Escrow	6,552	6,548
Total Restricted Deposits and Funded Reserves	<u>176,496</u>	<u>160,778</u>
RENTAL PROPERTY		
Land	176,000	176,000
Building and Building Improvements	1,157,330	1,157,330
Total Rental Property	<u>1,333,330</u>	<u>1,333,330</u>
Less Accumulated Depreciation	153,032	121,276
Net Rental Property	<u>1,180,298</u>	<u>1,212,054</u>
TOTAL ASSETS	<u>\$ 1,400,616</u>	<u>\$ 1,418,215</u>
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Accounts Payable	\$ 2,203	\$ 2,908
Accrued Expenses	1,081	714
Total Current Liabilities	<u>3,284</u>	<u>3,622</u>
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	<u>16,763</u>	<u>16,332</u>
LONG-TERM LIABILITIES		
Due to Affiliate	49,710	45,834
Mortgage Loan Payable, Net of Current Portion	1,170,000	1,170,000
Total Long-Term Liabilities	<u>1,219,710</u>	<u>1,215,834</u>
Total Liabilities	<u>1,239,757</u>	<u>1,235,788</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>160,859</u>	<u>182,427</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,400,616</u>	<u>\$ 1,418,215</u>

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

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED JULY 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 206,568	\$ 209,157
Laundry Income	1,527	1,355
Other Income	-	150
Interest Income - Unrestricted	15	21
Interest Income - Restricted	118	124
Total Income	<u>208,228</u>	<u>210,807</u>
<i>Expenses (See Schedule)</i>		
Administrative	53,312	60,452
Utilities	61,643	59,251
Maintenance	48,666	66,329
Depreciation	31,755	31,397
General Expenses	34,420	32,437
Total Expenses	<u>229,796</u>	<u>249,866</u>
 CHANGE IN NET ASSETS	 (21,568)	 (39,059)
 NET ASSETS - BEGINNING OF YEAR	 <u>182,427</u>	 <u>221,486</u>
 NET ASSETS - END OF YEAR	 <u>\$ 160,859</u>	 <u>\$ 182,427</u>

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2021 AND 2020

EXPENSES:	<u>2021</u>	<u>2020</u>
<u>Administrative</u>		
Advertising	\$ -	\$ 25
Management Fees	17,688	17,688
Salaries and Wages	27,751	28,918
Fringe Benefits	3,582	8,636
Legal Expenses	20	446
Telephone	1,446	1,352
Other Administrative Expense	2,825	3,387
TOTAL ADMINISTRATIVE EXPENSE	<u>53,312</u>	<u>60,452</u>
<u>Utilities</u>		
Electricity	33,466	32,400
Fuel	14,900	15,602
Water and Sewer	11,865	10,067
Other Utility Expense	1,412	1,182
TOTAL UTILITY EXPENSE	<u>61,643</u>	<u>59,251</u>
<u>Maintenance</u>		
Custodial Supplies	1,115	689
Trash Removal	2,862	2,617
Snow Removal	7,971	4,170
Elevator Repairs and Contract	6,238	6,047
Repairs (Materials)	26,098	48,763
Repairs (Contract)	4,382	4,043
TOTAL MAINTENANCE EXPENSE	<u>48,666</u>	<u>66,329</u>
<u>Depreciation</u>	<u>31,755</u>	<u>31,397</u>
<u>General Expenses</u>		
Real Estate Taxes	22,098	20,974
Payroll Taxes	2,121	2,225
Workman's Compensation	1,120	827
Retirement Benefits	645	-
Insurance	8,436	8,411
TOTAL GENERAL EXPENSES	<u>34,420</u>	<u>32,437</u>
TOTAL EXPENSES	<u>\$ 229,796</u>	<u>\$ 249,866</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, 2021

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$ 186,697	
HAP Rent Subsidy	19,871	

<u>Total Rental Income</u>		<u>\$ 206,568</u>
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Service Income	1,527	
Interest Income	15	
Commercial Income	-	
Other Income	-	

<u>Total Rental Operations Receipts</u>		<u>208,110</u>
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Expenses

