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Frank Edelblut
Commissioner

Christine Brennan
Deputy Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF EDUCATION
25 Hall Street
Concord, N.H. 03301

July 18, 2024

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

REQUESTED ACTION

Authorize the New Hampshire Department of Education to enter into a contract with Nashua Adult Learning Center (VC# 167121) Nashua, New Hampshire, in an amount not to exceed \$10,347.37, to purchase new computer hardware to increase capacity for high school equivalency testing, effective upon Governor and Council approval through June 30, 2025. 100% Fees.

Funds to support this request are available in FY25 as follows:

06-56-56-562010-40450000 High School Equivalency/HiSET

Fiscal Year	Account/Class	Class Title	Total
2025	102-500731	Contract for Program Services	\$10,347.37

EXPLANATION

The New Hampshire Department of Education, Bureau of Adult Education, issued a Request for Applications (RFA) from eligible high school equivalency testing centers on April 1, 2024. The purpose of the RFA was to target the High School Equivalency Fees to support increased access to testing for test candidates through the expanded use of computer-based testing. Three applications were received (See Attachment A), and all three proposals will receive an award.

Nashua Adult Learning Center has been serving New Hampshire residents since 1972 and serves more than 3,000 students a year through their adult education and literacy programs. They are currently under contract with the Department of Education, Bureau of Adult Education to

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

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provide those services. Additionally, the Nashua Adult Learning Center has been offering high school equivalency testing services for more than thirty (30) years. Nashua's current test center has outdated computers and is limited to eight (8) seats. With this funding, the test center will increase test capacity to twelve (12) seats per test session. Nashua offers the HiSET test one of two nationally recognized high school equivalency tests used to earn the New Hampshire High School Equivalency Certificate. The center administers more than 800 tests per year.

More than 1,000 New Hampshire residents complete the high school equivalency test and earn a NH high school equivalency certificate each year at more than twenty-five high school equivalency testing centers across the state. The high school equivalency certificate provides increased opportunities for high school students over the age of sixteen to finish high school early in order to pursue postsecondary education, training and/or employment and for adults who previously dropped out of high school for a variety of reasons. According to the 2022 American Community Survey, there are more than 69,000 NH residents over the age of 25 without a high school credential. Earning a high school equivalency certificate expands opportunities for obtaining, retaining and promotion in employment, access to postsecondary education and training and entrance into the military.

Respectfully submitted,



Frank Edelblut
Commissioner of Education

Attachment A
 Bid Summary Scoring Sheet
 High School Equivalency Request for Applications

Name of Bidders	Proposed Price
Dover Adult Learning Center of Strafford County	\$23,308.00
Nashua Adult Learning Center	\$10,347.37
Gafney Library Literacy Program – Testing Center	\$ 6,770.00

Reviewers	Title
Diane Lewis	Education Consultant, Dept of Education
Lily Pearsall	Program Specialist, Dept of Education

Name of bidders – Scores listed highest to lowest	Average Score
Nashua Adult Learning Center	87.5
Gafney Library	77
Dover Adult Learning Center of Strafford County	76.5

Proposal Criteria in the RFA	Weight of Criteria
Meet the absolute priority of expanded access to testing	24
Identify how proposed funding will address increased capacity	24
Have a demonstrated need for funding	24
Performance measures and outcomes align with the activity	12
Budget	16
TOTAL	100

Proposal Criteria in the RFA	Nashua Adult Learning Center	Gafney Library Literacy Program – Testing Center	Dover Adult Learning Center of Strafford County
Meet the absolute priority of expanded access to testing (24)	24	21	21
Identify how proposed funding will address increased capacity (24)	21	18	18
Have a demonstrated need for funding (24)	18	18	15
Performance measures and outcomes align with the activity (12)	10.5	6	10.5
Budget (16)	14	14	12
TOTAL (100)	87.5	77	76.5

Review process

Scoring reviews were completed by June 30, 2024, by two reviewers. Scores above 70 are considered acceptable. All three proposals are recommended for funding.

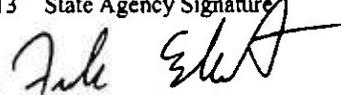
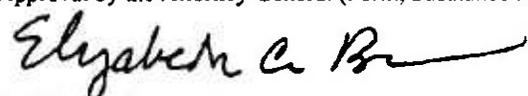
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

I. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Education (NHED)		1.2 State Agency Address 25 Hall Street Concord, NH 03301	
1.3 Contractor Name Nashua Adult Learning Center, Inc.		1.4 Contractor Address 4 Lake Street Nashua, NH 03060	
1.5 Contractor Phone Number 603-882-9080	1.6 Account Unit and Class See Exhibit C	1.7 Completion Date 6/30/2025	1.8 Price Limitation \$10,347.37
1.9 Contracting Officer for State Agency Sarah Ladd Wheeler		1.10 State Agency Telephone Number 603-271-6701	
1.11 Contractor Signature  Date: 7/17/24		1.12 Name and Title of Contractor Signatory Carol Baldwin, Executive Director	
1.13 State Agency Signature  Date: 7/24/2024		1.14 Name and Title of State Agency Signatory Frank Edelblut, Commissioner of Education	
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: Elizabeth Brown, Attorney On: 7/24/2024			
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

Additional Exhibits D-G.

Contractor Initials: CB
Date: 7/17/24

EXHIBIT B
Scope of Services

The Nashua Adult Learning Center serves as an approved high school equivalency testing center for the greater Nashua area. The test center will expand capacity per testing session by 30% by increasing the following:

- the number of seats per session
- testing seats during the summer months
- test sessions for the Writing Test (which requires a longer session than other content tests)

This project will fund the replacement of out-dated computer equipment with newer equipment designed to meet the technical requirements from the test publisher including updated operating systems and larger monitors. Additionally, the test center will purchase a height adjustable desk to meet requirements for accommodations in accordance with the test publishers' requirements.

Contractor will purchase:

- 11 Computers complete with monitors, keyboards, mice, and cables
- 1 Adjustable Desk for Accommodations

Contractor Initials: CB
Date: 7/17/24

EXHIBIT C
Method of Payment

Budget:

Description	FY25
11 Computers complete with monitors, keyboards, mice, and cables	\$10,198.37
1 Adjustable Desk for Accommodations	149.00
Total	\$10,347.37

Limitation on Price:

Total price shall not exceed \$10,347.37.

