

COMMISSIONER  
Jared S. Chicoine

DEPUTY COMMISSIONER  
Christopher J. Ellms, Jr.



DEPARTMENT OF ENERGY  
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June 12, 2024

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 (Department) to enter into a **SOLE SOURCE** contract with Southwestern Community Services, Inc., Keene, NH, Vendor #177511, in the amount of \$305,372 for the federal Weatherization Assistance Program (WAP) effective upon Governor and Executive Council approval for the period July 1, 2024 through June 30, 2025. **100% Federal Funds.**

Funds to support this request are anticipated to be available in the following account in FY 2025 upon availability and continued appropriation of funds in the future operating budget.

<u>NH Department of Energy Low Income Weatherization</u>	<u>FY 2025</u>
02-52-52-520510-33560000-074-500587 Grants for Pub Assist & Relief	\$305,372

2) Further request authorization to advance to the vendor \$35,101 of the above-referenced contract amount.

### EXPLANATION

This contract is **SOLE SOURCE** because of U.S. Department of Energy's (USDOE) grant guidance (10 CFR 440.15) giving Community Action Agencies preferred status for the Weatherization Assistance Program due to their non-profit status, their role providing a range of services to clients eligible for the Weatherization Assistance Program (WAP), and their historical performance delivering the weatherization program.

The Department is responsible for administering New Hampshire's statewide Weatherization Assistance Program, funded by a grant from USDOE. The objective of the program is to weatherize homes to reduce energy consumption and energy costs in eligible low income households. Priority is given to households that include people who are elderly, disabled, or children, and households with high energy usage. The Department contracts with New Hampshire's Community Action Agencies to provide weatherization services at the local level.

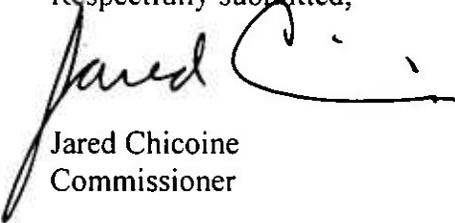
His Excellency, Governor Christopher T. Sununu  
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June 12, 2024  
Page 2 of 2

The Department estimates that the USDOE's WAP grant award to New Hampshire will contribute to the weatherization of approximately 136 homes in the State.

The requested advance of funds will enable Southwestern Community Services, Inc. to operate the program between monthly reimbursements from the State, and may only be used for allowable program expenses as detailed in Exhibit C.

In the event Federal Funds are no longer available, General Funds will not be requested to support this contract.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jared Chicoine", with a large, stylized flourish extending to the right.

Jared Chicoine  
Commissioner

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

**AGREEMENT**

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

**GENERAL PROVISIONS**

**1. IDENTIFICATION.**

1.1 State Agency Name Department of Energy		1.2 State Agency Address 21 S. Fruit St., Ste 10, Concord, NH 03301	
1.3 Contractor Name Southwestern Community Services, Inc.		1.4 Contractor Address 63 Community Way, PO Box 603, Keene, NH 03431-0603	
1.5 Contractor Phone Number (603) 352-7512	1.6 Account Unit and Class 33560000-074	1.7 Completion Date 6/30/2025	1.8 Price Limitation \$305.372
1.9 Contracting Officer for State Agency Kirk Stone, Weatherization Program Manager		1.10 State Agency Telephone Number 603-271-3670	
1.11 Contractor Signature  Date: 05/07/24		1.12 Name and Title of Contractor Signatory Beth Daniels, CEO	
1.13 State Agency Signature  Date: 5/8/24		1.14 Name and Title of State Agency Signatory Jared S. Chicoine, 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: Christopher G. Aslin Senior Assistant Attorney General On: 5/13/2024			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

**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, 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.

3.3 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. 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 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, 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 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. 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.

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 The State's liability under this Agreement shall be limited to monetary damages not to exceed the total fees paid. The Contractor agrees that it has an adequate remedy at law for any breach of this Agreement by the State and hereby waives any right to specific performance or other equitable remedies against the State.

**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 and the Governor's order on Respect and Civility in the Workplace, Executive order 2020-01. 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 age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

6.3 No payments or transfers of value by Contractor or its representatives in connection with this Agreement have or shall be made which have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business.

6.4. 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 this Agreement and all rules, regulations and orders pertaining to 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 The Contracting Officer specified in block 1.9, or any successor, shall be the State's point of contact pertaining to this Agreement.

## 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) calendar days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) calendar 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.

## 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) calendar 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) calendar 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. In addition, at the State's discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

## 10. PROPERTY OWNERSHIP/DISCLOSURE.

10.1 As used in this Agreement, the word "Property" shall mean all data, 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 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure 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 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

12.2 For purposes of paragraph 12, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.3 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State.

12.4 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.** The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys' fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. 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 State's sovereign immunity, 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 any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. 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 any successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **WAIVER OF BREACH.** A State's failure to enforce its rights with respect to any single or continuing breach of this Agreement shall not act as a waiver of the right of the State to later enforce any such rights or to enforce any other or any subsequent breach.

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

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

#### 19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. 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.

19.2 Any actions arising out of this Agreement, including the breach or alleged breach thereof, may not be submitted to binding arbitration, but must, instead, be brought and maintained in the Merrimack County Superior Court of New Hampshire which shall have exclusive jurisdiction thereof.

20. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and any other portion of this Agreement including any attachments thereto, the terms of the P-37 (as modified in EXHIBIT A) shall control.

21. **THIRD PARTIES.** This Agreement is being entered into for the sole benefit of the parties hereto, and nothing herein, express or implied, is intended to or will confer any legal or equitable right, benefit, or remedy of any nature upon any other person.

22. **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.

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

24. **FURTHER ASSURANCES.** The Contractor, along with its agents and affiliates, shall, at its own cost and expense, execute any additional documents and take such further actions as may be reasonably required to carry out the provisions of this Agreement and give effect to the transactions contemplated hereby.

25. **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.

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

## EXHIBIT A

### SPECIAL PROVISIONS

1. 2 CFR 200 as amended (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards), 10 CFR 440 dated February 1, 2002 (Weatherization Assistance Program), the New Hampshire Weatherization Assistance Program State Plan, Weatherization Assistance Program Policies and Procedures, and Field Guide are all considered legally binding and enforceable documents under this contract. The NH Department of Energy (Department) reserves the right to use any legal remedy at its disposal including, but not limited to, disallowance of costs, withholding of funds, suspension of agency personnel, disbarment of agency personnel, disbarment of agencies and/or subgrantees from present or future contracts, and such other legal remedies as determined to be appropriate by the New Hampshire Department of Justice in the enforcement of rules and regulations pertaining to the Weatherization Assistance Program.
2. An audit shall be made at the end of the Grantee's fiscal year in accordance with 2 CFR 200, Subpart F - Audit Requirements. This audit report shall include a schedule of revenues and expenditures by contract or grant number of all expenditures during the Grantee's fiscal year. The Grantee shall utilize a competitive bidding process to choose a qualified financial auditor at least every four years.

The audit report shall include a schedule of prior year's questioned costs along with a response to the current status of the prior year's questioned costs. Copies of all management letters written as a result of the audit along with the audit report shall be forwarded to the Department within one month of the time of receipt by the Grantee accompanied by an action plan, if applicable, for each finding or questioned cost.
3. The following paragraph shall be added to paragraph 9 of the General Provisions of the P37:

"9.4 All negotiated contracts (except those of \$5,000 or less) awarded by the Subgrantee shall allow the NH Department of Energy, the US DOE, the Comptroller General of the United States, or any duly authorized representatives, access to any books, documents, papers, and records of the Subgrantee or their subcontractors, which are directly pertinent to the Weatherization Assistance Program for the purpose of making audits, examinations, excerpts and transcription."
4. In paragraph 10 of the General Provisions, the following sentence shall be deleted: "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."
5. The costs charged under this contract shall be determined as allowable under the cost principles detailed in 2 CFR 200 Subpart E - Cost Principles.

6. Program and financial records pertaining to this contract shall be retained by the Grantee for three years from the date of submission of the final expenditure report or, for awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, as stated in 2 CFR 200.333 – Retention Requirements for Records.
7. This is not a Research and Development (R&D) award. The Department's indirect cost rate is 25.14 percent.
8. Kirk Stone, Weatherization Program Manager at the Department, has been designated with the responsibility for overseeing this contract.
9. RESTRICTION ON ADDITIONAL FUNDING. It is understood and agreed between the parties that no portion of the "Grant" funds may be used for the purpose of obtaining additional Federal funds under any other law of the United States, except if authorized under that law.
10. ASSURANCES/CERTIFICATIONS. The following are attached and signed: Certification Regarding Drug-Free Workplace Requirements; Certification Regarding Lobbying; Certification Regarding Debarment, Suspension and Other Responsibility Matters; Certification Regarding the Americans With Disabilities Act Compliance; Certification Regarding Environmental Tobacco Smoke; Assurance of Compliance Nondiscrimination in Federally Assisted Programs; and Certification Regarding the Federal Funding Accountability and Transparency Compliance.
11. COPELAND ANTI-KICKBACK ACT. All contracts and subgrants in excess of \$2,000.00 for construction or repair shall include a provision for compliance with Copeland "Anti-Kickback" Act (18 USC 874) as supplemented in Department of Labor Regulations (29 CFR, Part 3). This Act provides that each Grantee, subcontract or subgrantee shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The subgrantee should report all suspected violations to the Department.
12. PROCUREMENT. Subgrantee shall comply with all provisions of 2 CFR 200 Subpart D – Post Federal Award Requirements – Procurement Standards, with special emphasis on financial procurement ( 2 CFR 200 Subpart F – Audit Requirements) and property management (2 CFR 200 Subpart D – Post Federal Award Requirements – Property Standards).
13. CLOSE OUT OF CONTRACT. All final required reports and reimbursement requests shall be submitted to the State within 60 days of the completion date (Agreement Block 1.7).

## EXHIBIT B

### SCOPE OF SERVICES

1. Southwestern Community Services, Inc., hereinafter "the Grantee," agrees to perform weatherization services and all additional services and other work necessary to provide Weatherization Assistance Program (WAP) services to eligible low income individuals in accordance with the regulations set forth by the U. S. Department of Energy in 10 CFR 440 dated February 1, 2002, and in 2 CFR 200 as amended, and in accordance with the provisions and procedures contained in the most recent New Hampshire Weatherization Assistance Program (NHWAP) State Plan, Policies and Procedures Manual, Field Guide, and as otherwise administered by the Department.

Periodically the Department may issue Subgrantee Guidance (SG) and Subgrantee Notices (SN) or other management and/or guidance clarifications as necessary. All such changes shall be considered as incorporated into the NH Weatherization Policies and Procedures Manual and Field Guide. The Grantee agrees to alter the Program procedures in accordance with a SG, SN or other instructions.

The Grantee agrees to abide by changes in the NH Weatherization Assistance Program as prepared by NHWAP and further agrees to perform Weatherization Program services in a manner that will successfully interact with utility administered energy efficiency programs for low-income households in order to provide the best services for New Hampshire's low-income households.

2. The contract period, to be known as Program Year 2024 (PY24), will commence on upon approval from New Hampshire Governor and Executive Council (Governor and Executive Council), and will have a completion date of June 30, 2025.
3. Grantee must provide the Department with a budget for the use of NHWAP funds before any reimbursement for weatherization work will be paid by the Department.
4. In PY24, Grantee agrees to complete weatherization services on 21 dwelling units according to the standards outlined in the most recent NH Weatherization Policies and Procedures Manual and Field Guide.
  - (a) Weatherization Services are intended to increase the energy efficiency of the home, and to improve the home's comfort and safety. A certified energy auditor will first perform a NHWAP energy audit on the home using scientific test equipment. Specific energy conservation measures and heating source repairs will then be implemented in order of priority and cost effectiveness. This integrated activity is carried out in accordance with provisions and procedures outlined in the most recent NH Policies and Procedures Manual and Field Guide.
  - (b) The minimum number of dwelling units and the amount of funds to be expended shall conform to the provisions of this contract. Deviations of more than 20%

from expected dwelling unit goals in any given quarter may result in a reduction of the contract amounts and a reallocation of funds to other Grantees.

