



THE STATE OF NEW HAMPSHIRE

DEPARTMENT OF TRANSPORTATION



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William Cass, P.E.
Commissioner

David Rodrigue, P.E.
Assistant Commissioner

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, NH 03301

Bureau of Rail & Transit
April 11, 2025

REQUESTED ACTION

The Department of Transportation requests placing this item on the Consent Calendar.

Authorize the Department of Transportation (NHDOT) to amend an existing agreement with Southwestern Community Services, Inc. (SCS) (Vendor 177511), Keene, NH, Project # 68058A, to extend the completion date for their facilities renovation from June 30, 2025, to June 30, 2027, effective upon Governor and Council approval. The original agreement was approved by Governor and Council on October 18, 2023, Item #27. 100% Federal Funds. Time extension only, no additional funding awarded.

EXPLANATION

NHDOT has approved a request to extend the completion date from June 30, 2025, to June 30, 2027, for the completion of SCS's transit facility renovation located at 148 John Stark Highway in Newport, NH. The original agreement for FTA program funding supporting SCS's facility was previously approved by Governor and Executive Council on October 18, 2023, item # 27, and expires on June 30, 2025. The Department has been working with SCS to ensure the complex compliance requirements were addressed, which required the services of a consultant. With the consultant's guidance, a Project Management Plan and RACI (Responsible, Accountable, Consulted, Informed) matrix that clearly delineated project roles were developed. The RFP process for an architectural and engineering (A&E) firm was delayed due to the necessary review of the proposer's indirect/overhead rate. The review has been completed, and contract negotiations are in process. This extension will allow SCS to complete the design as well as construction phases.

SCS is a private, non-profit organization that provides rural public transportation, including transportation for seniors and individuals with disabilities, in Sullivan County as Sullivan County Transportation. SCS utilizes FTA Section 5339 funds to support eligible capital activities. This requested action is for a date extension only; no additional funds are being awarded.

The Amendment has been approved by the Attorney General as to form and execution and the Department has verified the necessary funds are available in the Fiscal Year 2025 budget. Copies of the fully executed Agreement are on file at the Secretary of State's Office and the Department of Administrative Services and, subsequent to Governor and Council approval, will be on file at the Department of Transportation.

Your approval of this resolution is respectfully requested.

Sincerely,

William J. Cass, P.E.
Commissioner

Attachments

**AMENDMENT #1 TO AGREEMENT
Southwestern Community Services**

This Grant Amendment ("Amendment") is entered into this 1st day of April, 2025, by and between the State of New Hampshire, acting by and through the New Hampshire Department of Transportation, 7 Hazen Drive, Concord NH 03302-0483, (hereinafter referred to as "the State") and Southwestern Community Services (hereinafter referred to as "the Grantee"), collectively referred to as "the Parties."

WHEREAS, the Parties have entered into a Grant agreement for \$1,278,704 approved by the Governor and Executive Council on October 18, 2023, G&C Item #27 (hereinafter referred to as "the Grant");

WHEREAS, the Parties desire to amend the Grant as provided in this Amendment; and

WHEREAS, the Grant allows for amendments by an instrument in writing executed by the Parties;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Grant, as set forth herein, the Parties hereto do hereby agree as follows:

1. Amend G-1 Section 1.7, Completion Date to read: June 30, 2027
2. This Amendment hereunder shall become effective upon approval by the New Hampshire Governor and Executive Council.
3. Except as specifically amended and modified by the terms and conditions of this Amendment, the Grant and the obligations of the Parties hereunder shall remain in full force and effect with the terms and conditions set forth herein.

IN WITNESS WHEREOF, the Parties hereto have set their hands to the date first-written above.

Southwestern Community Services

By: Beth Daniels Date: 04/01/25

Print Name and Title: Beth Daniels, Chief Executive Officer

NH Department of Transportation

By: Michelle L. Winters Date: 04/03/25

Print Name and Title: Michelle L. Winters, Director of Aeronautics, Rail & Transit

Approved by Attorney General

By: 

Date: April 16, 2025

Print Name and Title: Robert Pearce, Attorney

Approved by Governor and Executive Council

G&C Item Number: _____ G&C Meeting Date: _____

**SOUTHWESTERN COMMUNITY SERVICES, INC.
EXHIBITS TO CONTRACT**

Amendment

Certificate of Good Standing

Certificate of Corporate Vote

Certificate of Insurance

FTA Certifications and Assurances

FTA Master Agreement

2 CFR Part 200 FTA Section 5339

G&C Item 27 Approved

October 18, 2023

State of New Hampshire

Department of State

CERTIFICATE

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

Business ID: 65514

Certificate Number: 0007142018



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of April A.D. 2025.