Funding Source:

Funds to support this request are available in FY25 as follows:

06-56-562010-40450000 High School Equivalency/HiSET

Fiscal Year	Account/Class	Class Title	Total
2025	102-500932	Contract for Program Services	\$10,347.37

Method of Payment:

Payment to be made based on invoices, which are submitted by the 10th of the following month and supported by a summary of completed deliverables, as outlined by budget line, that have taken place in accordance with the terms of the contract, along with a detailed listing of expenses incurred. If otherwise correct and acceptable, payment will be made for 100% of the expenditures listed. A final invoice is due within 30 days of the end of this contract. Invoices and reports shall be submitted to:

Sarah Ladd Wheeler, Administrator
Bureau of Adult Education
NH Department of Education
25 Hall Street
Concord, NH 03301
Sarah.L.Wheeler@doe.nh.gov

Contractor Initials: CB
Date: 7/17/24

EXHIBIT D

Contractor Obligations

Contracts in excess of the simplified acquisition threshold (currently set at \$250,000) must address **administrative, contractual, or legal remedies** in instances where the contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. Reference: 2 C.F.R. § 200.326 and 2 C.F.R. 200, Appendix II, required contract clauses.

The contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the contractor's actions pertaining to this contract.

The Contractor, certifies and affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

Breach

A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a contractor and subcontractor as provided in 29 C.F.R. § 5.12.

Fraud and False Statements

The Contractor understands that, if the project which is the subject of this Contract is financed in whole or in part by federal funds, that if the undersigned, the company that the Contractor represents, or any employee or agent thereof, knowingly makes any false statement, representation, report or claim as to the character, quality, quantity, or cost of material used or to be used, or quantity or quality work performed or to be performed, or makes any false statement or representation of a material fact in any statement, certificate, or report, the Contractor and any company that the Contractor represents may be subject to prosecution under the provision of 18 USC §1001 and §1020.

Environmental Protection

(This clause is applicable if this Contract exceeds \$150,000. It applies to Federal-aid contracts only.)
The Contractor is required to comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency (EPA) regulations (40 CFR Part 15) which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Violations shall be reported to the FHWA and to the U.S. EPA Assistant Administrator for Enforcement.

Procurement of Recovered Materials

In accordance with Section 6002 of the Solid Waste Disposal Act (42 U.S.C. § 6962), State agencies and agencies of a political subdivision of a state that are using appropriated Federal funds for procurement must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired in the preceding fiscal year exceeded \$10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Revised June 2022

Contractor Initials CB
Date 7/17/24

Exhibit E

Federal Debarment and Suspension

- a. By signature on this Contract, the Contractor certifies its compliance, and the compliance of its Sub-Contractors, present or future, by stating that any person associated therewith in the capacity of owner, partner, director, officer, principal investor, project director, manager, auditor, or any position of authority involving federal funds:
1. Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal Agency;
 2. Does not have a proposed debarment pending;
 3. Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal Agency within the past three (3) years; and
 4. Has not been indicted, convicted, or had a civil judgment rendered against the firm by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years.
- b. Where the Contractor or its Sub-Contractor is unable to certify to the statement in Section a.1. above, the Contractor or its Sub-Contractor shall be declared ineligible to enter into Contract or participate in the project.
- c. Where the Contractor or Sub-Contractor is unable to certify to any of the statements as listed in Sections a.2., a.3., or a.4., above, the Contractor or its Sub-Contractor shall submit a written explanation to the NHED. The certification or explanation shall be considered in connection with the NHED's determination whether to enter into Contract.
- d. The Contractor shall provide immediate written notice to the NHED if, at any time, the Contractor or its Sub-Contractor, learn that its Debarment and Suspension certification has become erroneous by reason of changed circumstances.

Revised June 2022

Contractor Initials CB
Date 7/17 24

Exhibit F

Anti-Lobbying

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

The Contractor certifies, by signing and submitting this contract, to the best of his/her knowledge and belief, that:

- a. No federal appropriated funds have been paid or shall be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence any officer or employee of any State or Federal 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, the making of any federal grant, the making of any federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal amendment, or modification of any Federal contract grant, loan, or cooperative agreement.
- b. If any funds other than federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any Federal Agency, a Member of Congress, and officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit the "Disclosure of Lobbying Activities" form in accordance with its instructions

<https://www.gsa.gov/forms-library/disclosure-lobbying-activities>

- c. 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 and entering into this transaction imposed by Section 1352, Title 31 and 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.
- d. The Contractor also agrees, by signing this contract that it shall require that the language of this certification be included in subcontracts with all Sub-Contractor(s) and lower-tier Sub-Contractors which exceed \$100,000 and that all such Sub-Contractors and lower-tier Sub-Contractors shall certify and disclose accordingly.
- e. The NHED shall keep the firm's certification on file as part of its original contract. The Contractor shall keep individual certifications from all Sub-Contractors and lower-tier Sub-Contractors on file. Certification shall be retained for three (3) years following completion and acceptance of any given project.

Revised June 2022

Contractor Initials CB
Date 7/17/24

Exhibit G

Rights to Inventions Made Under a Contract, Copy Rights and Confidentiality

Rights to Inventions Made Under a Contract or Agreement

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the NHED.

Any discovery or invention that arises during the course of the contract shall be reported to the NHED. The Contractor is required to disclose inventions promptly to the contracting officer (within 2 months) after the inventor discloses it in writing to contractor personnel responsible for patent matters. The awarding agency shall determine how rights in the invention/discovery shall be allocated consistent with "Government Patent Policy" and Title 37 C.F.R. § 401.

Confidentiality

All Written and oral information and materials disclosed or provided by the NHED under this agreement constitutes Confidential Information, regardless of whether such information was provided before or after the date on this agreement or how it was provided.

The Contractor and representatives thereof, acknowledge that by making use of, acquiring or adding to information about matters and data related to this agreement, which are confidential to the NHED and its partners, must remain the exclusive property of the NHED.

Confidential information means all data and information related to the business and operation of the NHED, including but not limited to all school and student data contained in NH Title XV, Education, Chapters 186-200.