5. In accordance with the US DOE's "Quality Work Plan" (QWP) and the provisions of Weatherization Program Notice (WPN) 15-4 <https://www.energy.gov/eerc/wap/downloads/wpn-15-4-quality-work-plan-requirement-update>) and as modified in WPN 22-4 ([Weatherization Program Notice 22-4: Quality Work Plan Requirement Update | Department of Energy](#)), beginning April 1, 2015, Grantee must have regular and reliable access to properly trained and certified Quality Control Inspector(s), available as either staff or Grantees, able to fully function in that capacity. This contract provides funding for continued training and technical assistance sufficient to allow the Grantee to secure and maintain the skilled personnel necessary to meet the requirements of WPN 15-4 and WPN 22-4.
6. All work performed under the Weatherization Assistance Program in New Hampshire, using federal money from any WAP program year, must meet the minimum specifications defined in the US Department of Energy's "Quality Work Plan" (QWP) and the associated Standard Work Specifications (SWS). Details are presented in the Standard Work Specifications (SWS) for Home Energy Upgrades referred to in US DOE Weatherization Program Notice 15-4 and updated in Weatherization Program Notice 22-4, as well as in the New Hampshire Weatherization Assistance Program's Field Guide, 2021 Edition, which governs how WAP energy conservation measures (ECMs) are to be implemented. The Grantee must ensure, and be able to document for the Department, that all staff and Grantees who perform Weatherization work in PY24 are properly trained and certified for that work and have been informed that their work must meet the requirements of the SWS or dwelling units will not be considered complete and reimbursement will not occur.

## EXHIBIT C

### PAYMENT TERMS

In consideration of the satisfactory performance of the Services, the Department agrees to pay Southwestern Community Services, Inc. in total, the sum of:

\$305,372	(which hereinafter is referred to as the "Contracted Amount"), of which
\$ 42,042	may be expended for Administration,
\$ 20,125	may be expended for Training & Technical Assistance.
\$ 30,972	may be expended for Health & Safety measures,
\$ 36,727	may be expended for Readiness measures,
\$175,506	(the balance), to be spent on weatherization activities (Program Activity)
and	
\$ 35,101	will be issued as a program cash advance,

Drawdowns from the total contracted amount will be paid to the Grantee only after written documentation of cash need is submitted to the Department. Disbursement of the contracted amount shall be made in accordance with the procedures established by the State and 2 CFR 200.305(b) on an advance basis; limited to minimum amounts needed; and be timed to be in accordance with the actual, immediate cash requirements of the Grantee in carrying out the purpose of the program. The Grantee must make timely payments to (sub)Grantees in accordance with the contract provisions. Grantee shall submit a payment request to the Department for each month of the contract period. Payment requests from Grantee shall be received at the Department no later than the 15<sup>th</sup> day of each month, or the first business day following the 15<sup>th</sup> day.

Administrative costs are provided to cover a specified number of unit completions at minimal standards. Administrative funds may be pro-rated by the Department if production unit completions do not meet expected production goals.

The Department may, as a function of its administrative oversight, modify contracted budget amounts as necessary to ensure the efficient operation of the NHWAP as long as these modified expenditures do not exceed the Contracted Amount total as specified above.

All obligations of the Department, including the continuance of any payments, are contingent upon the availability and continued appropriation of Federal funds for the services to be provided.

**NEW HAMPSHIRE DEPARTMENT OF ENERGY**

**STANDARD EXHIBIT D**

The Grantee 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 Grantee'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 GRANTEE OTHER THAN INDIVIDUALS**

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES - GRANTEEES  
US DEPARTMENT OF EDUCATION - GRANTEEES  
US DEPARTMENT OF AGRICULTURE - GRANTEEES  
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. Grantee s using this form should send it to:  
Kirk Stone, Weatherization Assistance Manager, New Hampshire Department of Energy  
21 S. Fruit Street, Suite 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 or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
  - (b) Establishing an ongoing drug-free awareness program to inform employees about—
    - (1) The dangers of drug abuse in the workplace;
    - (2) The grantee's policy of maintaining a drug-free workplace;
    - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
    - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
  - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
  - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
    - (1) Abide by the terms of the statement; and
    - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

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

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

- (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.

Southwestern Community Services, Inc.  
63 Community Way, Keene NH 03431

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

Southwestern Community Services, Inc. Upon G&C approval through June 30, 2025  
Grantee Name Period Covered by this Certification

Beth Daniels, CEO  
Name and Title of Authorized Grantee Representative

Beth Daniels 05/07/24  
Grantee Representative Signature Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT E

The Grantee 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 Grantee'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 - GRANTEES
US DEPARTMENT OF EDUCATION - GRANTEES
US DEPARTMENT OF AGRICULTURE - GRANTEES
US DEPARTMENT OF LABOR
US DEPARTMENT OF ENERGY

Programs (indicate applicable program covered):
Community Services Block Grant
Low-Income Home Energy Assistance Program
HRRP Program
Weatherization Assistance Program

Contract Period: From the date of approval by the NH Governor and Executive Council to June 30, 2025

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.

Beth Daniels CEO
Grantee Representative Signature Grantee's Representative Title
Southwestern Community Services, Inc. 05/07/24
Grantee Name Date

## NEW HAMPSHIRE DEPARTMENT OF ENERGY

### STANDARD EXHIBIT F

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12529 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Grantee'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 Department of Energy (Department) 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 the Department 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, the Department may terminate this transaction for cause or default.
- (4) The prospective primary participant shall provide immediate written notice to the Department 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.
- (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 the Department.
- (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 the Department, 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, the Department 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 a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - (c) are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
  - (d) have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

*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.

Beth Daniels CEO  
Grantee Representative Signature Grantee's Representative Title

Southwestern Community Services, Inc. 05/07/24  
Grantee Name Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT G

CERTIFICATION REGARDING THE  
AMERICANS WITH DISABILITIES ACT COMPLIANCE

The Grantee identified in Section 1.3 of the General Provisions agrees by signature of the Grantee'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 Grantee agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Beth Daniels CEO  
Grantee Representative Signature Grantee's Representative Title  
Southwestern Community Services, Inc. 05/07/24  
Grantee Name Date

NEW HAMPSHIRE DEPARTMENT OF ENERGY

STANDARD EXHIBIT H

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

Public Law 103227, Part C Environmental Tobacco Smoke, also known as the Pro Children Act of 1994, requires that smoking not be permitted in any portion of any indoor facility routinely owned or leased or contracted for by an entity and used routinely or regularly for provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee.

The law does not apply to children's services provided in private residences; facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

By signing and submitting this application the applicant/grantee certifies that it will comply with the requirements of the Act.

The applicant/grantee further agrees that it will require the language of this certification be included in any sub awards which contain provisions for the children's services and that all Grantees shall certify accordingly.

Beth Daniels CEO  
Grantee Representative Signature Grantee's Representative Title

Southwestern Community Services, Inc. 05/07/24  
Grantee Name Date

## NEW HAMPSHIRE DEPARTMENT OF ENERGY

### STANDARD EXHIBIT I

#### U.S. DEPARTMENT OF ENERGY ASSURANCE OF COMPLIANCE NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

##### OMB Burden Disclosure Statement

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Office of Information Resources Management Policy, Plans, and Oversight, Records Management Division, HR-422 - GTN, Paperwork Reduction Project (1910-0400), U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, DC 20585; and to the Office of Management and Budget (OMB), Paperwork Reduction Project (1910-0400), Washington, DC 20503.

Southwestern Community Services, Inc., (Hereinafter called the "Grantee") HEREBY AGREES to comply with Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), Section 16 of the Federal Energy Administration Act of 1974 (Pub. L. 93-275), Section 401 of the Energy Reorganization Act of 1974 (Pub. L. 93-438), Title IX of the Education Amendments of 1972, as amended, (Pub. L. 92-318, Pub. L. 93-568, and Pub. L. 94-482), Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), the Age Discrimination Act of 1975 (Pub. L. 94-135), Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), the Department of Energy Organization Act of 1977 (Pub. L. 95-91), the Energy Conservation and Production Act of 1976, as amended, (Pub. L. 94-385) and Title 10, Code of Federal Regulations, Part 1040. In accordance with the above laws and regulations issued pursuant thereto, the Grantee agrees to assure that no person in the United States shall, on the ground of race, color, national origin, sex, age, or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity in which the Grantee receives Federal assistance from the Department of Energy.

##### Applicability and Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with Federal assistance extended to the Grantee by the Department of Energy, this assurance obligates the Grantee for the period during which Federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which Federal assistance is extended. If any personal property is so provided, this assurance obligates the Grantee for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Grantee for the period during which the Federal assistance is extended to the Grantee by the Department of Energy.

##### Employment Practices

Where a primary objective of the Federal assistance is to provide employment or where the Grantee's employment practices affect the delivery of services in programs or activities resulting from Federal assistance extended by the Department, the Grantee agrees not to discriminate on the ground of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

##### Subrecipient Assurance

The Grantee shall require any individual, organization, or other entity with whom it subcontracts, subgrants, or subleases for the purpose of providing any service, financial aid, equipment, property, or structure to comply with

laws and regulations cited above. To this end, the subrecipient shall be required to sign a written assurance form; however, the obligation of both recipient and subrecipient to ensure compliance is not relieved by the collection or submission of written assurance forms.

#### Data Collection and Access to Records

The Grantee agrees to compile and maintain information pertaining to programs or activities developed as a result of the Grantee's receipt of Federal assistance from the Department of Energy. Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by the Department of Energy to be relevant to the obligation to assure compliance by recipients with laws cited in the first paragraph of this assurance.

The Grantee agrees to submit requested data to the Department of Energy regarding programs and activities developed by the Grantee from the use of Federal assistance funds extended by the Department of Energy. Facilities of the Grantee (including the physical plants, buildings, or other structures) and all records, books, accounts, and other sources of information pertinent to the Grantee's compliance with the civil rights laws shall be made available for inspection during normal business hours on request of an officer or employee of the Department of Energy specifically authorized to make such inspections. Instructions in this regard will be provided by the Director, Office of Civil Rights, U.S. Department of Energy.

This assurance is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts (excluding procurement contracts), property, discounts or other Federal assistance extended after the date hereof, to the Grantees by the Department of Energy, including installment payments on account after such date of application for Federal assistance which are approved before such date. The Grantee recognizes and agrees that such Federal assistance will be extended in reliance upon the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Grantee, the successors, transferees, and assignees, as well as the person(s) whose signatures appear below and who are authorized to sign this assurance on behalf of the Grantee.

#### Grantee Certification

The Grantee certifies that it has complied, or that, within 90 days of the date of the grant, it will comply with all applicable requirements of 10 C.F.R. § 1040.5 (a copy will be furnished to the Grantee upon written request to DOE).

Representative Name/Title: Beth Daniels, CEO

Signature: Beth Daniels Date 05/07/24

Southwestern Community Services, Inc.  
63 Community Way, Keene NH 03431  
603.352.7512



NEW HAMPSHIRE DEPARTMENT OF ENERGY  
EXHIBIT J  
FORM A

As the Grantee 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 UEI number for your entity is: HMUUXK8MBJC3

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) \$30,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO  YES

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

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

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

NO  YES

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

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

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

Name: \_\_\_\_\_ Amount: \_\_\_\_\_

**NEW HAMPSHIRE DEPARTMENT OF ENERGY**

**EXHIBIT L**

**CERTIFICATION REGARDING NHPA and NEPA COMPLIANCE FOR WAP23**

The Grantee identified in Section 1.3 of the General Provisions agrees to comply with the provisions of the National Environmental Policy Act (NEPA) 42 U.S.C. §4321 et seq., rules promulgated thereunder (40 CFR Parts 1500-1508), guidance documents issued by the Office of Management and Budget or the U.S. Department of Energy (U.S. DOE), New Hampshire Department of Energy (Department) executed Historic Preservation Programmatic Agreement, and US DOE Office of Energy Efficiency and Renewable Energy (EERE) NEPA Determination GFO-WAP-2024A (NEPA Determination-WAP24).

The Grantee agrees to assure compliance with Section 106 of the National Historic Preservation Act (NHPA) and the Department executed Historic Preservation Programmatic Agreement prior to authorizing the use of funds.

The Grantee agrees that it will not fund activities that are not "Allowable Activities" pursuant to the National Environmental Policy Act (NEPA) Determination-WAP24, which include:

1. Administrative activities associated with management of the designated Weatherization Office and management of programs and strategies in support of weatherization activities.
2. Development and implementation of training programs and strategies for weatherization effort, including initial home energy audits, final inspections, and client education.
3. Purchase of vehicles and equipment needed for administrative activities, weatherization energy audits, installation of measures indicated below, and quality control inspections.
4. Weatherization activities provided that activities adhere to the requirements of the respective Recipients' DOE executed Historic Preservation Programmatic Agreement, are installed in existing buildings, are appropriately sized, are covered by Appendix A of 10 CFR 440, and/or approved as part of the energy audit approval procedures and material approvals process, and limited to:
  - a. Building Shell Measures:
    - i. Install insulation where needed;
    - ii. Perform air sealing;
    - iii. Repair and replace windows, storm windows, install window film, awnings and solar screens;
  - b. Mechanical Measures:
    - i. Clean, tune, repair, or replace heating and/or cooling systems;
    - ii. Install duct and heating pipe insulation;
    - iii. Repair leaks in heating/cooling ducts;
    - iv. Install programmable thermostats;
    - v. Repair/replace domestic water heaters;
    - vi. Install domestic hot water heater tank insulation;

- c. Electric and Water Measures:
  - i. Install efficient light sources;
  - ii. Install low-flow showerheads;
  - iii. Replace inefficient refrigerators with energy-efficient models.