Administrative	52,844	
Utilities	61,643	
Maintenance	49,371	
Interest - NHHFA Mortgage Note	-	
Interest - Other Notes	-	
General	34,420	
Other	-	

<u>Total Rental Operations Disbursements</u>		<u>(198,278)</u>
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<u>Cash Provided by Rental Operations</u>		<u>9,832</u>
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Amortization of Mortgage

<u>Cash Provided by Rental Operations</u>	-	
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<u>After Debt Service</u>		<u>9,832</u>
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OTHER RECEIPTS

<u>Due to Management Agent</u>	3,876	
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<u>Owner Advances</u>	-	
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<u>Transfer from Restricted Cash Reserves</u>	-	
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<u>and Escrows</u>	-	
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		<u>3,876</u>
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OTHER DISBURSEMENTS OR TRANSFERS

<u>Transfers to Restricted Cash Reserves</u>	15,600	
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<u>and Escrows</u>	-	
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<u>Purchase of Fixed Assets</u>	-	
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<u>Repayment of Owner Advances</u>	-	
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<u>Other Partnership Expenses</u>	-	
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<u>Transfers to Tenant Security Deposit Account</u>	(2)	
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		<u>15,598</u>
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<u>Net Increase or (Decrease) in Project Account Cash</u>		<u>(1,890)</u>
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<u>Project Account Cash Balance at Beginning of Year</u>		<u>19,889</u>
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<u>Project Account Cash Balance at End of Year</u>		<u>17,999</u>
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Composition of Project Account Cash

<u>Balance at End of Year</u>		<u>17,999</u>
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Petty Cash

Unrestricted Reserve (if applicable)

Decorating Reserve	-	
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Operating Reserve	-	
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Other Reserve	-	
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Total Petty Cash and Unrestricted Reserves

Total Project Account Cash

<u>at End of Year</u>		<u>\$ 17,999</u>
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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 Operations

Income

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 Receipts

210,683

Expenses

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 Operations

After Debt Service

(8,248)

OTHER RECEIPTS

Due to Management Agent

217

Owner Advances

-

Transfer from Restricted Cash Reserves
and Escrows

112,474

-

112,691

OTHER DISBURSEMENTS OR TRANSFERS

Transfers to Restricted Cash Reserves
and Escrows

15,600

Purchase of Fixed Assets

-

Repayment of Owner Advances

85,955

Other Partnership Expenses

-

Transfers to Tenant Security Deposit Account

-

101,555

Net Increase or (Decrease) in Project Account Cash

2,888

Project Account Cash Balance at Beginning of Year

17,001

Project Account Cash Balance at End of Year

19,889

Composition of Project Account Cash

Balance at End of Year

19,889

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

\$ 19,889

J.B. MILETTE MANOR
(FORMERLY: J.B. MILETTE LIMITED PARTNERSHIP)
SCHEDULE OF RESTRICTED CASH RESERVES AND ESCROWS
FOR THE YEAR ENDED JULY 31, 2021

<u>Description of Fund</u>	<u>Balance</u> Beginning of <u>Period</u>	<u>Deposits</u> Transfers From Operations <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> Transfers to Operations <u>Account</u>	<u>Balance</u> End of <u>Period</u>
<u>Restricted Accounts:</u>					
Tax Escrow	\$ 6,548	\$ -	\$ 4	\$ -	\$ 6,552
Replacement Reserve	84,264	15,600	65	-	99,929
Operating Reserve	69,966	-	49	-	70,015
Total Restricted Cash Reserves and Escrows	\$ 160,778	\$ 15,600	\$ 118	\$ -	\$ 176,496

SCHEDULE OF SURPLUS CASH CALCULATION
JULY 31, 2021

NET LOSS	\$ (21,568)
ADD: DEPRECIATION	31,755
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	-
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	15,600
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	-
SURPLUS CASH (DEFICIT)	\$ (5,413)