Confidential information includes but is not limited to, student and school district data, revenue and cost information, the source code for computer software and hardware products owned in part or in whole by the NHED, financial information, partner information (including the identity of NHED partners), Contractor and supplier information, (including the identity of NHED Contractors and suppliers), and any information that has been marked "confidential" or "proprietary", or with the like designation. During the term of this contract the Contractor agrees to abide by such rules as may be adopted from time to time by the NHED to maintain the security of all confidential information. The Contractor further agrees that it will always regard and preserve as confidential information/data received during the performance of this contract. The Contractor will not use, copy, make notes, or use excerpts of any confidential information, nor will it give, disclose, provide access to, or otherwise make available any confidential information to any person not employed or contracted by the NHED or subcontracted with the Contractor.

Ownership of Intellectual Property

The NHED shall retain ownership of all source data and other intellectual property of the NHED provided to the Contractor in order to complete the services of this agreement. As well the NHED will retain copyright ownership for any and all materials, patents and intellectual property produced, including, but not limited to, brochures, resource directories, protocols, guidelines, posters, or reports. The Contractor shall not reproduce any materials for purposes other than use for the terms under the contract without prior written approval from the NHED.

Revised June 2022

Contractor Initials CB
Date 7/17/24



Learn. Grow. Thrive.

Corporate Resolution

I, Kathleen Allen, hereby certify that I am the duly elected President of the Board of Directors of the Nashua Adult Learning Center, Inc. I hereby certify the following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on September 19, 2023, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Carol Baldwin, Executive Director, is duly authorized to enter into contracts or agreements on behalf of Nashua Adult Learning Center, Inc., with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any documents which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

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 to which this certificate is attached. This authority remains valid for thirty (30) days from the date of this Corporate Resolution. 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: 7/17/24

ATTEST: Kathleen Allen

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 NASHUA ADULT LEARNING CENTER, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on October 16, 1972. 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: 61851

Certificate Number: 0006215931



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 25th day of April A.D. 2023.

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

David M. Scanlan
Secretary of State



Learn. Grow. Thrive.

Nashua Adult Learning Center Mission Statement

The ALC transforms the lives of individuals and families by providing education, job training, and support services so that all community members can reach their full potential.

Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

FOR THE YEARS ENDED
JUNE 30, 2023 AND 2022
AND
INDEPENDENT AUDITORS' REPORTS

*Leone,
McDonnell
& Roberts*
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

NASHUA ADULT LEARNING CENTER, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Nashua Adult Learning Center, Inc.

Opinion

We have audited the accompanying financial statements of Nashua Adult Learning Center, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nashua Adult Learning Center, Inc. as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Nashua Adult Learning Center, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 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 Nashua Adult Learning Center, Inc.'s ability to continue as a going concern within one year after the date that the 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 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 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 Nashua Adult Learning Center, Inc.'s 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Nashua Adult Learning Center, Inc.'s 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.

Leone McDowell Roberts,
Professional Association

Wolfeboro, New Hampshire
October 13, 2023

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022**

ASSETS

	<u>2023</u>	<u>2022</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,002,418	\$ 2,008,079
Accounts receivable	230,420	185,879
Promises to give	21,539	143,712
Prepaid expenses	<u>27,716</u>	<u>27,882</u>
Total current assets	<u>2,282,093</u>	<u>2,365,552</u>
PROPERTY AND EQUIPMENT		
Land, building, and improvements	3,376,818	3,173,257
Furniture and equipment	<u>820,829</u>	<u>769,854</u>
	4,197,647	3,943,111
Less: Total accumulated depreciation	<u>(2,800,617)</u>	<u>(2,656,744)</u>
Property and equipment, net	<u>1,397,030</u>	<u>1,286,367</u>
OTHER ASSETS		
Promises to give, net of current portion above	-	20,606
Investments	1,208,711	1,080,882
Beneficial interest	251,492	249,443
Right-of-use asset, operating	<u>21,456</u>	<u>-</u>
Total other assets	<u>1,481,659</u>	<u>1,350,931</u>
Total assets	<u>\$ 5,160,782</u>	<u>\$ 5,002,850</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 29,117	\$ 46,155
Accrued payroll and payroll liabilities	229,166	227,748
Deferred revenue	46,873	52,242
Current portion of operating lease liability	<u>13,009</u>	<u>-</u>
Total current liabilities	318,165	326,145
LONG-TERM LIABILITIES		
Operating lease liability, net of current portion above	<u>8,447</u>	<u>-</u>
Total liabilities	<u>326,612</u>	<u>326,145</u>
NET ASSETS		
Without donor restrictions	4,736,930	4,432,194
With donor restrictions	<u>97,240</u>	<u>244,511</u>
Total net assets	<u>4,834,170</u>	<u>4,676,705</u>
Total liabilities and net assets	<u>\$ 5,160,782</u>	<u>\$ 5,002,850</u>

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGES IN NET ASSETS			
Revenue and support			
State of New Hampshire - Education	\$ 1,262,502	\$ -	\$ 1,262,502
State of New Hampshire	253,894	-	253,894
City of Nashua - Public School	627,533	-	627,533
Program service fees	2,500,323	-	2,500,323
Contributions	238,025	3,700	241,725
Investment return	141,718	-	141,718
Increase in beneficial interest	2,049	-	2,049
Other revenue	210	-	210
Net assets released from restrictions	<u>150,971</u>	<u>(150,971)</u>	<u>-</u>
Total revenue and support	<u>5,177,225</u>	<u>(147,271)</u>	<u>5,029,954</u>
EXPENSES			
Program services			
Adult basic education	872,572	-	872,572
Clearway	820,443	-	820,443
Community education & computer technology	774,263	-	774,263
Childcare	1,553,235	-	1,553,235
School age childcare	117,438	-	117,438
Supporting activities			
Management and general	684,766	-	684,766
Fundraising	<u>49,772</u>	<u>-</u>	<u>49,772</u>
Total expenses	<u>4,872,489</u>	<u>-</u>	<u>4,872,489</u>
CHANGE IN NET ASSETS	304,736	(147,271)	157,465
NET ASSETS, BEGINNING OF YEAR	<u>4,432,194</u>	<u>244,511</u>	<u>4,676,705</u>
NET ASSETS, END OF YEAR	<u>\$ 4,736,930</u>	<u>\$ 97,240</u>	<u>\$ 4,834,170</u>