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

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

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

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

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 14, 2024, at which a quorum of the Directors/shareholders were present and voting.
(Date)

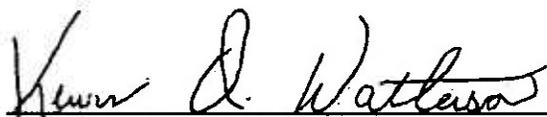
VOTED: That Beth Daniels (may list more than one person)
(Name and Title of Contract Signatory)

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

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

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

Dated: 4/1/2025



Signature of Elected Officer

Name: Kevin Watterson

Title: Chairperson



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/06/2025

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

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

PRODUCER The Hilb Group New England, LLC PO Box 606 Keene NH 03431	CONTACT NAME: Ana O'Donnell, CPIW, CIC
	PHONE (A/C, No. Ext): E-MAIL ADDRESS: aodonnell@hilbgroup.com FAX (A/C, No):
INSURED Southwestern Community Services, Inc. PO Box 603 Keene NH 03431-0603	INSURER(S) AFFORDING COVERAGE
	INSURER A: Philadelphia Indemnity Insurance Co NAIC # 18058
	INSURER B: Granite State Healthcare & Human Services Trust
	INSURER C:
	INSURER D:
	INSURER E:

COVERAGES **CERTIFICATE NUMBER:** 25/26 **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK2636316	01/01/2025	01/01/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 PROFESSIONAL LIAB \$ 1M / 2M
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY		PHPK2636315	01/01/2025	01/01/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000		PHUB893672	01/01/2025	01/01/2026	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	HCHS20232000036	01/01/2025	01/01/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

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

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

CERTIFICATE HOLDER NH Department of Transportation Bureau of Rail & Tr PO Box 483 Concord NH 03302	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

FEDERAL FISCAL YEAR 2024 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: Southwestern Community Services, Inc.

The Applicant certifies to the applicable provisions of all categories: (check here) X.

Or,

The Applicant certifies to the applicable provisions of the categories it has selected:

Category	Certification
01 Certifications and Assurances Required of Every Applicant	_____
02 Public Transportation Agency Safety Plans	_____
03 Tax Liability and Felony Convictions	_____
04 Lobbying	_____
05 Private Sector Protections	_____
06 Transit Asset Management Plan	_____
07 Rolling Stock Buy America Reviews and Bus Testing	_____
08 Urbanized Area Formula Grants Program	_____
09 Formula Grants for Rural Areas	_____
10 Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program	_____
11 Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs	_____

- 12 Enhanced Mobility of Seniors and Individuals with Disabilities Programs
- 13 State of Good Repair Grants
- 14 Infrastructure Finance Programs
- 15 Alcohol and Controlled Substances Testing
- 16 Rail Safety Training and Oversight
- 17 Demand Responsive Service
- 18 Interest and Financing Costs
- 19 Cybersecurity Certification for Rail Rolling Stock and Operations
- 20 Tribal Transit Programs
- 21 Emergency Relief Program

CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE

AFFIRMATION OF APPLICANT

Name of the Applicant: Southwestern Community Services, Inc.

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in the federal fiscal year, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it.

The Certifications and Assurances the Applicant selects apply to each Award for which it now seeks, or may later seek federal assistance to be awarded by FTA during the federal fiscal year.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute

Certifications and Assurances

Fiscal Year 2024

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature Beth Daniels Date: 03/05/24

Name Beth Daniels, CEO Authorized Representative of Applicant

FFY 2024 MASTER AGREEMENT

ACKNOWLEDGEMENT OF RECEIPT

The Federal Transit Administration (FTA) Federal Fiscal Year 2024 Master Agreement requires recipients and subrecipients to comply with the requirements contained in the agreement in order to receive Federal funds. The language contained in the Master Agreement must be incorporated into the administration of the agreement my agency has with the New Hampshire Department of Transportation (NHDOT).

I acknowledge receipt of the FFY 2024 Federal Transit Administration (FTA) Master Agreement and understand this agreement is referred to in my agency's agreement with NHDOT by reference. The Master Agreement remains in force for the term of the agreement.

Southwestern Community Services, Inc. 06/10/24
Name of Agency Date

Beth Daniels, CEO Beth Daniels
Name of Authorized Official Signature



William Cass, P.E.
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION

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David Rodrigue, P.E.
Assistant Commissioner
Andre Briere, Colonel, USAF (RET)
Deputy Commissioner

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

Bureau of Rail & Transit
September 21, 2023

REQUESTED ACTION

Authorize the New Hampshire Department of Transportation (NHDOT) to pay an amount not to exceed \$1,278,704 to Southwestern Community Services, Inc., Keene, NH (Vendor 177511) to renovate property located at 148 John Stark Highway, Newport, NH 03773, effective upon Governor and Council approval through June 30, 2025. 100% Federal Funds.