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

STATEMENTS OF FINANCIAL POSITION

JULY 31, 2021 AND 2020

<i>ASSETS</i>		
	<i>2021</i>	<i>2020</i>
CURRENT ASSETS		
Cash - Operations	\$ 80,916	\$ 100,810
Prepaid Expenses	7,851	7,936
Total Current Assets	88,767	108,746
DEPOSITS HELD IN TRUST, FUNDED		
Tenant Security Deposits	15,517	14,871
RESTRICTED DEPOSITS AND FUNDED RESERVES		
Replacement Reserve	180,572	153,325
Operating Reserve	67,945	67,842
Tax Escrow	6,707	5,927
Insurance Escrow	3,046	3,480
Total Restricted Deposits and Funded Reserves	258,270	230,574
RENTAL PROPERTY		
Land	211,000	211,000
Building and Building Improvements	907,200	907,200
Total Rental Property	1,118,200	1,118,200
Less Accumulated Depreciation	75,935	52,355
Net Rental Property	1,042,265	1,065,845
TOTAL ASSETS	\$ 1,404,819	\$ 1,420,036
<i>LIABILITIES AND NET ASSETS</i>		
CURRENT LIABILITIES		
Current Portion of Mortgage Loan Payable	\$ 17,642	\$ 16,453
Accounts Payable	2,214	370
Accrued Expenses	38	-
Total Current Liabilities	19,894	16,823
DEPOSIT LIABILITIES		
Tenant Security Deposit Liability	15,467	14,822
LONG-TERM LIABILITIES		
Due to Affiliate	94,862	133,513
Mortgage Loan Payable, Net of Current Portion	851,614	869,248
Total Long-Term Liabilities	946,476	1,002,761
Total Liabilities	981,837	1,034,406
NET ASSETS WITHOUT DONOR RESTRICTIONS	422,982	385,630
TOTAL LIABILITIES AND NET ASSETS	\$ 1,404,819	\$ 1,420,036

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, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
RENTAL OPERATIONS		
<i>Income</i>		
Tenant Rental Income	\$ 266,018	\$ 250,537
Laundry Income	2,670	2,545
Other Income	1,290	1,084
Interest Income - Unrestricted	53	68
Interest Income - Restricted	370	2,320
Total Income	<u>270,401</u>	<u>256,554</u>
<i>Expenses (See Schedule)</i>		
Administrative	29,567	44,581
Utilities	34,566	33,892
Maintenance	89,326	68,243
Depreciation	23,580	23,580
Interest - NHHFA Mortgage Note	23,473	24,582
General Expenses	32,537	34,005
Total Expenses	<u>233,049</u>	<u>228,883</u>
 CHANGE IN NET ASSETS	 37,352	 27,671
 NET ASSETS - BEGINNING OF YEAR	 <u>385,630</u>	 <u>357,959</u>
 NET ASSETS - END OF YEAR	 <u>\$ 422,982</u>	 <u>\$ 385,630</u>

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, 2021 AND 2020

EXPENSES:	<u>2021</u>	<u>2020</u>
<u>Administrative</u>		
Advertising	\$ 25	\$ 150
Management Fees	18,000	18,000
Salaries and Wages	1,909	16,085
Fringe Benefits	104	4,911
Legal Expenses	284	-
Telephone	2,372	2,299
Other Administrative Expense	6,873	3,136
TOTAL ADMINISTRATIVE EXPENSE	<u>29,567</u>	<u>44,581</u>
<u>Utilities</u>		
Electricity	20,810	20,299
Fuel	7,886	9,276
Water and Sewer	4,339	2,425
Other Utility Expense	1,531	1,892
TOTAL UTILITY EXPENSE	<u>34,566</u>	<u>33,892</u>
<u>Maintenance</u>		
Custodial Supplies	-	121
Trash Removal	2,789	3,170
Snow Removal	28,761	21,724
Repairs (Materials)	37,218	43,228
Repairs (Contract)	20,558	-
TOTAL MAINTENANCE EXPENSE	<u>89,326</u>	<u>68,243</u>
<u>Depreciation</u>	<u>23,580</u>	<u>23,580</u>
<u>Interest - NHHFA Mortgage Note</u>	<u>23,473</u>	<u>24,582</u>
<u>General Expenses</u>		
Real Estate Taxes	26,926	26,673
Payroll Taxes	146	1,237
Workman's Compensation	105	788
Retirement benefits	144	276
Insurance	5,216	5,031
TOTAL GENERAL EXPENSES	<u>32,537</u>	<u>34,005</u>
TOTAL EXPENSES	<u>\$ 233,049</u>	<u>\$ 228,883</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, 2021