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
CHANGES IN NET ASSETS			
Revenue and support			
State of New Hampshire - Education	\$ 1,276,222	\$ -	\$ 1,276,222
State of New Hampshire	275,663	-	275,663
City of Nashua - Public School	624,000	-	624,000
Other government grants	100,000	-	100,000
Paycheck Protection Program loan forgiveness	1,071,418	-	1,071,418
Program service fees	2,049,007	-	2,049,007
Contributions	47,503	106,009	153,512
Investment loss	(203,422)	-	(203,422)
Other revenue	4,050	-	4,050
Decrease in beneficial interest	(31,711)	-	(31,711)
Net assets released from restrictions	<u>68,754</u>	<u>(68,754)</u>	<u>-</u>
Total revenue and support	<u>5,281,484</u>	<u>37,255</u>	<u>5,318,739</u>
EXPENSES			
Program services			
Adult basic education	845,692	-	845,692
Clearway	832,047	-	832,047
Community education & computer technology	37,471	-	37,471
Childcare	674,136	-	674,136
School age childcare	1,555,504	-	1,555,504
Supporting activities			
Management and general	652,017	-	652,017
Fundraising	<u>30,727</u>	<u>-</u>	<u>30,727</u>
Total expenses	<u>4,627,594</u>	<u>-</u>	<u>4,627,594</u>
CHANGE IN NET ASSETS	653,890	37,255	691,145
NET ASSETS, BEGINNING OF YEAR	<u>3,778,304</u>	<u>207,256</u>	<u>3,985,560</u>
NET ASSETS, END OF YEAR	<u>\$ 4,432,194</u>	<u>\$ 244,511</u>	<u>\$ 4,676,705</u>

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Adult Basic Education</u>	<u>Clearway</u>	<u>Community Education & Computer Technology</u>	<u>School Age Childcare</u>	<u>Xplorations</u>	<u>Program Total</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Personnel	\$ 610,054	\$ 526,655	\$ 530,532	\$ 1,028,213	\$ 60,397	\$ 2,755,851	\$ 250,022	\$ 21,485	\$ 3,027,358
Occupancy	71,893	135,524	79,232	105,775	13,825	406,249	127,941	-	534,190
Employee benefits	48,437	58,576	62,975	57,509	10,622	238,119	63,639	115	301,873
Payroll taxes	45,807	38,304	39,324	78,999	3,899	204,133	18,973	1,644	224,750
Supplies	34,334	15,923	22,522	52,940	15,502	141,221	10,174	-	151,395
Contract services	-	1,789	1,258	30,402	-	33,447	85,074	-	118,521
Food	463	10,999	29,515	56,151	257	97,385	994	-	98,379
Equipment and maintenance	26,868	12,648	1,071	9,454	6,096	56,137	14,538	-	70,675
Bank service charges	-	-	-	65,182	-	65,182	94	559	65,815
Insurance	3,000	-	-	-	-	3,000	38,867	-	41,867
Rent	19,200	-	-	19,310	-	38,510	-	-	38,510
Professional fees	-	-	-	-	-	-	27,254	-	27,254
Advertising	6,368	6,929	4,698	4,132	1,583	23,710	(925)	-	22,785
Fundraising expense	-	-	-	-	-	-	-	17,206	17,206
Dues, memberships and licenses	-	1,084	529	3,868	60	5,541	11,073	-	16,614
Telephone	2,881	-	-	483	-	3,364	10,358	-	13,722
Printing	973	2,245	89	911	444	4,662	6,689	-	11,351
Meetings and conferences	1,686	73	191	2,748	-	4,678	4,770	-	9,448
Scholarship awards	-	-	-	-	-	-	-	8,488	8,488
Transportation	611	1,391	-	5,352	237	7,591	-	-	7,591
Postage	103	113	-	183	24	423	4,022	275	4,720
Refunds	-	-	67	4,484	-	4,551	-	-	4,551
Staff training	114	1,813	334	910	-	3,171	1,027	-	4,198
Field trips	-	1,082	-	-	-	1,082	-	-	1,082
Miscellaneous	-	-	-	14,719	-	14,719	-	-	14,719
Total expenses before direct depreciation	872,572	815,148	772,335	1,539,705	112,946	4,112,706	674,584	49,772	4,837,062
Direct depreciation expense	-	5,295	1,928	13,530	4,492	25,245	10,182	-	35,427
Total expenses	\$ 872,572	\$ 820,443	\$ 774,263	\$ 1,553,235	\$ 117,438	\$ 4,137,951	\$ 684,766	\$ 49,772	\$ 4,872,489

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022**

	Adult Basic Education	Clearway	Community Education & Computer Technology	Childcare	School Age Childcare	Program Total	Management and General	Fundraising	Total
Personnel	\$ 595,021	\$ 603,882	\$ 17,229	\$ 474,141	\$ 1,029,899	\$ 2,720,172	\$ 217,573	\$ 17,081	\$ 2,954,826
Occupancy	88,908	66,027	2,959	37,149	163,006	358,049	103,365	888	482,300
Employee benefits	33,716	59,973	1,939	48,355	60,377	204,380	52,516	116	256,992
Payroll taxes	45,431	45,588	1,341	36,387	78,216	208,943	11,503	1,277	219,723
Contract services	7,883	2,632	-	9,159	8,796	28,470	154,805	-	183,275
Supplies	13,862	21,656	958	24,870	55,244	116,390	16,565	701	133,656
Food	385	3,044	-	30,830	47,730	81,989	2,117	-	84,106
Equipment and maintenance	21,433	8,428	1,171	835	5,737	37,604	15,045	-	52,649
Bank service charges	-	-	11	-	50,116	50,127	341	-	50,468
Rent	19,200	-	-	-	19,445	38,645	-	-	38,645
Insurance	3,000	-	-	-	-	3,000	28,034	-	31,034
Dues, memberships and licenses	-	1,173	1,950	2,891	6,749	12,763	10,170	-	22,933
Advertising	5,450	1,583	257	5,824	3,230	16,344	2,988	-	19,332
Telephone	3,412	4,105	-	-	140	7,657	9,422	-	17,079
Refunds	-	-	9,656	179	6,181	16,016	-	-	16,016
Printing	2,122	1,035	-	-	1,927	5,084	5,976	553	11,613
Transportation	1,167	2,015	-	-	5,914	8,096	-	-	9,096
Fundraising expense	-	-	-	-	-	-	-	7,019	7,019
Postage	1,102	322	-	-	116	1,540	3,441	-	4,981
Staff training	-	2,750	-	804	1,150	4,704	150	-	4,854
Meetings and conferences	-	473	-	368	1,119	1,960	2,486	-	4,446
Tuition reimbursement	3,600	-	-	-	-	3,600	-	-	3,600
Scholarship awards	-	-	-	-	-	-	-	3,094	3,094
Field trips	-	2,086	-	-	-	2,086	-	-	2,086
Donations	-	-	-	-	-	-	1,315	-	1,315
Interest Expense	-	-	-	-	-	-	147	-	147
Bad debt expense	-	-	-	616	(518)	98	-	-	98
Total expenses before direct depreciation	845,692	826,752	37,471	672,208	1,544,574	3,926,697	637,959	30,727	4,595,383
Direct depreciation expense	-	5,295	-	1,928	10,930	18,153	14,058	-	32,211
Total expenses	\$ 845,692	\$ 832,047	\$ 37,471	\$ 674,136	\$ 1,555,504	\$ 3,944,850	\$ 652,017	\$ 30,727	\$ 4,627,594