5. Energy-related health and safety measures (per Weatherization Program Notice 22-7, or the most current guidance) provided that activities adhere to the requirements of the Department executed Historic Preservation Programmatic Agreement, occur in existing buildings, and are limited to:

- a. Combustion appliance safety inspections;
- b. Air quality assessment and limited removal of formaldehyde, volatile organic compounds, flammable liquids, and other air pollutants;
- c. Gas and bulk fuel leak inspections;
- d. Testing and/or containment, removal or disposal of lead, asbestos, mold, moisture, refrigerant, mercury, and other materials so WAP activities may be completed;
- e. Radon testing and the installation of precautionary measures to minimize radon infiltration, including but not limited to, sump pump covers, covering exposed dirt floors with polyethylene sheeting which contains a rating of no more than 0.1 perm, which is sealed and attached at all seams, walls and foundation penetrations;
- f. Inspection of combustion appliances and installation of carbon monoxide and smoke alarms;
- g. Install ventilation as required by the American Society of Heating and Air-Conditioning Engineers (ASHRAE) 62.2-2016 standard, including blower door testing addressing infiltration, ventilation, and exhaust.

6. Weatherization Readiness Fund (WRF) supported activities focused on structural, health, and safety issues in the dwelling which must be addressed before weatherization measures can be safely and effectively installed, provided that those activities adhere to the requirements of the Department executed Historic Preservation Programmatic Agreement, are installed in existing buildings, and are limited to:

- a. Repair/replace damaged windows and doors;
- b. Electrical and plumbing repairs;
- c. Roof repairs;
- d. Interior and exterior wall repairs;
- e. Ceiling repairs;
- f. Floor repairs;
- g. Foundation or subspace (crawl space) repairs;
- h. Exterior drainage repairs limited to gutter repair or replacement, trimming shrubs, and/or grading in close proximity to the perimeter of the foundation.

7. Incidental and necessary energy-related repairs and replacements limited to:

- a. Repair/replace damaged windows and doors;
- b. Electrical and plumbing repairs;

8. Development, implementation, and installation of onsite renewable energy technology from renewable resources, provided that activities adhere to the requirements of the Department

executed Historic Preservation Programmatic Agreement, are installed in or on an existing structure, and do not require ground disturbance or tree removal, and limited to:

- a. PV systems appropriately sized that do not exceed 60 kW;
- b. Solar hot water heating systems appropriately sized that do not exceed 200,000 BTU/HR;
- c. Battery storage, if applicable, attached to a structure (e.g., inside a garage) and not visible from the public right of way.

Activities/projects not listed above, including ground disturbing activities and tree removal; activities where the following elements exist: extraordinary circumstances, cumulative impacts or connected actions that may lead to significant effects on the human environment, or any inconsistency with the "integral elements" (as contained in 10 CFR Part 1021, Appendix B) as they relate to a particular project; and activities restricted elsewhere in Award No. DE-EE0009916 are not "Allowable Activities."

Activities that do not qualify as "Allowable Activities" as defined above are subject to additional NEPA review, which requires additional documentation and submission of an environmental questionnaire. If the Grantee wants to fund activities that do not qualify as "Allowable Activities," then Grantee agrees to notify the Department WAP Administrator, and to seek NEPA review through the Department WAP Administrator. Activities requiring NEPA review are not authorized for Federal funding and the Grantee may not undertake or fund those activities unless and until the US DOE Contracting Officer, through the Department WAP Administrator, provides written authorization for those activities.

All activities related to hazardous material identified during a WAP job will be managed in accordance with applicable federal, state, and local requirements.

The Grantee agrees to document conformance with the Allowable Activities listed above before commencement of any project.

The Grantee agrees to complete the online US DOE training on NEPA and Historic Preservation at [www.energy.gov/node/4816816](http://www.energy.gov/node/4816816). Proof of complete training must be submitted to the Department WAP Administrator.

<u>Beth Daniels</u>	<u>CEO</u>
Grantee Representative Signature	Grantee's Representative Title
<u>Beth Daniels</u>	<u>05/07/24</u>
Grantee Name	Date

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

Business ID: 65514

Certificate Number: 0006663003



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 9th day of April A.D. 2024.

A handwritten signature in black ink, appearing to read "David M. Scanlan".

David M. Scanlan  
Secretary of State

CERTIFICATE OF AUTHORITY

I, Kevin Watterson hereby certify that  
(Name of the elected Clerk/Secretary/Officer of Corporation/LLC)

1. I am a duly elected Clerk/Secretary/Officer of Southwestern Community Services Inc.  
(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 18, 2021, at which a quorum of the Directors/shareholders were present and voting.  
(Date)

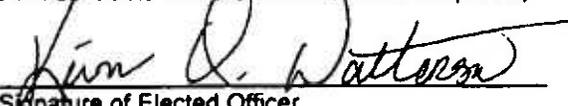
VOTED: That Beth Daniels, CEO (may list more than one person)  
(Name and Title of Contract Signatory)

is duly authorized on behalf of Southwestern Community Services Inc. to enter into contracts or agreements with  
(Name of Corporation/ LLC)

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

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

Dated: 4/16/2024

  
Signature of Elected Officer  
Name: Kevin Watterson  
Title: Chairperson



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/19/2023

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

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

<b>PRODUCER</b> The Hib Group New England, LLC PO Box 606 Keene NH 03431		<b>CONTACT NAME:</b> Ana O'Donnell CPIW, CIC <b>PHONE (A/C No. Ext):</b> (877) 352-2121 <b>FAX (A/C. No.):</b> <b>E-MAIL ADDRESS:</b> aodonnell@hibgroup.com	
<b>INSURED</b> Southwestern Community Services Inc. 63 Community Way PO Box 603 Keene NH 03431		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Philadelphia Indemnity Insurance Co NAIC # 18058 <b>INSURER B:</b> Granite State Healthcare & Human Services Trust <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

COVERAGES CERTIFICATE NUMBER: 2425 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.

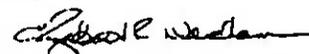
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2638316	01/01/2024	01/01/2025	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 - COMPROP AGG \$ 2,000,000 Professional Liability \$ 1m / 2m
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2636315	01/01/2024	01/01/2025	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 checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB893672	01/01/2024	01/01/2025	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	HCHS20242000036	01/01/2024	01/01/2025	<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

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

3a state: NH. All officers included. This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies referenced herein.

## CERTIFICATE HOLDER

## CANCELLATION

State of New Hampshire Department of Energy 21 South Fruit St, Ste 10 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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*Financial Statements*

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**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MAY 31, 2023 AND 2022  
AND  
INDEPENDENT AUDITORS' REPORT  
AND  
REPORTS ON COMPLIANCE AND INTERNAL CONTROL**

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

**TABLE OF CONTENTS**

	<b><u>Page(s)</u></b>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statement of Activities	5
Consolidated Statements of Functional Expenses	6 - 7
Consolidated Statements of Cash Flows	8 - 9
Notes to Consolidated Financial Statements	10 - 31
Supplementary Information:	
Consolidated Schedules of Functional Revenues and Expenses	32 - 33
Schedule of Expenditures of Federal Awards	34 - 36
Notes to Schedule of Expenditures of Federal Awards	37
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	38 - 39
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	40 - 42
Schedule of Findings and Questioned Costs	43
Summary Schedule of Prior Audit Findings	44

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
Southwestern Community Services, Inc.

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Southwestern Community Services, Inc. and related companies and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Community Services, Inc. and related companies' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Southwestern Community Services, Inc. and related companies' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Community Services, Inc. and related companies' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Report on Summarized Comparative Information**

We have previously audited Southwestern Community Services, Inc. and related companies' 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 9, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Supplementary Information**

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2024, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Southwestern Community Services, Inc.'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 Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