SOURCE OF FUNDS

Rental Operations

Income

Tenant Paid Rent	\$	123,489
HAP Rent Subsidy		142,529

<u>Total Rental Income</u>		<u>\$ 266,018</u>
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Service Income		2,670
Interest Income		53
Commercial Income		-
Other Income		1,290

<u>Total Rental Operations Receipts</u>		<u>270,031</u>
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Expenses

Administrative		29,444
Utilities		34,566
Maintenance		87,482
Interest - NHHFA Mortgage Note		23,473
Interest - Other Notes		-
General		32,537
Other		-

<u>Total Rental Operations Disbursements</u>		<u>(207,502)</u>
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<u>Cash Provided by Rental Operations</u>		<u>62,529</u>
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<u>Amortization of Mortgage</u>		16,445
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<u>Cash Provided by Rental Operations After Debt Service</u>		<u>46,084</u>
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OTHER RECEIPTS

<u>Due to Management Agent</u>		-
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<u>Owner Advances</u>		-
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<u>Transfer from Restricted Cash Reserves and Escrows</u>		32,642
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		<u>32,642</u>
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OTHER DISBURSEMENTS OR TRANSFERS

<u>Transfers to Restricted Cash Reserves and Escrows</u>		59,968
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<u>Purchase of Fixed Assets</u>		-
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<u>Repayment of Owner Advances</u>		38,651
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<u>Other Partnership Expenses</u>		1
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<u>Transfers to Tenant Security Deposit Account</u>		-
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		<u>98,620</u>
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<u>Net Increase or (Decrease) in Project Account Cash</u>		<u>(19,894)</u>
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<u>Project Account Cash Balance at Beginning of Year</u>		<u>100,810</u>
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<u>Project Account Cash Balance at End of Year</u>		<u>80,916</u>
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<u>Composition of Project Account Cash Balance at End of Year</u>		<u>80,916</u>
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<u>Petty Cash</u>		-
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<u>Unrestricted Reserve (if applicable)</u>		-
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Decorating Reserve		-
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Operating Reserve		-
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Other Reserve		-
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<u>Total Petty Cash and Unrestricted Reserves</u>		<u>-</u>
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<u>Total Project Account Cash at End of Year</u>		<u>\$ 80,916</u>
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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

<u>Total Rental Income</u>			<u>\$ 250,537</u>
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Service Income		2,545
Interest Income		68
Commercial Income		-
Other Income		1,084

<u>Total Rental Operations Receipts</u>			<u>254,234</u>
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Expenses

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

<u>Total Rental Operations Disbursements</u>			<u>(210,985)</u>
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<u>Cash Provided by Rental Operations</u>			<u>43,249</u>
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<u>Amortization of Mortgage</u>		15,337	
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<u>Cash Provided by Rental Operations</u> <u>After Debt Service</u>			<u>27,912</u>
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OTHER RECEIPTS

<u>Due to Management Agent</u>		-	
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<u>Owner Advances</u>		-	
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<u>Transfer from Restricted Cash Reserves</u> <u>and Escrows</u>		37,340	
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37,340

OTHER DISBURSEMENTS OR TRANSFERS

<u>Transfers to Restricted Cash Reserves</u> <u>and Escrows</u>		58,154	
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<u>Purchase of Fixed Assets</u>		-	
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<u>Repayment of Owner Advances</u>		(2,081)	
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<u>Other Partnership Expenses</u>		(1)	
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<u>Transfers to Tenant Security Deposit Account</u>		-	
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56,072