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 157,465	\$ 691,145
Adjustment to reconcile change in net assets net cash from operating activities:		
Depreciation	143,873	135,257
Unrealized (gains) losses on investments	(105,721)	316,020
Realized gains on investments	(2,040)	(45,151)
(Increase) decrease in beneficial interest	(2,049)	31,711
Noncash contributions and promises to give	(21,857)	(41,818)
In-kind rent	22,212	21,857
Paycheck Protection Program loan forgiveness	-	(1,081,200)
Increase in right-of-use asset	(21,456)	-
Increase in operating lease liability	21,456	-
(Increase) decrease in assets:		
Accounts receivable	(44,541)	(79,493)
Promises to give, exclusive of in-kind	142,424	1,208
Prepaid expenses	166	(10,359)
Increase (decrease) in liabilities:		
Accounts payable	(17,038)	13,415
Accrued payroll and payroll liabilities	1,418	4,910
Deferred revenue	(5,369)	25,586
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>268,943</u>	<u>(16,912)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(254,536)	(46,088)
Receipts of interest and dividends reinvested	(43,398)	(71,715)
Purchase of investments	(101,075)	(361,396)
Proceeds from the sale of investments	124,405	329,098
NET CASH USED IN INVESTING ACTIVITIES	<u>(274,604)</u>	<u>(150,101)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,661)	(167,013)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,008,079</u>	<u>2,175,092</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,002,418</u>	<u>\$ 2,008,079</u>

See Notes to Financial Statements

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 1. ORGANIZATION

Nashua Adult Learning Center, Inc. (the Organization) is an educational agency designed to provide academic skills, job training, and the support services needed for adults and young adults to achieve more productive lives for themselves and their families. The goals of the Organization have been formulated to respond to identified community needs: to assist adults to increase their basic educational and life coping skills; to prepare individuals for the local workplace by providing pathways from school to work, job training, or higher education; to assist individuals to cope with social, family, and work issues by providing community education programs; and to assist adults to participate in education, job training, and the workforce by providing needed support services of family literacy, childcare, school age care and parenting classes. The Organization runs an Adult Basic Education program, which includes students studying to take the HiSET exam (formerly the GED) and immigrants and refugees learning English. The Organization also runs an alternative high school for at-risk teens, a high quality, low-cost childcare center, on site before and after school care at neighborhood elementary schools, and several computer technology programs. The Organization collaborates regularly with other organizations to bring services to mutual clients.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Support is recorded when received or pledged. Revenue is recorded when services are rendered. Expenses are recorded when the obligation has been incurred.

Basis of Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

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

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable

The Organization utilizes the allowance method of accounting for bad debts. No allowance was determined to be necessary as of June 30, 2023 and 2022. The allowance is based on past historical experience and management review of specific accounts. The Organization has no policy for charging interest on overdue accounts nor are its accounts receivable pledged as collateral.

Contributions Receivable

Contributions, including unconditional promises to give, are recorded as made. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the promises are to be received.

Property, Equipment and Depreciation

Property and equipment are recorded at cost (or fair value if donated) and are depreciated using the straight-line method over estimated useful lives as follows:

<u>Description</u>	<u>Life</u>
Buildings and improvements	5 - 50 years
Furniture and equipment	5 - 10 years

Depreciation expense for the years ended June 30, 2023 and 2022 amounted to \$143,873 and \$135,257, respectively.

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Accrued Earned Time

The Organization has accrued a liability for future compensated leave time that its employees have earned and which is vested with the employee. Accrued earned time amounted to \$71,877 and \$64,158 as of June 30, 2023 and 2022, respectively.

Deferred Revenue

Deferred revenue represents fees for various programs collected in advance of services to be rendered.

Revenue Recognition

In May of 2014, the FASB issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU is a comprehensive revenue recognition model that requires an organization to recognize revenue to depict the transfer of goods or services to a customer at an amount that reflects the consideration it expects to receive in exchange for those goods or services. The Organization adopted this ASU on July 1, 2020, using the modified retrospective approach and applied this ASU only to contracts not completed as of July 1, 2020. Contracts and transactions with customers predominantly contain a single performance obligation. The impact of adopting this ASU was not material to the financial statements.

The Organization records the following exchange transaction revenue in its statements of activities for the years ended June 30, 2023 and 2022:

Program Service Fees – Revenue from educational programs and workforce training is generally recognized over time as classes or related sessions are offered.

Revenue from providing childcare services is recognized upon completion of providing such services.

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contract Balances

Contract balances as a result of contracts and transactions with customers primarily consist of deferred registration fees and deferred tuition for educational classes and childcare services included in deferred revenue in the Organization's statements of financial position. The Organization's deferred revenue amounted to \$46,873 and \$52,242 at June 30, 2023 and 2022, respectively.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of 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 statements of activities as net assets released from restrictions.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, which are provided by the individuals possessing those skills, and would typically need to be purchased if not provided by donations, are recorded at their fair values in the period received.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, costs have been allocated among the program services and supporting activities benefited. Occupancy costs have been grouped and allocated to the programs as a line item. Such allocations have been determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of allocation</u>
Salaries and benefits	Time and effort
Occupancy	Square footage/revenues
Depreciation	Square footage
All other expenses	Direct assignment

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation 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 period. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

Income Taxes

The Organization is exempt from income taxes under section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income.

The Organization's income tax filings are subject to audit by various taxing authorities. The Organization believes it has met all the requirements to maintain its not-for-profit status and has taken no uncertain tax positions that would require adjustment to the financial statements. It is the Organization's policy to expense taxes when paid and any interest and penalties associated with its income tax obligations.