*Leone McDonnell & Roberts  
Professional Association*

Wolfeboro, New Hampshire  
January 24, 2024

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,237,914	\$ 3,153,976
Accounts receivable, net	2,027,517	1,745,952
Prepaid expenses	157,449	243,990
Total current assets	<u>4,422,880</u>	<u>5,143,918</u>
<b>PROPERTY</b>		
Land and buildings	30,392,465	29,859,136
Vehicles and equipment	647,670	555,554
Furniture and fixtures	983,264	958,072
Total property	<u>32,023,399</u>	<u>31,372,762</u>
Less accumulated depreciation	<u>16,520,026</u>	<u>15,527,483</u>
Property, net	<u>15,503,373</u>	<u>15,845,279</u>
<b>OTHER ASSETS</b>		
Investment in related parties	64,178	94,230
Right of use asset	98,159	-
Due from related parties	53,895	47,566
Cash escrow and reserve funds	1,556,493	1,479,277
Security deposits	111,044	111,033
Other assets	384	384
Total other assets	<u>1,884,153</u>	<u>1,732,490</u>
Total assets	<u>\$ 21,810,406</u>	<u>\$ 22,721,687</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 239,270	\$ 208,035
Accrued expenses	158,107	229,110
Accrued payroll and payroll taxes	235,401	353,786
Other current liabilities	166,988	158,972
Refundable advances	1,246,787	1,519,622
Current portion of right of use liability	32,364	-
Current portion of Economic Injury Disaster Loan	3,685	3,585
Current portion of long term debt	183,158	159,974
Total current liabilities	<u>2,265,760</u>	<u>2,633,084</u>
<b>NONCURRENT LIABILITIES</b>		
Long term right of use liability, less current portion shown above	65,795	-
Economic Injury Disaster Loan, less current portion shown above	144,966	146,415
Long term debt, less current portion shown above	11,103,983	11,243,212
Total noncurrent liabilities	<u>11,314,744</u>	<u>11,389,627</u>
Total liabilities	<u>13,580,504</u>	<u>14,022,711</u>
<b>NET ASSETS</b>		
Without donor restrictions	8,106,510	8,564,624
With donor restrictions	123,392	134,352
Total net assets	<u>8,229,902</u>	<u>8,698,976</u>
Total liabilities and net assets	<u>\$ 21,810,406</u>	<u>\$ 22,721,687</u>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED MAY 31, 2023  
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2023 Total</u>	<u>2022 Total</u>
<b>REVENUES AND OTHER SUPPORT</b>				
Government contracts	\$ 23,407,391	\$ -	\$ 23,407,391	\$ 24,553,574
Program service fees	2,480,960	-	2,480,960	2,991,407
Rental income	1,873,226	-	1,873,226	1,817,636
Support	591,754	123,392	715,146	669,175
Sponsorship	8,197	-	8,197	28,520
Interest Income	18,235	-	18,235	1,099
Forgiveness of debt	166,931	-	166,931	90,609
Miscellaneous	104,742	-	104,742	156,954
In-kind contributions	69,852	-	69,852	89,366
	<u>28,721,288</u>	<u>123,392</u>	<u>28,844,680</u>	<u>30,398,340</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>				
	<u>134,352</u>	<u>(134,352)</u>	<u>-</u>	<u>-</u>
Total revenues, other support, and net assets released from restrictions	<u>28,855,640</u>	<u>(10,960)</u>	<u>28,844,680</u>	<u>30,398,340</u>
<b>EXPENSES</b>				
<b>Program services</b>				
Home energy programs	9,895,617	-	9,895,617	7,051,760
Education and nutrition	3,090,471	-	3,090,471	2,826,493
Homeless programs	9,417,446	-	9,417,446	13,349,415
Housing services	3,113,505	-	3,113,505	3,070,446
Economic development services	731,021	-	731,021	658,791
Other programs	678,220	-	678,220	683,000
	<u>26,926,280</u>	<u>-</u>	<u>26,926,280</u>	<u>27,639,905</u>
<b>Supporting activities</b>				
Management and general	2,360,358	-	2,360,358	2,031,266
	<u>29,286,638</u>	<u>-</u>	<u>29,286,638</u>	<u>29,671,171</u>
<b>CHANGE IN NET ASSETS BEFORE GAIN (LOSS) ON SALE OF PROPERTY</b>				
	(430,998)	(10,960)	(441,958)	727,169
<b>GAIN (LOSS) ON SALE OF PROPERTY</b>	2,936	-	2,936	(14,836)
<b>LOSS ON INVESTMENT IN LIMITED PARTNERSHIPS</b>	<u>(30,052)</u>	<u>-</u>	<u>(30,052)</u>	<u>(43,771)</u>
<b>CHANGE IN NET ASSETS</b>	(458,114)	(10,960)	(469,074)	668,562
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>8,564,624</u>	<u>134,352</u>	<u>8,698,976</u>	<u>8,030,414</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 8,106,510</u>	<u>\$ 123,392</u>	<u>\$ 8,229,902</u>	<u>\$ 8,698,976</u>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MAY 31, 2023**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2023 Total
Payroll	\$ 694,298	\$ 1,847,987	\$ 633,731	\$ 625,222	\$ 353,418	\$ 441,854	\$ 4,596,510	\$ 918,734	\$ 5,515,244
Payroll taxes	57,891	151,863	50,582	49,028	30,751	36,239	378,154	67,510	443,864
Employee benefits	132,480	360,268	144,229	212,369	35,364	128,121	1,012,817	163,746	1,176,563
Retirement	35,253	105,574	38,178	44,702	15,838	26,598	266,141	83,144	349,285
Advertising	3,510	7,035	1,706	3,811	2,333	-	18,195	1,524	19,719
Bank charges	10	-	23	4,175	-	-	4,208	8,243	12,451
Computer cost	22,147	21,189	21,648	28,550	19,001	-	112,533	147,787	260,300
Contractual	751,082	15,648	35,804	21,229	32,678	11,039	867,461	117,724	985,205
Depreciation	-	28,865	159,460	692,182	-	7,700	888,207	148,562	1,036,769
Dues/registration	-	4,480	-	1,080	488	267	6,295	11,110	17,405
Duplicating	1,469	12,587	-	-	-	-	14,056	16,742	30,798
Insurance	13,455	16,378	38,947	70,125	19,755	9,030	167,690	44,378	212,068
Interest	-	3,940	5,205	54,004	-	428	63,577	108,653	172,230
Meeting and conference	13,891	156	898	3,962	4,153	901	23,959	15,367	39,326
Miscellaneous expense	1,205	2,599	45	130,108	13,041	1,164	148,162	36,401	184,563
Miscellaneous taxes	-	-	-	122,213	-	-	122,213	451	122,664
Equipment purchases	7,732	3,636	-	7,983	-	-	19,351	590	19,941
Office expense	68,290	12,574	31,714	12,403	10,330	1,830	135,141	33,063	168,204
Postage	1,378	226	178	123	484	-	2,387	37,787	40,154
Professional fees	2,825	-	6,559	32,542	-	-	41,926	99,770	141,696
Staff development and training	10,191	1,323	1,065	6,558	1,760	1,228	22,125	24,323	46,448
Subscriptions	-	-	-	115	-	-	115	327	442
Telephone	7,081	4,984	29,729	19,282	1,771	1,898	64,745	60,155	124,900
Travel	7,440	19,611	128,830	10,111	38,103	-	204,095	6,850	210,745
Vehicle	15,962	551	1,653	25,000	83,381	7,639	134,186	772	134,938
Rent	19,200	13,900	-	-	-	-	33,100	-	33,100
Space costs	18,019	244,532	554,835	922,645	15,968	-	1,755,959	180,957	1,916,956
Direct client assistance	8,012,822	140,913	7,532,435	14,183	52,443	2,284	15,755,080	45,928	15,801,008
In-kind expenses	-	89,852	-	-	-	-	89,852	-	89,852
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>9,895,617</b>	<b>3,090,471</b>	<b>8,417,446</b>	<b>3,113,505</b>	<b>731,021</b>	<b>678,220</b>	<b>26,926,280</b>	<b>2,360,358</b>	<b>29,286,838</b>
Allocation of management and general expenses	867,450	270,911	825,533	272,930	64,061	59,453	2,360,358	(2,360,358)	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 10,763,067</b>	<b>\$ 3,361,382</b>	<b>\$ 10,242,979</b>	<b>\$ 3,386,435</b>	<b>\$ 795,102</b>	<b>\$ 737,673</b>	<b>\$ 29,286,638</b>	<b>\$ -</b>	<b>\$ 29,286,638</b>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED MAY 31, 2022**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2022 Total
Payroll	\$ 551,449	\$ 1,553,713	\$ 601,469	\$ 872,177	\$ 340,079	\$ 418,824	\$ 4,135,811	\$ 858,748	\$ 4,992,559
Payroll taxes	45,132	127,557	49,849	61,549	30,490	35,545	340,122	68,379	408,501
Employee benefits	137,544	387,109	140,322	217,637	27,775	137,184	1,047,571	101,743	1,149,314
Retirement	31,440	95,678	32,887	49,044	16,083	18,580	243,710	66,594	310,304
Advertising	1,068	12,573	428	7,537	8,801	-	30,405	5,120	35,525
Bank charges	35	-	683	4,650	-	-	5,348	9,701	15,049
Computer cost	307	15,754	13,319	8,001	14,818	-	52,199	127,747	179,948
Contractual	828,975	15,258	87,421	28,033	-	35,197	992,882	83,330	1,056,212
Depreciation	-	28,438	134,036	674,508	-	3,810	838,790	150,983	989,773
Dues/registration	-	2,539	-	490	508	125	3,682	11,739	15,401
Duplicating	-	8,660	-	-	-	-	8,660	5,503	14,163
Insurance	8,123	18,820	35,678	62,108	19,859	7,313	147,699	45,537	193,236
Interest	-	423	8,536	48,822	-	278	59,059	118,508	177,585
Meeting and conference	-	-	354	3,255	832	2,862	7,303	1,836	8,939
Miscellaneous expense	670	2,917	120	112,217	6,388	5,102	127,414	30,814	158,228
Miscellaneous taxes	-	-	-	129,976	-	-	129,976	150	130,126
Equipment purchases	14,730	3,421	-	5,378	-	519	24,048	720	24,768
Office expense	43,201	8,735	22,754	10,409	3,513	90	88,702	24,071	112,773
Postage	190	383	28	24	171	-	796	33,927	34,723
Professional fees	1,075	-	4,323	26,930	-	220	32,548	85,753	118,301
Staff development and training	1,888	2,687	825	3,085	121	1,685	10,259	8,781	19,040
Subscriptions	-	-	-	228	-	-	228	180	408
Telephone	5,147	3,727	21,670	19,709	1,930	1,298	53,481	48,594	100,075
Travel	4,715	18,859	11,158	14,784	26,330	249	78,085	1,428	77,523
Vehicle	9,433	-	2,099	24,565	79,218	13,061	128,374	1,420	129,794
Rent	8,000	16,300	-	-	24,595	-	48,895	-	48,895
Specie costs	21,837	205,132	458,408	888,317	19,742	25	1,589,461	164,162	1,753,623
Direct client assistance	5,338,825	212,848	11,724,070	11,007	37,540	2,853	17,327,043	-	17,327,043
In-kind expenses	-	69,366	-	-	-	-	89,366	-	89,366
<b>TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION</b>	<b>7,051,760</b>	<b>2,826,493</b>	<b>13,349,415</b>	<b>3,070,448</b>	<b>658,791</b>	<b>683,000</b>	<b>27,639,906</b>	<b>2,031,268</b>	<b>29,671,171</b>
Allocation of management and general expenses	518,236	207,720	981,053	225,648	48,415	50,194	2,031,268	(2,031,268)	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 7,569,996</b>	<b>\$ 3,034,213</b>	<b>\$ 14,330,468</b>	<b>\$ 3,296,096</b>	<b>\$ 707,206</b>	<b>\$ 733,194</b>	<b>\$ 29,671,171</b>	<b>\$ -</b>	<b>\$ 29,671,171</b>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (469,074)	\$ 668,562
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	1,036,769	989,773
Amortization of deferred financing costs	662	662
Loss (gain) on sale of assets	(2,936)	14,836
Loss on investment in limited partnerships	30,052	43,771
Forgiveness of debt	(166,931)	(90,609)
Decrease (increase) in assets:		
Accounts receivable, net	(281,565)	38,041
Prepaid expenses	86,541	(181,362)
Due from related parties	(6,329)	7,572
Security deposits	(11)	(5,243)
(Decrease) increase in liabilities:		
Accounts payable	31,235	(32,551)
Accrued expenses	(71,003)	59,036
Accrued payroll and payroll taxes	(118,385)	109,783
Other current liabilities	8,016	10,118
Refundable advances	(272,835)	789,667
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>(195,784)</u>	<u>2,422,056</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of property	3,301	3,840
Purchase of property	(467,807)	(831,642)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(464,506)</u>	<u>(827,802)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term debt	8,581	-
Repayment of long term debt	(187,127)	(155,683)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(178,546)</u>	<u>(155,683)</u>
<b>NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH</b>	(838,846)	1,438,571
<b>CASH AND RESTRICTED CASH, BEGINNING OF YEAR</b>	<u>4,633,253</u>	<u>3,194,682</u>
<b>CASH AND RESTRICTED CASH, END OF YEAR</b>	<u>\$ 3,794,407</u>	<u>\$ 4,633,253</u>

See Notes to Consolidated Financial Statements

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	<u>\$ 171,568</u>	<u>\$ 176,903</u>
<b>CASH AND RESTRICTED CASH:</b>		
Cash and cash equivalents	<u>\$ 2,237,914</u>	<u>\$ 3,153,976</u>
Cash escrow and reserve funds	<u>1,556,493</u>	<u>1,479,277</u>
Total cash and restricted cash	<u>\$ 3,794,407</u>	<u>\$ 4,633,253</u>
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</b>		
Property financed by long term debt	<u>\$ 227,421</u>	<u>\$ 595,015</u>

See Notes to Consolidated Financial Statements

## **SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

#### **NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **General**

Southwestern Community Services, Inc. is a New Hampshire nonprofit corporation formed as an umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in the Cheshire and Sullivan counties of New Hampshire. Various programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. Services are provided through Southwestern Community Services, Inc., and its related corporations, SCS Management Corporation, SCS Housing, Inc., SCS Development Corporation, SCS Housing Development, Inc., and various limited partnerships, as described below. The Organization is committed to providing respectful support 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.

##### **Principles of Consolidation**

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

- SCS Management Corporation
- SCS Housing, Inc.
- SCS Development Corporation
- SCS Housing Development, Inc.
- Drewsville Carriage House Associates, Limited Partnership (Drewsville)
- Troy Senior Housing Associates, Limited Partnership (Troy Senior)
- Keene East Side Senior Housing Associates, Limited Partnership (Keene East Side)
- Winchester Senior Housing Associates, Limited Partnership (Winchester)
- Swanzey Township Housing Associates, Limited Partnership (Swanzey)
- Snow Brook Meadow Village Housing Associates, Limited Partnership (Snow Brook)
- Keene Highland Housing Associates, Limited Partnership (Keene Highland)
- Warwick Meadow Housing Associates, Limited Partnership (Warwick)

## SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2023 AND 2022

#### Basis of Accounting

The consolidated financial statements of the Organization have been prepared utilizing the accrual basis of accounting in accordance with generally accepted accounting principles.

#### Basis of Presentation

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

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

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

As of May 31, 2023 and 2022, the Organization had net assets without donor restrictions and with donor restrictions (See Note 12).

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2022 from which the summarized information was derived.

#### Estimates

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

## **SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

#### **Cash and Cash Equivalents**

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

#### **Concentration of Credit Risk**

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

#### **Current Vulnerability Due to Certain Concentrations**

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2023 and 2022, approximately 81%, of the Organization's total revenue was received from government agencies. The future nature of the Organization is dependent upon continued support from the government.

#### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2023 and 2022, respectively. The Organization has no policy for charging interest on overdue accounts.

#### **Refundable Advances**

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

#### **In-Kind Donations / Noncash transactions**

The Organization records various types of in-kind support including professional services and materials. Contributed professional services are recognized if the service received creates or enhances long-lived assets or requires specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The Organization received \$69,852 and \$89,366 in donated services and materials for the years ended May 31, 2023 and 2022, respectively (See Note 15).

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

**Property and Depreciation**

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

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

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2023 and 2022 totaled \$1,036,769 and \$989,773, respectively.

**Advertising**

The Organization expenses advertising costs as incurred.

**Income Taxes**

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

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards available for the May 31, 2023 and 2022 tax returns totaling \$1,276,789 and \$1,252,122, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$509 and \$513 at May 31, 2023 and 2022, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2023. SCS Housing Development, Inc. has federal net operating loss carryforwards totaling \$89,166 and \$55,129 at May 31, 2023 and 2022, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2035.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Tax benefit from loss carryforwards	\$ 286,957	\$ 274,630
Valuation allowance	<u>(286,957)</u>	<u>(274,630)</u>
Deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

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

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

**Fair Value of Financial Instruments**

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

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

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

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

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

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

**Support and Revenue Recognition**

**Contracts with Customers**

Program service 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.

## SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2023 AND 2022

#### Private Grant Revenue and Contributions (Support)

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.

#### Government Grants and Support

Grant revenue is derived from various federal grant agreements and various state and private entity passthrough 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.

#### Rental Revenue

The Organization derives revenues from the rental of apartment units. Revenues are recognized as income, monthly, when rents become due and control of the apartment units is transferred to the lessees. The individual leases are for a term of one year and are cancelable by the tenants. Control of the leased units is transferred to the lessee in an amount that reflects the consideration the Partnership expects to be entitled to in exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

## **SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

### **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

#### **Functional Allocation of Expenses**

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

The costs of providing certain program and supporting services have been directly charged.

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human Services. The indirect cost rate is 12% effective from June 1, 2021 through May 31, 2024.