<u>Net Increase or (Decrease) in Project Account Cash</u>			<u>9,180</u>
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<u>Project Account Cash Balance at Beginning of Year</u>			<u>91,630</u>
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<u>Project Account Cash Balance at End of Year</u>			<u>100,810</u>
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<u>Composition of Project Account Cash</u> <u>Balance at End of Year</u>			<u>100,810</u>
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<u>Petty Cash</u>		-	
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<u>Unrestricted Reserve (if applicable)</u>		-	
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Decorating Reserve		-
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Operating Reserve		-
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Other Reserve		-
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<u>Total Petty Cash and Unrestricted Reserves</u>			<u>-</u>
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<u>Total Project Account Cash</u> <u>at End of Year</u>			<u>\$ 100,810</u>
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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, 2021

<u>Description of Fund</u>	<u>Balance</u> <u>Beginning of</u> <u>Period</u>	<u>Deposits</u> <u>Transfers</u> <u>From</u> <u>Operations</u> <u>Account</u>	<u>Interest</u> <u>Earned</u>	<u>Withdrawals</u> <u>Transfers to</u> <u>Operations</u> <u>Account</u>	<u>Balance</u> <u>End of</u> <u>Period</u>
<u>Restricted Accounts:</u>					
Insurance Escrow	\$ 3,480	\$ 5,219	\$ 7	\$ 5,660	\$ 3,046
Tax Escrow	5,927	27,749	13	26,982	6,707
Replacement Reserve	153,325	27,000	247	-	180,572
Operating Reserve	67,842	-	103	-	67,945
Total Restricted Cash Reserves and Escrows	\$ 230,574	\$ 59,968	\$ 370	\$ 32,642	\$ 258,270

SCHEDULE OF SURPLUS CASH CALCULATION

JULY 31, 2021

NET INCOME	\$ 37,352
ADD: DEPRECIATION	23,580
DEDUCT REQUIRED PRINCIPAL REPAYMENTS	16,445
DEDUCT REQUIRED PAYMENTS TO REPLACEMENT RESERVES	27,000
ADD/DEDUCT NHHFA APPROVED ITEMS Repair and Maintenance Expenses Reimbursed Through Replacement Reserves	-
SURPLUS CASH (DEFICIT)	\$ 17,487

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, 2021

<u>YEAR</u>	<u>MAXIMUM ALLOWABLE DISTRIBUTION</u>	<u>DISTRIBUTION 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
7/30/2021	\$ 113,850	\$ -	\$ 2,115,713



Southern New Hampshire Services, Inc.
Board of Directors
August 2022

Senator Lou D'Allesandro, Chairman
Dr. Kevin Moriarty, Vice Chairman
Thomas Mullins, Esq., Treasurer
Orville Kerr, Secretary
Representative Sherm Packard
Commissioner Toni Pappas
James Brown
Carrie Marshall Gross
Anna Hamel
Bonnie Henault
Wanda Kennerson
German Ortiz
Peter Ramsey

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
August 2022**

Title	Name	Annual Salary	Percentage	Amount
Executive Director	Donnalee Lozeau	\$201,874	0.00%	0
Deputy Director	Ryan Clouthier	\$129,511	0.00%	0
Chief Financial Officer	James Chaisson	\$145,200	0.00%	0

DONNALEE LOZEAU

Community/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, Quality Council Chair
- 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
- Community College System of NH s
- American Council of Young Political Leaders, Alumni Member
- State Workforce Innovation Board

Community/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
- 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
- NH Center for Public Policy Studies
- Greater Nashua Chamber of Commerce, Director
- Greater Nashua Workforce Housing Coalition, Founding Member

EXPERIENCE

Southern New Hampshire Services, Inc. (www.SNHS.org) Manchester, NH (January 2016-Present)

Chief Executive Officer

- 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 2nd 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

**Past Community/Civic
Involvement Continued**

- Greater Nashua Asset Building Coalition, Founding Member
- New Hampshire Charitable Foundation State Board, Member
- Eagle Board of Review

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)-Elected**

**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

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

Chief Operating Officer | 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 Chief Operating Officer 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 Chief Executive Officer and Fiscal Officer the Chief Operating Officer 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.

JAMES M. CHAISSON

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
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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 sites 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

EDUCATION

NASSON COLLEGER, Springvale, ME

B.S. in Business Administration