Leases

The Organization determines whether to account for its leases as operating or finance leases depending on the underlying terms of the lease agreement. This determination of classification requires significant judgment relating to certain information, including the estimated fair value and remaining economic life of the leased assets, minimum lease payments, and other lease terms.

NASHUA ADULT LEARNING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

New Accounting Pronouncements

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 Organization elected not to restate the comparative period. The Organization also elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, (iii) initial direct costs for existing leases. Results for periods beginning prior to June 30, 2023 continue to be reported in accordance with the Organization's historical accounting treatment. The adoption of ASU 2016-02 did not have a material impact on the Organization's results of operations and cash flows.

NOTE 3. LIQUIDITY AND AVAILABILITY

The following represents the Organization's financial assets as of June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 2,002,418	\$ 2,008,079
Accounts receivable	230,420	185,879
Promises to give	21,539	164,318
Investments	1,208,711	1,080,882
Beneficial interest	<u>251,492</u>	<u>249,443</u>
Total financial assets	<u>3,714,580</u>	<u>3,688,601</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	97,240	244,511
Less net assets with purpose and time restrictions to be met in less than a year	(25,000)	(290,770)
Quasi endowment established by the board	1,214,314	1,090,574
Long-term promises to give	-	20,606
Beneficial Interest	<u>251,492</u>	<u>249,443</u>
Amounts not available within one year	<u>1,538,046</u>	<u>1,314,364</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,176,534</u>	<u>\$ 2,374,237</u>

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 3. LIQUIDITY AND AVAILABILITY (continued)

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$1,200,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 4. PROMISES TO GIVE

Unconditional promises to give as of June 30, 2023 and 2022 consisted of the following:

	<u>2023</u>	<u>2022</u>
United Way	\$ -	\$ 16,250
City of Nashua- CDBG	-	106,250
Present value of donated use of facilities	<u>21,539</u>	<u>43,069</u>
Promises to give	<u>\$ 21,539</u>	<u>\$ 165,569</u>

	<u>2023</u>	<u>2022</u>
Promises to give are due as follows:		
In less than one year	\$ 21,539	\$ 143,712
Over one year	<u>-</u>	<u>21,857</u>
Gross Contributions receivable	21,539	165,569
Less: Discount to present value	<u>-</u>	<u>(1,251)</u>
Contributions receivable, net	<u>\$ 21,539</u>	<u>\$ 164,318</u>

Contributions receivable expected to be collected in longer than one year are discounted using the rate of return on the three year U.S. Treasury Note of 2.99% as of June 30, 2022.

NOTE 5. INVESTMENTS

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of June 30, 2023 and 2022:

	<u>2023</u>		<u>2022</u>	
	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>
Mutual Funds, Exchange Traded Funds and Closed - Ended Funds	<u>\$ 1,208,711</u>	<u>\$ 1,253,958</u>	<u>\$ 1,080,882</u>	<u>\$ 1,213,094</u>

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 5. INVESTMENTS (continued)

Components of Investment Return:

	<u>2023</u>	<u>2022</u>
Interest and dividend income	\$ 43,920	\$ 77,940
Unrealized gain (loss) on investments	105,721	(316,020)
Realized gain on investments	2,040	45,151
Investment fees	<u>(9,963)</u>	<u>(10,493)</u>
	<u>\$ 141,718</u>	<u>\$ (203,422)</u>

NOTE 6. BENEFICIAL INTEREST

The Organization is a beneficiary of an agency endowment fund at the New Hampshire Charitable Foundation. Pursuant to the terms of the resolution establishing this fund, property contributed to The New Hampshire Charitable Foundation is held as a separate fund designated for the benefit of Nashua Adult Learning Center, Inc.

In accordance with its spending policy, the Foundation can make distributions from the fund to the Organization of approximately 4.03% of the market value of the fund per year. The estimated value of the future distributions from the fund is included in these financial statements as required; however, all property in the fund was contributed to The New Hampshire Charitable Foundation to be held and administered for the benefit of Nashua Adult Learning Center, Inc.

The Organization did not contribute to the fund during the years ended June 30, 2023 and 2022. The Organization received a distribution of \$9,398 and \$10,751 from the Foundation during the years ended June 30, 2023 and 2022, respectively. The fair value of the fund assets were \$251,492 and \$249,443, on June 30, 2023 and 2022, respectively.

NOTE 7. PAYCHECK PROTECTION PROGRAM LOANS

During the year ended June 30, 2020, the Organization applied for and was awarded a first draw Paycheck Protection Program loan through the Small Business Administration (SBA). Loan forgiveness was possible if certain criteria were met. Any amounts not forgiven were to be repaid over a five-year period, with payments deferred for the first six months. Interest would be stated at 1%. The loan amounted to \$636,800. During the year ended June 30, 2022, the Organization received loan forgiveness in the amount of \$627,018 and is recorded as Paycheck Protection Program loan forgiveness on the accompanying statement of activities for the year ended June 30, 2022. The remaining loan balance of \$9,782 was repaid in full during the year ended June 30, 2022, in eight payments beginning September 1, 2021.

NASHUA ADULT LEARNING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

NOTE 7. PAYCHECK PROTECTION PROGRAM LOANS (continued)

During the year ended June 30, 2021, the Organization applied for and was awarded a second draw Paycheck Protection Program loan through the SBA. Loan forgiveness was possible if certain criteria were met. Any amounts not forgiven were to be repaid over a five-year period, with payments deferred for the first six months. Interest would be stated at 1%. The loan amounted to \$444,400. During the year ended June 30, 2022, the loan was forgiven in full and is recorded as Paycheck Protection Program loan forgiveness on the accompanying statement of activities for the year ended June 30, 2022.

NOTE 8. OCCUPANCY COSTS

Occupancy costs related to the two buildings used by the Organization have been allocated to the various programs as a line item on the statements of functional expenses.

The following details the expenses that make up the occupancy cost:

	<u>2023</u>	<u>2022</u>
Personnel	\$ 177,083	\$ 157,654
Payroll taxes	13,253	12,245
Employee benefits	27,568	24,669
Contract services	26,891	18,834
Supplies	18,414	17,096
Utilities	106,860	83,940
Rent	22,212	21,920
Repairs and maintenance	33,004	22,896
Depreciation	108,446	103,046
Miscellaneous	<u>459</u>	<u>-</u>
Total occupancy costs	<u>\$ 534,190</u>	<u>\$ 462,300</u>

NOTE 9. IN-KIND CONTRIBUTIONS

The Organization's policy related to in-kind contributions is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair value as determined by appraisal or specialist depending on the type of asset. Donated facilities for the year ended June 30, 2021 were considered contributions with donor restrictions. The use of the facilities is restricted to the administration of an alternative high school and other incidental educational purposes.