#### **New Accounting Pronouncement**

In September 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, intended to improve transparency in the reporting of contributed nonfinancial assets, also known as gifts-in-kind, for not-for-profit organizations. Examples of contributed nonfinancial assets include fixed assets such as land, buildings, and equipment; the use of fixed assets or utilities; material and supplies, such as food or clothing; intangible assets; and recognized contributed services. The ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. It also requires certain disclosures for each category of contributed nonfinancial assets recognized. The amendments in this ASU should be applied on a retrospective basis and are effective for annual reporting periods beginning after June 15, 2021. The Organization adopted the provisions of ASU 2020-07 during the year ended May 31, 2023 (See **Note 15**).

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The standard applies a right of use model that requires, all leases with a lease term of more than 12 months, to recognize an asset representing its right to use the underlying asset for the lease term and liability to make lease payments to be recorded. The adoption of ASU 2016-02 resulted in the recognition of an operating right of use asset of \$98,159 and operating lease liability of \$98,159 as of May 31, 2023. The adoption of ASU 2016-02 did not have a material impact on the Organization's results of operations and cash flows (See **Note 6**).

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

**NOTE 2**     **BANK LINE OF CREDIT**

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate or at a floor rate of 4%. The line is secured by all the Organization's assets. As of May 31, 2023 and 2022, the interest rate was 8.25% and 4%, respectively. There was no outstanding balance at May 31, 2023 and 2022.

**NOTE 3**     **LONG TERM DEBT**

The long term debt consisted of the following at May 31:

	<u>2023</u>	<u>2022</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHH, 96 Main Street).	\$ 107,975	\$ 117,535
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on an operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	23,589	25,589
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until the project is sold or refinanced. The note is secured by real estate of the Organization (NHH, 17 Pearl).	242,708	242,708
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until the project is sold or refinanced. The note is secured by real estate of the Organization (NHH, 41-43 Central).	376,066	376,066

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019, and is now due December 2026. Under the amendment, the interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	75,268	94,456
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,053,855	2,095,301
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on the contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% at May 31, 2023, and 2022. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	348,687	362,931
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	25,000	50,000

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	15,000	30,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHH, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	281,406	296,217
Non-interest bearing note payable to a county in New Hampshire, relating to an agreement between the City of Keene and SCS for the purpose of renovating Keene shelters. In total, SCS will receive \$472,000 from CDBG. The agreement was amended during the year ended May 31, 2023 to increase the total loan to \$784,021. SCS will receive the funds as progress is made. The note is secured by real estate of the Organization and will be fully forgiven providing the facility serves low- and moderate-income individuals for 20 years (Keene Shelters).	761,210	629,280
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note was paid in full during the year ended May 31, 2023. The note was secured by a vehicle (Ally, Econoline Van).		1,581

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
2.99% note payable to a bank in monthly installments for principal and interest of \$820 through May 2031. The note is secured by real estate of the Organization (Savings Bank of Walpole, 45 Central Street).	69,327	76,974
Non-interest bearing note payable to the City of Keene, New Hampshire. The note expired in June 2022 and payment was not necessary unless the Organization defaults on contract. The note was forgiven during the year ended May 31, 2023. The note was secured by real estate of the Organization (City of Keene, 139 Roxbury Street).		77,100
Non-interest bearing note payable to the City of Keene, New Hampshire, with an original balance of \$240,000 reduced to \$204,000 when the Organization acquired the note from Keene Housing in July 2020. No payment is due and 5% of the balance is forgiven each year through June 2037. The note is secured by real estate of the Organization (City of Keene, 139 Roxbury Street).	180,000	192,000
3.575% note payable to a finance company in monthly installments for principal and interest of \$650 through September 2026. The note is secured by a vehicle (Leaf, Dodge Ram).	23,914	30,888
3.75% note payable to a finance company in monthly installments for principal and interest of \$530 through November 2026. The note is secured by a vehicle (Leaf, Promaster Van).	20,166	25,960
4.373% note payable to a finance company in monthly installments for principal and interest of \$534 through December 2026. The note is secured by a vehicle (Leaf, Promaster Van).	20,766	26,576
6.04% note payable to a finance company in monthly installments for principal and interest of \$626 through June 2027. The note is secured by a vehicle (Leaf, Promaster Van).	26,649	

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
5.64% note payable to a finance company in monthly installments for principal and interest of \$621 through July 2027. The note is secured by a vehicle (Leaf, Promaster Van).	26,836	-
5.88% note payable to a finance company in monthly installments for principal and interest of \$631 through September 2027. The note is secured by a vehicle (Leaf, Promaster Van).	28,337	-
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHH).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	93,821	116,841

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHH).	228,934	228,934
Swanzy - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	293,634	286,530
Swanzy - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	328,879	341,364
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	426,517	431,859
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	229,826	237,173

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHH).	36,178	39,850
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHH).	75,836	77,452
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	150,000	150,000
Keene Highland - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due August 2035, payable in monthly installments of \$3,122, including interest at 2.90%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHH).	383,653	409,579
Keene Highland - 30 year, zero interest, non-recourse deferred mortgage note payable to the City of Keene, New Hampshire due June 2035, payment of principal is deferred until the due date, secured by land and buildings (City of Keene).	915,000	915,000

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
Warwick - 30 year, zero interest, non-recourse deferred mortgage note payable to the Town of Winchester, New Hampshire due August 2036, payment of principal is deferred until the due date, secured by land and buildings (Town of Winchester).	<u>500,000</u>	<u>500,000</u>
Total long term debt before unamortized deferred financing costs	11,303,436	11,420,143
Unamortized deferred financing costs	<u>(16,295)</u>	<u>(16,957)</u>
	11,287,141	11,403,186
Less current portion due within one year	<u>183,158</u>	<u>159,974</u>
	<u>\$ 11,103,983</u>	<u>\$ 11,243,212</u>

The schedule of maturities of long term debt at May 31, 2023 is as follows:

<b>Year Ending</b>	
<u>May 31</u>	<u>Amount</u>
2024	\$ 183,158
2025	190,399
2026	197,955
2027	180,203
2028	146,598
Thereafter	<u>10,405,123</u>
Total	<u>\$ 11,303,436</u>

**NOTE 4 ECONOMIC INJURY DISASTER LOAN**

During June 2020, the Organization received an Economic Injury Disaster Loan (EIDL) from the Small Business Administration with proceeds in the amount of \$150,000. The EIDL is payable over 30 years at an interest rate of 2.75% with a deferral of payments for 30 months from the date of the note. Installments, including principal and interest, of \$641 monthly begin in December 2022. The balance of principal and interest will be payable in December 2052. The loan is secured by the Small Business Administration. The balance outstanding on the loan at May 31, 2023 and 2022 is \$148,651 and \$150,000, respectively.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

The scheduled maturities of the EIDL as of May 31, 2023 were as follows:

<b>Year Ending</b>	<b>Amount</b>
<b><u>May 31</u></b>	
2024	\$ 3,685
2025	3,788
2026	3,893
2027	4,001
2028	4,113
Thereafter	<u>129,171</u>
Total	<u>\$ 148,651</u>

**NOTE 5 FORGIVENESS OF DEBT**

During the years ended May 31, 2023 and 2022, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$166,931 and \$90,609 for the years ended May 31, 2023 and 2022, respectively.

**NOTE 6 OPERATING LEASES**

On June 1, 2022, the Organization was required to adopt ASU 2016-02, *Leases (Topic 842)*. As part of implementing ASU 2016-02, the Organization evaluated current contracts to determine which met the criteria of a lease. The right of use (ROU) assets represent the Organization's right to use underlying assets for the lease term, and the lease liabilities represent the Organization's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The Organization has elected to discount future cash flows at the risk free borrowing rates commensurate with the lease terms, which was 1.80% at June 1, 2022. Common expenses, classified as occupancy costs in the accompanying financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs are incurred. The Organization's operating leases are described below.

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2028. Monthly lease payments range from \$470 to \$4,050. Lease expense for the years ended May 31, 2023 and 2022 totaled \$143,725 and \$156,230, respectively.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

The Organization elected to use the risk free rate of 1.80% on all operating leases. The weighted average discount rate is 1.80%, the weighted average remaining lease term for operating lease obligations is 2.66 years:

Future minimum payments as of May 31, 2023 on the above leases are as follows:

<u>Year Ending</u>	<u>Amount</u>
<u>May 31</u>	
2024	\$ 32,364
2025	32,945
2026	23,379
2027	<u>12,427</u>
	101,115
Less imputed interest	<u>2,956</u>
Total	<u>\$ 98,159</u>

**NOTE 7** **ACCRUED COMPENSATED BALANCES**

At May 31, 2023 and 2022, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$149,156 and \$143,703, respectively.

**NOTE 8** **CONTINGENCIES**

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of eight limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$11,650,000 and \$11,760,000 at May 31, 2023 and 2022, respectively.

Partnership real estate with a cost basis of approximately \$27,360,000 and \$27,348,000 at May 31, 2023 and 2022, respectively, provides collateral on these loans.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

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

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2023 and 2022.

**NOTE 9** **RELATED PARTY TRANSACTIONS**

During the years ended May 31, 2023 and 2022, SCS Housing, Inc. managed nine limited partnerships. Management fees charged by SCS Housing, Inc. totaled \$243,847 and \$237,822, for the years ended May 31, 2023 and 2022, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

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

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$53,895 and \$47,566 at May 31, 2023 and 2022, respectively.

**NOTE 10** **EQUITY INVESTMENT**

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

	<u>2023</u>	<u>2022</u>
Cityside Housing Associates, LP	\$ (9,522)	\$ (9,516)
Marlborough Homes, LP	(73)	(57)
Payson Village Senior Housing Associates, LP	(12,553)	(12,539)
Railroad Square Senior Housing Associates, LP	(2,643)	(2,436)
Woodcrest Drive Housing Associates, LP	107,416	137,205
Westmill Senior Housing, LP	20	34
Alstead Senior Housing Associates, LP	<u>(18,467)</u>	<u>(18,461)</u>
	<u>\$ 64,178</u>	<u>\$ 94,230</u>

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, Woodcrest Drive Housing Associates, LP, and Alstead Senior Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner of Westmill Senior Housing, LP during the years ended May 31, 2023 and 2022.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2023 and 2022.

Summarized financial information for entities accounted for under the equity method, as of May 31, 2023 and 2022, consists of the following:

	<u>2023</u>	<u>2022</u>
Total assets	\$ <u>49,327</u>	\$ <u>51,204</u>
Total liabilities	14,694	14,923
Capital/Member's equity	<u>34,632</u>	<u>36,281</u>
	<u>\$ 49,327</u>	<u>\$ 51,204</u>
Income	\$ 3,576	\$ 3,306
Expenses	<u>4,975</u>	<u>4,713</u>
Net loss	<u>\$ (1,399)</u>	<u>\$ (1,407)</u>

**NOTE 11 RETIREMENT PLAN**

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the Internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$349,285 and \$310,304 for the years ended May 31, 2023 and 2022, respectively.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

**NOTE 12** **RESTRICTIONS ON NET ASSETS**

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

	<u>2023</u>	<u>2022</u>
GAPS/Warm Fund	\$ 116,369	\$ 108,508
Transport	-	20,000
HS Parents Association	<u>7,023</u>	<u>5,844</u>
Total net assets with donor restrictions	<u>\$ 123,392</u>	<u>\$ 134,352</u>

**NOTE 13** **BOARD DESIGNATED NET ASSETS**

The board designates a portion of the unrestricted net assets for WM Marcello GAPS funds. There was \$12,951 and \$12,792 designated by the board at May 31, 2023 and 2022, respectively.

**NOTE 14** **LIQUIDITY AND AVAILABILITY**

The following represents Southwestern Community Services, Inc. and related companies' financial assets as of May 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 2,237,914	\$ 3,153,976
Accounts receivable, net	2,027,517	1,745,952
Due from related party	53,895	47,566
Cash escrow and reserve funds	<u>1,556,493</u>	<u>1,479,277</u>
Total financial assets	<u>5,875,819</u>	<u>6,426,771</u>
Less amounts not available to be used within one year:		
Due from related party	(53,895)	(47,566)
Reserve funds	<u>(1,556,493)</u>	<u>(1,479,277)</u>
Total amounts not available within one year	<u>(1,610,388)</u>	<u>(1,526,843)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 4,265,431</u>	<u>\$ 4,899,928</u>

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED MAY 31, 2023 AND 2022**

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$2,320,000 and \$2,350,000 at May 31, 2023 and 2022, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

**NOTE 15 IN-KIND CONTRIBUTIONS/SERVICES**

The Organization records the value of in-kind contributions according to the accounting policies described in Note 1.

The fair value of gifts in kind included contributions in the financial statements and the corresponding program expenses for the year ended May 31, 2023, is as follows:

Volunteer hours	
Head Start and Early Head Start	<u>\$ 69,852</u>
Total	<u>\$ 69,852</u>

**NOTE 16 RECLASSIFICATION**

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

**NOTE 17 SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through January 24, 2024, the date the financial statements were available to be issued.