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 9. IN-KIND CONTRIBUTIONS (continued)

During the year ended June 30, 2021, the Organization entered into a lease agreement, whereby the Organization would lease a building. The initial term of the lease was for a three-year period ending June 30, 2024, with an annual base rent of \$12. An independent appraisal determined that the fair value of the lease was \$21,539 annually. In connection with this lease agreement, the Organization discounted the value of the three-year initial term of the lease and recorded a contribution with donor restrictions during the year ended June 30, 2021. Net assets released from restrictions were \$20,279 and rent expense of \$22,212 were recorded in connection with this lease agreement for the year ended June 30, 2023. For the year ended June 30, 2022, net assets released from restrictions were \$21,539 and rent expense of \$21,857 were recorded.

NOTE 10. CONCENTRATION OF RISK

The Organization maintains its cash balances at a local bank which, from time to time, 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.

NOTE 11. NET ASSETS

Net assets with donor restrictions were as follows for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Special Purpose Restrictions:		
Scholarships	\$ 73,020	\$ 79,008
Translation materials	1,426	1,426
Tuitioning Program	424	500
CAC City of Nashua ECAP	-	25,000
CDBG City of Nashua Roof	-	75,000
50 th Gala Roof & Van	-	5,509
Summer Camp	831	-
Time Restrictions:		
Donated use of facilities	21,539	41,818
United Way	-	16,250
	<u> </u>	<u> </u>
Total net assets with donor restrictions	<u>\$ 97,240</u>	<u>\$ 244,511</u>

NASHUA ADULT LEARNING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

NOTE 11. NET ASSETS (continued)

Net assets without donor restrictions for the years ended June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Undesignated	\$ 3,522,616	\$ 3,341,620
Board designated	<u>1,214,314</u>	<u>1,090,574</u>
Total net assets without donor restrictions	<u>\$ 4,736,930</u>	<u>\$ 4,432,194</u>

Net assets released from net assets with donor restrictions are as follows:

	<u>2023</u>	<u>2022</u>
Satisfaction of Purpose Restrictions:		
Scholarships	\$ 8,488	\$ 3,171
Tuitioning Program	76	-
NH Charitable Foundation	-	9,638
CAC City of Nashua ECAP	25,000	-
Translation materials	-	993
United Way ECAP training	-	2,093
CDBG City of Nashua Roof	75,000	-
50 th Gala Roof & Van	5,509	-
Summer Camp	369	-
Satisfaction of Time Restrictions:		
Donated use of facilities	20,279	21,539
United Way	<u>16,250</u>	<u>31,320</u>
Total net assets released	<u>\$ 150,971</u>	<u>\$ 68,754</u>

NOTE 12. BOARD DESIGNATED ENDOWMENT

During the year ended June 30, 2018, the board of directors established a general endowment fund (see Note 5) to support the mission of the Organization. Since that amount resulted from internal designation and is not donor restricted, it is classified and reported as net assets without donor restrictions. The balance in the board designated endowment amounted to \$1,214,314 and \$1,090,574 at June 30, 2023 and 2022, respectively.

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 12. BOARD DESIGNATED ENDOWMENT (continued)

The Organization's spending policy requires the fair value of the endowment portfolio to be one million dollars before a distribution of spendable income is to be approved. Once the fair value of the endowment portfolio has reached an amount in excess of one million dollars, or in case of emergency, the Organization will be authorized to withdraw a percentage of the principal and income for operating and capital improvements. Spendable income will be calculated as four percent of the rolling three-year average of the endowment portfolio value. The Organization did not receive any distributions from the endowment portfolio during the years ended June 30, 2023 and 2022.

NOTE 13. LEASES

The Organization leases a building on Arlington Street in Nashua, NH, pursuant to the terms of a lease agreement. The lease was renewed in June 2021 for a three-year term beginning July 1, 2021 to June 30, 2024. The lease agreement requires rent of \$1 to be paid monthly.

The value of the lease has been recorded as contribution revenue and rent expense at fair value. The Organization is responsible for all utilities, repairs and maintenance. The remaining fair value of the lease term is \$21,539.

After-school programs are conducted at various schools in the greater Nashua area. Rent is paid to the school district as a tenant at will.

During March of 2019, the Organization entered into a written lease agreement to lease two copiers. The terms of the lease call for monthly payments of \$353 through March of 2024.

During November of 2019, the Organization entered into a written lease agreement to lease two copiers. The terms of the lease call for monthly payments of \$372 through November of 2024.

During March of 2020, the Organization entered into a written lease agreement to lease a postage machine. The terms of the lease call for quarterly payments of \$398 through June of 2025.

During December of 2020, the Organization entered into a written lease agreement to lease two copiers. The terms of the lease call for monthly payments of \$325 through December of 2025.

The right-of-use asset and related operating lease liability for the above leases amounted to \$21,456 for the year ended June 30, 2023. The weighted average lease term was 1.78 years for the year ended June 30, 2023. The weighted average discount rate was .91% for the year ended June 30, 2023.

NASHUA ADULT LEARNING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

NOTE 13. LEASES (continued)

Total rent expense under all lease agreements for the years ended June 30, 2023 and 2022 was \$40,106 and \$38,670, respectively.

Future minimum lease payments at June 30, 2023 were as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Amount Due</u>
2024	\$ 14,886
2025	5,760
2026	<u>1,625</u>
	<u>\$ 22,271</u>

NOTE 14. RETIREMENT PLAN

The Organization adopted a qualified 403(b) retirement plan. All employees are eligible to participate in the plan. The Organization may make discretionary matching contributions after six months of service. The Organization made matching contributions to the 403(b) retirement plan of \$59,915 and \$56,041 for the years ended June 30, 2023 and 2022, respectively.

NOTE 15. FAIR VALUE INVESTMENTS

The Fair Value Measurements and Disclosures Topic of the codification defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under the Topic as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy under the Topic are described below:

Level 1: Quoted market prices in active markets, such as the New York Stock Exchange, for identical assets or liabilities.

Level 2: Observable market prices based on inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

NASHUA ADULT LEARNING CENTER, INC.

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022

NOTE 15. FAIR VALUE INVESTMENTS (continued)

The Organization assesses the levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer. For the years ended June 30, 2023 and 2022, there were no such transfers.

For the years ended June 30, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis.

Beneficial Interest in Assets Held by Others

The fair value of beneficial interest in assets held by others is based upon the fair value of the assets held by the New Hampshire Charitable Foundation.

Mutual funds, exchange traded funds, closed-ended funds

Valued at the daily closing price as reported by the fund. The mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

The following tables present the Organization's fair value hierarchy for the investments as of June 30, 2023 and 2022:

	<u>Total</u>	<u>Quoted Prices</u>	<u>Significant</u>	<u>Significant</u>
	<u>6/30/2023</u>	<u>Active Markets</u>	<u>Observable</u>	<u>Unobservable</u>
		<u>for Identical</u>	<u>Inputs</u>	<u>Inputs</u>
		<u>Assets</u>	<u>Level 2</u>	<u>Level 3</u>
		<u>Level 1</u>		
Beneficial interest in assets held by others	\$ 251,492	\$ -	\$ 251,492	\$ -
Mutual funds, exchange traded funds and closed- end funds	<u>1,208,711</u>	<u>1,208,711</u>	-	-
Total fair value	<u>\$ 1,460,203</u>	<u>\$ 1,208,711</u>	<u>\$ 251,492</u>	<u>\$ -</u>

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 15. FAIR VALUE INVESTMENTS (continued)

	<u>Total 6/30/2022</u>	<u>Quoted Prices Active Markets for Identical Assets Level 1</u>	<u>Significant Observable Inputs Level 2</u>	<u>Significant Unobservable Inputs Level 3</u>
Beneficial interest in assets held by others	\$ 249,443	\$ -	\$ 249,443	\$ -
Mutual funds, exchange traded funds and closed- end funds	<u>1,080,882</u>	<u>1,080,882</u>	<u>-</u>	<u>-</u>
Total fair value	<u>\$ 1,330,325</u>	<u>\$ 1,080,882</u>	<u>\$ 249,443</u>	<u>\$ -</u>

NOTE 16. EMERGENCY RELIEF FUNDING

During the year ended June 30, 2022, the Organization applied for and received a Child Care Achieving Stabilization Program grant in the amount of \$171,123 administered by the New Hampshire Department of Health and Human Services. The funds were awarded to reimburse for key operating expenses, including wages and benefits, rent and utilities, cleaning and sanitation supplies and services, and many other things necessary to maintain or resume child care services during and after the COVID-19 pandemic. The amount has been reported as State of New Hampshire – Education revenue on the accompanying statement of activities, for the year ended June 30, 2022.

NOTE 17. RISKS RELATED TO COVID-19

Management continues to evaluate the effects of the novel coronavirus (COVID-19) matter, considering the facts and circumstances related to the impact of the virus on the Organization's industry and has concluded that while it is reasonably possible that the virus could have a negative impact on the Organization's financial position and, operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NASHUA ADULT LEARNING CENTER, INC.

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2023 AND 2022**

NOTE 18. 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. Non-recognized 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 October 13, 2023, the date the June 30, 2023 financial statements were available for issuance.



Learn. Grow. Thrive.

Board of Directors

Kathleen Allen, CPA.
Secretary
CPAS Gordon Corp
Home Address:



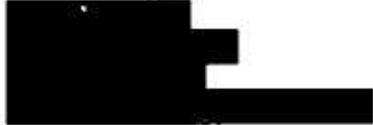
Peg Bennett (2025/2028)
Amherst Town Library Circulation
Home Address:



Sharon Cowen, M.S., M.Ed.
(2019/2022+1) *Past President*
Retired Community Development
Specialist
Home Address:



Jennica Dearborn (2025/2028)
Depute VP & GM BAE Systems
Home Address:



Mary DeRoche (2025/2028))
Director, Human Resources
Pennichuck Corporation
Home Address:



Barry Garside (2023)
Vice President
Nashua Community College
Associate VP of Academic Affairs
Home Address:



Steven Greenwood (2021/2024)
Director, Information Technology
Pennichuck Water
Home Address:



Cinda Guagliumi (2025/2028)
VP of Client Engagement
Cotiviti, Inc.
Home Address:



Carol Kreick (2020/2023 + 1)
Retired Educator
Home Address:



Sergeant Frank Lombardi (2025/2028)
Uniform Field Operations Bureau
Nashua Police Department
Home Address:



Doreen Manetta (2023)
Senior Vice President
Enterprise Bank
Home Address:



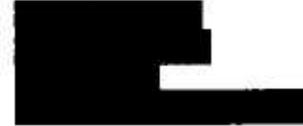
Kathie Nannicelli (2021/2024)
President
Retired, Special Education
Coordinator
Home Address:



Caryl Sullivan (2023)
Engineer
Hewlett Packard
Home Address:



Tim Thyne (2022/2025)
Treasurer
Help Scout
Home Address:



Dr. Amir Toosi (2024/2027)
Rivier University
Dean of Business & Security
Studies
Home Address:



Mary E. Phillis

Work Experience:

- 2014 – Present HiSET Test Center Supervisor, Adult Learning Center, Nashua
Responsible for the Computer Based and Paper Based HiSET test administration and reporting
- 2003 - 2014 GED Chief Examiner, Adult Learning Center, Nashua
Responsible for the administration and reporting of GED examinations for over 300 candidates per year.
- 1986 - 2003 Homemaker
- 1982 1986 Information Systems Analyst, Wang Laboratories, Inc.,
Lowell, Massachusetts
Supervised analysts and programmers in the definition, documentation, programming and testing of computer business systems.
- 1979 - 1982 Information Systems Analyst, Data General Corporation,
Cambridge, Massachusetts
Defined, developed, documented, tested, installed and provided training for computer systems for Data General Corporation Customers worldwide.
- 1977 - 1979 Information Systems Analyst/Programmer, Stop & Shop
Companies, Quincy, Massachusetts
Defined, documented and programmed computer systems for Corporate Information Systems Technology

Education:

- 1973 - 1977 Providence College, Providence, Rhode Island
B.A. Mathematics, summa cum laude
Graduate of Liberal Arts Honors Program
Junior Year Abroad, University of Fribourg, Switzerland

**Key Personnel
Salary Sheet**

**This contract is to purchase 11 computers and 1 Adjustable Desk.
No part will be used for salaries.**