Subsequent to year end, on June 29, 2023, Southwestern Community Services finalized the sale of the property named Drewsville Carriage House Associates Limited Partnership, at 4 Common Road, 27 old Cheshire Turnpike, for gross proceeds of \$450,000.

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**

**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES  
FOR THE YEAR ENDED MAY 31, 2023**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Programs	Management and General	2023 Total
<b>REVENUES AND OTHER SUPPORT</b>									
Government contracts	\$ 9,381,873	\$ 3,512,407	\$ 9,284,458	\$ 4,217	\$ 509,801	\$ 122,528	\$ 22,815,084	\$ 892,307	\$ 23,407,391
Program service fees	522,718	-	182,240	727,503	-	948,499	2,480,960	-	2,480,960
Rental income	-	-	70,389	1,778,682	-	-	1,850,051	23,175	1,873,228
Support	136,478	44,743	255,918.00	3,500	130,414	143,845	714,894	252	715,146
Sponsorship	-	2,269	-	-	-	5,928	8,197	-	8,197
Interest income	1,031	837	2,401	4,042	91	2,522	10,824	7,311	18,235
Forgiveness of debt	-	-	143,911	23,020	-	-	166,931	-	166,931
Miscellaneous	4,543	3,480	12,123	60,278	-	-	80,422	24,320	104,742
In-kind contributions	-	69,852	-	-	-	-	69,852	-	69,852
<b>Total revenues and other support</b>	<b>\$ 10,148,441</b>	<b>\$ 3,633,588</b>	<b>\$ 9,951,418</b>	<b>\$ 2,602,240</b>	<b>\$ 640,306</b>	<b>\$ 1,223,322</b>	<b>\$ 28,197,315</b>	<b>\$ 947,365</b>	<b>\$ 28,644,690</b>
<b>EXPENSES</b>									
Payroll	\$ 694,298	\$ 1,847,987	\$ 633,731	\$ 625,222	\$ 353,418	\$ 441,854	\$ 4,596,510	\$ 918,734	\$ 5,515,244
Payroll taxes	57,891	151,663	50,582	49,028	30,751	38,239	378,154	67,510	443,684
Employee benefits	132,466	360,268	144,229	212,389	35,364	128,121	1,012,817	183,748	1,178,563
Retirement	35,253	105,574	38,178	44,702	15,838	28,588	268,141	83,144	349,285
Advertising	3,510	7,035	1,706	3,811	2,333	-	18,195	1,524	19,719
Bank charges	10	-	23	4,175	-	-	4,208	8,243	12,451
Computer cost	22,147	21,189	21,646	28,550	19,001	-	112,533	147,767	280,300
Contractual	751,082	15,648	35,804	21,229	32,679	11,039	867,481	117,724	985,205
Depreciation	-	28,865	159,460	692,182	-	7,700	888,207	148,562	1,036,769
Dues/registration	-	4,480	-	1,080	468	-	6,295	11,110	17,405
Duplicating	1,469	12,587	-	-	-	-	14,056	16,742	30,798
Insurance	13,455	16,378	38,947	70,125	19,755	9,030	187,690	44,378	212,068
Interest	-	3,840	5,205	54,004	-	428	63,577	108,653	172,230
Meeting and conference	13,891	156	896	3,962	4,153	901	23,959	15,367	39,326
Miscellaneous expense	1,205	2,599	45	130,108	13,041	1,164	148,162	36,401	184,563
Miscellaneous taxes	-	-	-	122,213	-	-	122,213	451	122,664
Equipment purchases	7,732	3,836	-	7,983	-	-	19,351	590	19,941
Office expense	66,290	12,574	31,714	12,403	10,330	1,830	135,141	33,063	168,204
Postage	1,378	226	176	123	484	-	2,387	37,767	40,154
Professional fees	2,825	-	6,559	32,542	-	-	41,826	99,770	141,696
Staff development and training	10,191	1,323	1,085	6,558	1,760	1,228	22,125	24,323	48,448
Subscriptions	-	-	-	115	-	-	115	327	442
Telephone	7,081	4,984	29,729	19,282	1,771	1,898	64,745	60,155	124,900
Travel	7,440	19,811	128,830	10,111	38,103	-	204,095	8,650	210,745
Vehicle	15,962	651	1,653	25,000	83,361	7,839	134,166	772	134,938
Rent	19,200	13,900	-	-	-	-	33,100	-	33,100
Space costs	18,019	244,532	554,835	822,645	15,968	-	1,755,999	160,957	1,916,956
Direct client assistance	8,012,822	140,913	7,532,435	14,183	52,443	2,284	15,755,080	45,928	15,801,008
In-kind expenses	-	69,852	-	-	-	-	69,852	-	69,852
<b>TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION</b>	<b>9,895,817</b>	<b>3,090,471</b>	<b>9,417,446</b>	<b>3,113,505</b>	<b>731,021</b>	<b>678,220</b>	<b>26,926,280</b>	<b>-2,360,358</b>	<b>29,286,638</b>
Allocation of management and general expenses	867,450	270,911	625,533	272,930	64,081	59,453	2,360,358	(2,360,358)	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 10,763,067</b>	<b>\$ 3,361,382</b>	<b>\$ 10,242,979</b>	<b>\$ 3,386,435</b>	<b>\$ 795,102</b>	<b>\$ 737,673</b>	<b>\$ 29,286,638</b>	<b>\$ -</b>	<b>\$ 29,286,638</b>

See Independent Auditors' Report

**SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES**  
**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES**  
**FOR THE YEAR ENDED MAY 31, 2022**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2022 Total
<b>REVENUES AND OTHER SUPPORT</b>									
Government contracts	\$ 8,881,798	\$ 3,398,274	\$ 12,026,412	\$ 4,791	\$ 714,198	\$ 225,735	\$ 23,951,204	\$ 602,370	\$ 24,553,574
Program service fee	1,183,537	-	93,555	781,840	-	948,475	2,985,407	8,000	2,991,407
Rental income	-	-	84,048	1,713,405	-	-	1,797,451	20,185	1,817,638
Support	68,298	14,491	254,638	-	191,342	120,408	649,175	20,000	669,175
Sponsorship	-	-	-	-	-	28,520	28,520	-	28,520
Interest income	7	2	153	302	58	54	574	525	1,099
Forgiveness of debt	-	-	87,590	23,019	-	-	90,609	-	90,609
Miscellaneous	10,270	1,033	9,973	86,870	33,651	-	141,797	15,157	156,954
In-kind contributions	-	89,368	-	-	-	-	89,368	-	89,368
<b>Total revenues and other support</b>	<b>\$ 7,923,908</b>	<b>\$ 3,503,168</b>	<b>\$ 13,436,395</b>	<b>\$ 2,610,227</b>	<b>\$ 939,245</b>	<b>\$ 1,321,192</b>	<b>\$ 29,734,103</b>	<b>\$ 664,237</b>	<b>\$ 30,398,340</b>
<b>EXPENSES</b>									
Payroll	\$ 551,449	\$ 1,553,713	\$ 801,469	\$ 672,177	\$ 340,079	\$ 418,824	\$ 4,135,811	\$ 856,748	\$ 4,992,659
Payroll taxes	45,132	127,557	49,849	51,549	30,490	35,545	340,122	68,379	408,501
Employee benefits	137,544	387,109	140,322	217,637	27,775	137,184	1,047,571	101,743	1,149,314
Retirement	31,440	95,678	32,887	49,044	18,083	18,580	243,710	68,594	310,304
Advertising	1,068	12,573	428	7,537	8,801	-	30,405	5,120	35,525
Bank Charges	35	-	863	4,650	-	-	5,348	9,701	15,049
Computer cost	307	15,754	13,319	8,001	14,818	-	52,199	127,747	179,948
Contractual	828,975	15,258	87,421	26,033	-	35,197	992,882	63,330	1,056,212
Depreciation	-	28,438	134,038	674,506	-	3,810	838,790	150,983	989,773
Dues/registration	-	2,539	-	490	508	125	3,662	11,739	15,401
Duplicating	-	8,880	-	-	-	-	8,880	5,503	14,163
Insurance	6,123	18,620	35,678	62,108	19,859	7,313	147,699	45,537	193,238
Interest	-	423	9,536	48,822	-	278	59,659	118,506	177,585
Meeting and conference	-	-	354	3,255	832	2,862	7,303	1,638	8,939
Miscellaneous expense	670	2,917	120	112,217	8,388	5,102	127,414	30,814	158,228
Miscellaneous taxes	-	-	-	129,978	-	-	129,976	150	130,126
Equipment purchases	14,730	3,421	-	5,378	-	519	24,048	720	24,768
Office expense	43,201	8,735	22,754	10,409	3,513	90	88,702	24,071	112,773
Postage	190	383	28	24	171	-	796	33,927	34,723
Professional	1,075	-	4,323	28,930	-	220	32,548	85,753	118,301
Staff development and training	1,866	2,687	825	3,095	121	1,665	10,259	8,781	19,040
Subscriptions	-	-	-	228	-	-	228	180	408
Telephone	5,147	3,727	21,670	19,709	1,930	1,298	53,481	46,594	100,075
Travel	4,715	18,859	11,158	14,784	28,330	249	76,095	1,428	77,523
Vehicle	9,433	-	2,099	24,585	79,218	13,061	128,374	1,420	129,794
Rent	8,000	16,300	-	-	24,585	-	48,895	-	48,895
Space costs	21,837	205,132	458,408	886,317	19,742	25	1,589,461	184,162	1,753,623
Direct client assistance	5,338,825	212,648	11,724,070	11,007	37,540	2,953	17,327,043	-	17,327,043
In-kind expenses	-	89,368	-	-	-	-	89,368	-	89,368
<b>TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION</b>	<b>7,051,760</b>	<b>2,826,493</b>	<b>13,349,415</b>	<b>3,070,448</b>	<b>658,791</b>	<b>683,000</b>	<b>27,839,905</b>	<b>2,031,266</b>	<b>29,671,171</b>
Allocation of management and general expenses	518,238	207,720	981,053	225,648	48,415	50,184	2,031,266	(2,031,266)	-
<b>TOTAL FUNCTIONAL EXPENSES</b>	<b>\$ 7,569,998</b>	<b>\$ 3,034,213</b>	<b>\$ 14,330,468</b>	<b>\$ 3,296,094</b>	<b>\$ 707,206</b>	<b>\$ 733,184</b>	<b>\$ 29,671,171</b>	<b>\$ -</b>	<b>\$ 29,671,171</b>

See Independent Auditors' Report

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2023**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>ASSISTANCE LISTING NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NAME</u>	<u>GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURE</u>
<b>U.S. Department of Agriculture</b>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH, Department of Health & Human Services	010-090-52600000-500589	\$ 389,773
Child and Adult Care Food Program	10.558	State of NH, Department of Education	Unknown	119,182
<b>Food Distribution Cluster</b>				
Commodity Supplemental Food Program	10.585	Community Action Program Belknap-Merrimack Counties	Unknown	\$ 4,416
Commodity Supplemental Food Program (Food Commodities)	10.585	Community Action Program Belknap-Merrimack Counties	Unknown	102,624
				<u>107,240</u>
Total U.S. Department of Agriculture				<u>\$ 596,175</u>
<b>U.S. Department of Housing and Urban Development</b>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	City of Keene	19-038-CDPF	\$ 544,786
COVID-19 Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	City of Claremont	45 Central Street	<u>112,367</u>
				\$ 657,185
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-102-500731	\$ 240,733
COVID-19 Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-102-500731	<u>37,684</u>
				278,417
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-074-500589	187,971
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-074-500589	305,243
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-074-500589	220,467
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-074-500589	85,407
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	10-042-79270000-074-500589	<u>132,233</u>
				<u>438,107</u>
Total U.S. Department of Housing and Urban Development				<u>\$ 1,898,903</u>
<b>U.S. Department of Transportation Federal Transit Administration (FTA)</b>				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-96-96-964010-2916	\$ 381,464
<b>Transit Services Programs Cluster</b>				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-96-96-964010-2916	<u>92,381</u>
Total U.S. Department of Transportation Federal Transit Administration (FTA)				<u>\$ 473,845</u>

See Notes to Schedule of Expenditures of Federal Awards

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2023**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</b>	<b>ASSISTANCE LISTING NUMBER</b>	<b>PASS-THROUGH GRANTOR'S NAME</b>	<b>GRANTOR'S NUMBER</b>	<b>FEDERAL EXPENDITURE</b>
<b><u>U.S. Department of Treasury</u></b>				
Emergency Rental Assistance Program	21.023	New Hampshire Housing	ERA1, ERA2	\$ 7,263,277
Emergency Rental Assistance Program	21.023	New Hampshire Housing	00FRF802PH9529A	130,000
Coronavirus State and Local Fiscal Recovery Funds	21.027	New Hampshire Housing	Emergency Temporary Housing	62,710
Total U.S. Department of Treasury				<b>\$ 7,455,987</b>
<b><u>U.S. Department of Energy</u></b>				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Department of Energy	02-52-52-520010-33560000-074-500587	\$ 232,735
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Department of Energy	02-52-52-520010-XXXX0000-074-500587	130,448
Total U.S. Department of Energy				<b>\$ 363,181</b>
<b><u>U.S. Department of Health &amp; Human Services</u></b>				
<b><u>Aging Cluster</u></b>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Department of Energy	02-52-52-520010-33540000-074-500587	\$ 811
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	48030315	57,087
Grants to States to Support Oral Health Workforce Activities	93.238	State of NH, DHHS, NH Medicaid	1008388	373
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	93.391	State of NH, DHHS, Division of Public Health Services	90577150	97,445
Low Income Household Water Assistance Program	93.499	State of NH, Department of Energy	02-52-52-52010-19880000-500587, 02-52-52-52010-24520000-500587	229,492
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Department of Energy	02-052-052-52010-33540000	6,709,925
Low Income Home Energy Assistance (BWP)	93.568	State of NH, Department of Energy	02-52-52-520010-33540000-074-500587	135,189
COVID-19 Low Income Home Energy Assistance	93.568	State of NH, Department of Energy	02-052-052-520010-24490000	1,579,232
ARPA Low Income Home Energy Assistance (BWP)	93.568	State of NH, Department of Energy	02-052-052-520010-24490000-074-500587	16,383
Community Services Block Grant	93.589	State of NH, DHHS, Div. of Family Assistance	45012170	402,239
COVID-19 Community Services Block Grant	93.589	State of NH, DHHS, Division of Economic & Housing Stability	500731	114,705
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance	Unknown	22,652

See Notes to Schedule of Expenditures of Federal Awards

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2023**

<b><u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u></b>	<b><u>ASSISTANCE LISTING NUMBER</u></b>	<b><u>PASS-THROUGH GRANTOR'S NAME</u></b>	<b><u>GRANTOR'S NUMBER</u></b>	<b><u>FEDERAL EXPENDITURE</u></b>
<b><u>U.S. Department of Health &amp; Human Services (continued)</u></b>				
<b>Head Start Cluster</b>				
Head Start	93.600	Direct Funding	01CH011494	\$ 2,424,089
COVID-19 Head Start	93.600	Direct Funding	01CH011494	<u>177,773</u> \$ 2,601,862
Total U.S. Department of Health & Human Services				<u>\$ 11,967,375</u>
<b><u>U.S. Department of Homeland Security</u></b>				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	<u>\$ 1,548</u>
Total U.S. Department of Homeland Security				<u>\$ 1,548</u>
<b>TOTAL</b>				<u><b>\$ 22,726,014</b></u>

See Notes to Schedule of Expenditures of Federal Awards

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED MAY 31, 2023**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE 3 INDIRECT COST RATE**

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

**NOTE 4 FOOD DONATION**

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

**NOTE 5 SUBRECIPIENTS**

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2023.

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

To the Board of Directors of  
Southwestern Community Services, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 24, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

*Leon McDermott & Roberts  
Professional Association*

Wolfboro, New Hampshire  
January 24, 2024

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

To the Board of Directors of  
Southwestern Community Services, Inc.

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

**Opinion on Each Major Federal Program**

We have audited Southwestern Community Services, Inc.'s (a New Hampshire nonprofit corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2023. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2023.

**Basis for Opinion on Each Major Federal Program**

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Southwestern Community Services, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Southwestern Community Services, Inc.'s compliance with the compliance requirements referred to above.

### **Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Southwestern Community Services, Inc.'s federal programs.

### **Auditors' Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Southwestern Community Services, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Southwestern Community Services, Inc.'s compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Southwestern Community Services, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Southwestern Community Services, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Southwestern Community Services, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

**Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Leon McDermott & Roberts  
Professional Association*

Wolfeboro, New Hampshire  
January 24, 2024

**SOUTHWESTERN COMMUNITY SERVICES, INC.**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED MAY 31, 2023**

**SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. and related companies were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. and related companies, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs were: U.S. Department of Treasury; Emergency Rental Assistance Program, ALN 21.023; and U.S. Department of Energy; Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

**FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**SOUTHWESTERN COMMUNITY SERVICES, INC.**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED MAY 31, 2023**

**FINDINGS - FINANCIAL STATEMENT AUDIT**

**SIGNIFICANT DEFICIENCY**

**2022-001 – Lack of accurate and timely reconciliations**

**Condition:** There was a delay in accurate account reconciliations at May 31, 2022.

**Recommendation:** Internal control policies and procedures should be followed throughout the year to ensure accurate and timely reconciliations.

**Current Status:** The Organization has made improvements to their internal control policies and appears to be following the policies as designed.

Southwestern Community Services, Inc.  
Board of Directors  
2024 Composition

Cheshire County

Sullivan County

CONSTITUENT  
SECTOR

<p><b>Ron Nason</b> SCS Tenant</p> <p><b>Heather Cameron</b> Head Start Policy Council Parent Representative</p>	<p><b>Mary Lou Huffling</b> Fall Mountain Emergency Food Shelf Alstead Friendly Meals</p> <p><b>Anne Beattie</b> Newport Service Organization</p>
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PRIVATE  
SECTOR

<p><b>Kevin Watterson, Chair</b> Swamp Bats Clarke Companies (<i>retired</i>)</p> <p><b>Dominic Perkins,</b> <i>Treasurer/Secretary</i> Senior VP, Retail Administration Savings Bank of Walpole</p>	<p><b>David Edkins, Vice-Chair</b> Town of Walpole</p> <p><b>Kerry Belknap Morris, M.Ed.</b> Early Childhood Education River Valley Community College</p>
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PUBLIC  
SECTOR

<p><b>Jay Kahn</b> Current Mayor, City of Keene Former State Senator, District 10</p> <p><b>Andy Bohannon</b> Deputy City Manager City of Keene</p>	<p><b>Derek Ferland</b> Sullivan County Manager</p> <p><b>Liz Emerson</b> Planning and Zoning Administrator Town of Charlestown</p>
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# KEY ADMINISTRATIVE PERSONNEL

NH DEPT OF ENERGY

Agency Name: Southwestern Community Services, Inc.

Program Name: WAP DOE

Name & Title Key Administrative Personnel	Annual Salary Of Key Administrative Personnel	Percentage of Salary Paid By Contract	Total Salary Amount Paid By Contract
Gabriel Leonard, Energy Conservation Director	\$70,000	15.00%	\$10,500.00
Sarah Murphy, Energy Conservation Program Mgr	\$41,600	15.00%	\$6,240.00
Michele Crown, Energy Conservation Project Mgr, PTE	\$32,000	15.00%	\$4,800.00
Kristen Field, Energy Conservation Program Assistant	\$40,560	15.00%	\$6,084.00
Rick Manwaring, Fiscal Specialist, PTE	\$37,440	15.00%	\$5,616.00

# Gabriel Leonard

## **Employment History**

Southwestern Community Services (Keene, NH) **Energy Conservation Director** July 2021- Present

**Energy Conservation Manager** Aug 2016- July 2021

- Responsible for the oversight & supervision of the Energy Conservation Program.
- Handle in-progress monitoring of weatherization projects, preparation of requisite work order changes, and documentation of the historical nature of individual projects.
- Create work orders for projects based on field notes & project modeling software supplied by other Energy Auditors.
- Supervise daily schedules & duties of the EC staff.
- Maintain yearly, monthly, daily, invoicing, tracking & paperwork for the EC program.
- Communicate effectively with clients, contractors and government organizations to foster positive communication for successful project completions.
- Coordinate disbursements of multiple program budgets to ensure maximum project impact and fiscal competency each program year.

All Seasons Construction Corp. (Springfield, VT) **Assistant Project Manager** Nov 2015- Aug 2016

- Responsible for supporting Project Manager in the planning, management direction, project completion, client satisfaction, and financial outcome of assigned construction projects.
- Create estimates within Sage project management software.
- Supports the Project Manager functions such as monthly forecasts, estimating, and budgeting.
- Assists in ensuring that all documentation meets internal standards, procedures and specifications.
- Ensures good, transparent and effective reporting and documentation.
- Delivers all documents in a timely manner so that progress can be fully communicated.
- Communicates with Site Manager for site project documentations.
- Responsible for verifying blueprints and construction process on multiple build phases.

New Hampshire Employment Security (Claremont, NH) **DVOP Employment Specialist** Jan 2015- Nov 2015

- Disabled Veterans Outreach Program (DVOP) Specialist facilitated workforce services for veterans, others eligible and employers.
- Provided specialized workforce services for veterans, especially veterans with barriers to employment, i.e., job development services for veterans, refer veterans to employment/training opportunities, provide counseling/guidance, and assist veterans with other workforce services (resume assistance, labor market information, job search workshops, one-stop career center orientation, etc.).

HURLEY OFFICE SOLUTIONS (Randolph, VT) **Project Manager** Nov 2009- Sep 2014

- Provided site supervision on a diverse range of commercial office installation projects. Tailored custom solutions to customer needs.
- Managed, hired and trained a team of seven employees. Created and implemented a customer service standard for the organization.
- Developed relationships with third party sales representatives to sell Hurley Office Solutions' services.
- Negotiated bids, responded to RFPs and successfully closed contracts.
- Analyzed the business and marketplace and created a strategic plan for the organization that included new marketing, human resources, job site and documentation plans.

**BASIC PSA (Johnstown, PA/ Kennebunk, ME) Snubber Removal & Reinstallation Technician**

*VC Summer Nuclear Power Station*  
*Susquehanna Nuclear Power Station*

Oct 2012 – Nov 2012  
Mar 2012 - Apr 2012

- Evaluated, removed & reinstalled nuclear snubbers, mechanical and hydraulic shock absorbers, to prevent unwanted activity during scheduled power outages paying close attention to all safety protocols and procedures.

**IBZ CONTRACTING (Spring Valley, NY) Heavy Equipment Operator**

Jul 2008 - Aug 2009

- Managed heavy equipment for a waterfront restoration and worked closely with EPA inspectors and project engineers.

**FULLTIME MANAGEMENT (New York, NY) Property Manager**

Jan 2008 - May 2008

- Managed multiple residential properties, with responsibilities including general upkeep, small repairs and tenant relations.

**FINESTKIND HANDYCRAFTSMEN (Kitsap County, WA) Proprietor**

Dec 2004 - Jan 2007

- Coordinated contracts for construction, successfully managed crew and contracts to ensure timely and satisfactory completion of projects.
- Provided services including finish carpentry, masonry, drywall, interior / exterior painting, residential electrical and plumbing, landscaping, roofing, and decking.

**UNITED STATES NAVY (Bremerton, WA & San Diego, CA)**  
**USS John C Stennis, CVN 74, Kitsap Navy Base & Coronado Navy Base**

Nov 2002 - Dec 2007

**Aviation Ordnance Specialist Supervisor**  
**Aviation Ordnance Specialist**

Nov 2004 - Dec 2007  
Nov 2002 - Nov 2004

- Instructed, supervised and evaluated the performance of 60 personnel and oversaw \$1 billion plus of highly sensitive weapons and navy specific heavy equipment.
- Communicated effectively in diverse and hostile environments, both with personnel and upper management under stressful conditions.

**Education**

**GRANITE STATE COLLEGE (Concord, NH) B.S. Business Management, GPA 3.72 magna cum laude** 2014

**CPR CERTIFIED NATIONAL HEART ASSOCIATION** 2015

**ASSOCIATED TRAINING SERVICES (Portsmouth, NH) Heavy Equipment Operation School** 2008

**NAVY LEADERSHIP PROGRAM (USS John C Stennis, CVN 74)** 2004

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Sarah Murphy  
Energy Conservation Program Manager  
Southwestern Community Services

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Professional Experience

Energy Conservation Program Manager January 2022 – Present

- Support the Program Director in the planning, management, direction, project completion, and client satisfaction on outcome of projects.
- Assist with the closing out of energy conservation projects through the billing and invoicing process.
- Oversee client eligibility and enrollment regarding program priorities and grant criteria.
- Manage waitlist priority system to streamline auditor scheduling, reduce deferrals, and exceed utility production goals.

Energy Conservation Program Assistant February 2018 – January 2022

- Provide administrative support to the Weatherization Team including general office management, data entry, and electronic file system maintenance.
- Organize information and application packets for clients and program contractors.
- Prioritize client communication and serve as a liaison with the public, participants, and agency staff.
- Process supply and equipment orders and research and enroll Training & Technical Assistance opportunities for contractors and staff.

Energy Services Intake Specialist May 2015 – February 2018

- Maintained program integrity when qualifying a high-volume of income eligible households seeking federal, state, and utility-funded energy assistance.
- Worked with participants to prevent heating emergencies, obtain conservation services, vendor mediation, and benefits management.
- Assisted the Fiscal Department with participant benefit payment monitoring and validation.
- Referred participating households and interested community partners to area resources and agency programs.

Landmark College Enrollment & Student Affairs Associate November 2013 – January 2015

- Addressed phone, walk-in and email inquiries relative to campus visits and the application process.
- Provided support to Admissions, Enrollment Management Directors, and Dean of Students
- Processed data for travel leads, recruitment, and transfer services.
- Assisted with event organization, admissions projects, college fairs, and student visits.
- Organized department files and records, ensuring confidentiality.

Training and Education

2023 – A to Z Grant Writing, Keene State College, Graduate Studies & Extended Education

2022 - Non-Profit Management, Keene State College, Graduate Studies & Extended Education

2019 - Building Science Principles Certificate of Knowledge, BPI

2017 - Green Dot etc. Instructor Certification, Green Dot Institute

2016 - Connecticut Community for Addiction Recovery (CCAR), Recovery Coach Academy

2015 - Associate of Science, Human Services River Valley Community College

2003 - Associate in Applied Science, Marketing Long Island University, Brooklyn

Michele R. Crown

## Employment History

February 2023 to present: Southwestern Community Services Energy Conservation Program as Project Manager.

July 2019 to November 2020: Bus Driver for Southwestern Community Services in Sullivan County.

October 2005 to August 2016: Southwestern Community Services, 63 Community Way, Keene, NH 03431 (603)-352-7512.  
Weatherization Manager.

Once the energy audits are done, I model the projects. I communicate with the homeowner on what measures we would like to do to their home. I coordinate with the contractor to do the work. After the final audit, complete the model and submit for final approval. Close out the paperwork and documentation and billing data. Supervise staff. I have also done special projects as they arose.

I have worked in the Housing Maintenance department doing apartment turnovers, and all the normal maintenance and repair issues that arise, along with snow removal at the Sullivan County properties. I am familiar with all of the SCS properties.

August 1999 to October 2005: Home Depot, 22 Ashbrook Road, Keene, NH 03431 (603)-335-2113.

I have worked in several areas of the store, including bookkeeping, sales associate, and inventory management.  
For one year I was Team Depot Captain for Community Projects.

July 1998 to August 1999: J.H. Dunning, Main St., North Walpole, NH 03609 (603)-445-5591.

Machine and building maintenance, special projects (e.g., prototypes for new products). Supervise the manufacture of the prototype from conception to finished product. Ordering tools and monitoring supply requirements for projects. Drafting, (e.g., scaled drawings for prototypes).

I also supervised employees.

October 1996 to July 1998: Sears, 200 Loudon Road, Concord NH, 03301.

Sales Associate in plumbing and seasonal.

May 1993 to October 1996: Shaker Pine Reproductions, 418 Shaker Road, Canterbury, NH 03244 (603)-783-4403.

Manufactured Shaker Reproductions of fine furniture; supervised employees; supply monitoring and ordering. Taught hand cut dovetailing at Canterbury Shaker Village.

April 1991 to October 1995: Canterbury Shaker Village, 288 Shaker Road, Canterbury, NH 03244, 603-783-9511.

Grounds keeping and equipment maintenance. Set-up for special events. Supervised volunteers and community service workers for special projects. Restoration carpentry on historic buildings.

1990 through 1994: Self employed as 'Crown Carpentry'.

Did minor home renovations and repair. I am experienced in rough and finished carpentry, minor plumbing and electrical, sheet rocking, ceramic tile work, and new construction. I did the warranty work on modular homes at Pine Ridge in Loudon. Have about 30 years of working experience.

(I was also working part time at Shaker Village, as noted above)

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# KRISTEN FIELD

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## SKILLS

- In-depth knowledge of trauma informed care
  - Compassionate
  - Knowledge of local resources
  - Calm demeanor, even in crisis
  - Excellent time management
  - Strong ability to hold space for others
  - Strong office skills (organized, accurate, written communication, etc.)
  - Experience diffusing difficult situations
  - Extensive knowledge of mental health diagnosis' and neurodiversity
  - Knowledge of court systems and legal procedures
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## EXPERIENCE

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### **ENERGY CONSERVATION PROGRAM ASSISTANT SOUTHWESTERN COMMUNITY SERVICES – KEENE, NH**

January 2022 - Present

Direct client communication regarding the Weatherization program process; maintaining waitlists, priority lists, client outreach; administration of the 21 in 21 community project including client communication and managing scheduling; ordering supplies for ECP staff; creating and maintaining training materials for agency staff; onboarding new staff; processing incoming program mail; other duties as assigned

### **ENERGY SERVICES INTAKE TECHNICIAN SOUTHWESTERN COMMUNITY SERVICES – KEENE, NH**

February 2018 - Present

Processing applications for clients wishing to apply for fuel and electric assistance; determining which households fit the criteria for energy emergencies; referrals to outside agencies for additional assistance; responsible for creating of Intake Technician and Program Assistant Training Manuals; often called upon to create or re-vamp forms and client correspondence

### **PROGRAM ASSISTANT SOUTHWESTERN COMMUNITY SERVICES – KEENE, NH**

June 2017 – February 2018

Reception duties; accepting deliveries; routing client calls to the appropriate program; diffusing angry clients in the lobby to determine how to best serve them; working within the Fuel Assistance Program to provide clerical support; scheduling appointments for staff; assisted with mass mailings; other duties as assigned

### **PRODUCTION ASSISTANT C.E. BRADLEY LABORATORIES – BRATTLEBORO, VT**

September 2015 – June 2017

Contact and coordinate pick-ups and ship-outs with various transportation companies; Log and record retains for later testing and sampling; data entry; create bill of ladings for shipments and customs paperwork for shipments out of country

**BILLING CLERK**

**C.E. BRADLEY LABORATORIES – BRATTLEBORO, VT**

January 2012 – September 2015

Invoice customers for orders placed; Track usage and sales; Check pricing for incoming orders as well as updating raw material costs and filing pricing cards; Answer phones and respond to a variety of customer inquiries

**CUSTOMER SERVICE**

**UNITED NATURAL FOODS, INC – CHESTERFIELD, NH**

September 2006 – August 2008; January 2010 – May 2011

Processing orders for customers; answering questions regarding products and deliveries; listen to customer complaints and resolve to the best of my ability; created allocation orders for Whole Foods; worked closely with the Operations Manager to create orders for Blue Marble Brands

**QUALITY CONTROL ASSOCIATE**

**UNITED NATURAL FOODS, INC – CHESTERFIELD, NH**

August 2008 – January 2010

Organized and collected organic certification for over 800 vendors; verified all legal information on certificates pertaining to USDA regulations; processed credits for vendors on returned product; ran out of stock reports for accounting

**RECEPTION**

**WINSTON L. PROUTY CENTER – BRATTLEBORO, VT**

March 2006 – September 2006

Answered phones; Greeted parents coming into office; Helped to organize fund-raising drives; Helped to put information together for state certification

**RECEPTION**

**STATE FARM INSURANCE AGENCY – BRATTLEBORO, VT**

March 2006 – September 2006

Entered billing information for customers; entered payments into system; answered phones; began insurance process for new customers

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## EDUCATION

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### **B.A. FORENSIC PSYCHOLOGY – 2018 MINOR IN CRIMINAL JUSTICE**

Southern New Hampshire University  
GPA: 2.7

Classes included: Abnormal psychology; Introduction to Psychology; Introduction to Criminal Justice; Corrections in the US; Counseling Processes; Crime and Violence; Criminal Law; Criminal Psychology; Ethics and the Criminal Justice Leader; Forensic Law; Forensic Psychology; Human Growth and Development; Introduction to Human Services; Juvenile Justice; Offender Rehabilitation; Psychology of Personality; Psychopaths, Sociopaths, and Serial Killers; Research Investigation; Sociology of Crime and Violence; Sociology of Deviant Behavior; Victims and the Justice System

### **CERTIFICATION IN PEER TRAUMA RECOVERY COACHING**

The International Association of Trauma Recovery Coaching

Material covered includes: Introduction to Trauma and Its Impact on Children; Intergenerational Trauma; Psychological, Emotional, and Relational Impact of Trauma; Addiction and Trauma Informed Care; Attachment and Attunement; Basic Coaching Skills; Trauma Recovery Coaching Skills; Adjunctive and Support Tools; Appointment protocols (including establishing client safety); Bodywork; Self-Care for Coaches; various business related lectures

This certification program also includes 12 hours of coaching practice; 5 hours of practicum coaching; a certification exam; and a portfolio

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## CONTINUING EDUCATION

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- Virtual Trauma Summit – June 22<sup>nd</sup> and 23<sup>rd</sup>. 2020: 20 CEC's
- Virtual Trauma Summit – June 19<sup>th</sup> and 20<sup>th</sup>. 2021: 20 CEC's

## Richard Manwaring

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### Professional Business Experience

L.A. Burdick Chocolate, Walpole NH

Oct 2021 to Jan 2023

*Manufacturer and retail cafés of high-end chocolates, pastries and hot cocoa*

#### Part-Time Finance Manager

Responsible for all accounting functions for manufacturing and 6 retail cafes

- **Accomplishments**

Stabilized small accounting staff including recruiting and training my successor

Continued implementation of NetSuite with focus on accounting controls

Installed cash controls at café and corporate level

GS Precision, Keene NH

Jan 2021 to Oct 2021

*Manufacturer of critical components for the Aerospace and Defense Industries*

#### Controller

Maintain financial records for 11 legal entities

- **Accomplishments**

Quickly learned month end closing process for 11 separate legal companies

Improved weekly cash flow reporting to improve accuracy and include weekly variance reporting

Applied and receiving \$2.4M federal grant

401k Trustee

Hillside Village, Keene, NH

Sep 2019 to Jan 2021

*A senior living facility*

#### Accounting Director

Responsible for financial leadership and all accounting functions

- **Accomplishments**

Untangled millions of dollars of accounting errors which prevented Board from financial visibility and would have failed a clean audit

Implemented multiple software packages to help streamline accounting operations

Mentored Accounting Assistance who transitioned to the Accounting Director

Formed Resident Finance Committee to allow residents a voice in financial situation

Samson Manufacturing Corp., Keene, NH

May 2017 to Sept 2019

*A manufacturer of gun accessories and components*

**Chief Financial Officer**

Responsible for financial leadership and all accounting functions

- **Accomplishments**

Playing key role in ERP implementation especially in creating new reporting structures and product costing

Implemented inventory reporting changes to facilitate accurate monthly reporting

Determined critical financial metrics for senior management

Discovered year end revenue recognition error creating tax savings of \$30,000

Negotiated with bank the immediate elimination of midyear CPA compilation creating \$16,000 savings

Vermed Inc., Bellows Falls, VT

2005 to 2017

*A manufacturer and distributor of medical sensors*

**Finance Director**

Responsible for accounting functions, payroll, IT, and various benefit administration

- **Accomplishments**

Established and managed SOX compliance when company was publicly traded company including quarterly internal audits and annual external audits

Participated in management buyout with senior managers saving company from being purchased by competitors and closing plant

Secured highly leveraged buyout financing 90% of purchase price with funding from several sources and closed deal in 60 days

Remained compliant with all banks and taxing authorities

Transitioned systems and IT needs to new buyers including significant changes to our product costing systems

New England Business Services, Peterborough NH

1999 to 2004

*A manufacturer of printed business forms for small companies*

**Plant Financial Manager**

Responsible for month end closing, forecasting, and financial analysis

- **Accomplishments**

Improved weekly performance review process by more accurately reporting department and plant rollups and providing models to better measure product mix and volume impacts. Incorporated key cost drivers to weekly performance reporting to better determine short-term business outlook

Developed profitability model for complex business line; model is based on ABC principles and has been used as a template for other divisions to help understand both profitable product lines and sales channels

Improved inventory cycle count accuracy and reduced average amount of inventory adjustments.

Developed and implemented product costing system for new or customized products

Managed multi plant project to centralize accounting procedures where possible, to ensure consistency among plants, and identify areas for process improvement

TFX Medical, Jaffrey, NH

1992 to 1999

*An OEM manufacturer of plastic tubing and disposable medical supplies*

**Controller**

Responsible for all accounting functions for multiple divisions and reporting units

- **Accomplishments**

Managed software implementation of GL, Order Entry, Inventory Management, Purchasing, Shipping, Receiving, and MRP modules

Assumed additional management responsibilities for Information Systems, Purchasing, Materials, and Shipping/Receiving; performed accounting functions for multiple divisions and reporting units

Achieved working capital improvement 4 consecutive years, with specific improvements to Collections, Accounts Payable and Inventory management

Achieved successful year end audits consistently; recognized as having excellent accounting controls and practices

Developed and implemented an Hourly Pension Plan and a Profit Sharing Plan

Established HR policies and procedures and created system link from HR to payroll to improve accuracy and reduce payroll costs

**Education**

**MBA**, Franklin Pierce College, Rindge, NH

**BS, Accounting**, Bentley College, Waltham, MA