Funding for this agreement is available in the Fiscal Year 2024:

04-96-96-964010-2916	<u>FY 2024</u>
Public Transportation	
072-500575 Grants to Non-Profits-Federal	\$1,278,704

EXPLANATION

The NHDOT approved a request for Federal Transit Administration (FTA) Section 5339 Bus & Bus Facility Program funding from Southwestern Community Services, Inc. (SCS). The funding will support SCS in the renovation of the property and building located at 148 John Stark Highway in Newport, NH from an auto repair shop to an ADA-accessible transit facility. This project will allow SCS to house its transit vehicles, maintenance equipment, offices, and staff, as well as enhance and expand public transportation services to Sullivan County. SCS is a private, non-profit organization that provides rural public transportation in the Sullivan County region of New Hampshire. Of note, at the February 16, 2022, Governor & Council meeting, item #47 was approved for SCS to purchase the property located at 148 John Stark Highway. Whereas that approved agreement provided \$220,000 of FTA Section 5339 Bus and Bus Facility Program Funding to purchase the property, this subject agreement will provide FTA funds to renovate the property as noted above.

NHDOT released a public notice on September 27, 2022, announcing the availability of funding from the FTA Section 5339 Bus and Bus Facilities program. NHDOT solicited proposals from public transit agencies and private non-profit organizations engaged in public transportation services. Five (5) transit agencies (Advance Transit, Inc. (AT), Community Action Program of Belknap-Merrimack County (CAPBMCI), Southwestern Community Services (SCS), Tri-County Community Action Program (TCCAP), and Cooperative Alliance for Seacoast Transportation (COAST)) applied by the November 21, 2022, deadline, and all were awarded funds for eligible projects.

A project evaluation committee consisting of three (3) Department staff from the NHDOT Bureau of Rail and Transit reviewed and scored the 5339 applications submitted for projects. The evaluation committee members included the Public Transportation Administrator (Frederick Butler), Transportation Specialist (Michael Pouliot), and Transit Grants Coordinator (Paula Devens). Each reviewer evaluated and scored applications based on the criteria indicated in the application materials. Every application met NHDOT's criteria for inclusion in its public transit funding plan and will be awarded separate amounts for the aforementioned transit systems. The evaluation matrix and scores are provided below for reference:

1	The applicant has the fiscal and technical capacity and adequate budget to operate the service and conduct ongoing maintenance associated with this capital request.	20%
2	The applicant complies with relevant Federal and state regulations and has a history of compliance with regulations and reporting requirements. New applicants must demonstrate sufficient resources for compliance.	20%
3	The applicant successfully demonstrates service efficiency and effectiveness, measured in ridership, service miles and hours, costs, and fare recovery. New applicants must demonstrate the ability to measure performance and achieve goals.	20%
4	The applicant conveys how this addresses a critical public transportation need. Applicants need to adequately illustrate how the project will benefit the agency's transportation program/services, including how it is necessary for continued and/or improved operations. (As replacement vehicles/equipment are prioritized, detailed information is especially important for expansion projects. Vehicle replacements are presumed to address needs.)	25%
5	The applicant demonstrates involvement in and support for the project, financial and otherwise, on the part of citizens and local government, e.g., letters of support, willingness to provide local match above the minimum required, etc. (Vehicle replacements are presumed to have such support.)	15%
Total Scoring		100%

Transit System	Score	Status
Advance Transit		
(30) Bus-mounted bicycle racks - replacements	86.2%	Awarded
Community Action Program Belknap-Merrimack County		
ITS equipment base CAD/AVL + Real-Time System + AVA- Expansion	79.3%	Pending*
Community Action Program Belknap-Merrimack County		
(1) ADA Small Cutaway 16-passenger – replacement bus	84.2%	Awarded
Community Action Program Belknap-Merrimack County		
(1) ADA Small Cutaway 12-passenger – replacement bus	84.2%	Awarded
Cooperative Alliance for Seacoast Transportation		
(1) ADA Low-floor cutaway 14x2-passenger – replacement bus	91.8%	Awarded
Southwestern Community Services		

Transit facility renovation - expansion	73.3%	Awarded
Southwestern Community Services		
Dispatch and technical systems upgrade - expansion	68.2%	Pending*
Southwestern Community Services		
(3) ADA Small Cutaway 12-passenger – replacement buses	83.5%	Awarded
Tri-County Community Action Program		
Telephone system upgrade - replacement	75.5%	Awarded
Tri-County Community Action Program		
Internet system upgrade - replacement	74.7%	Awarded
Tri-County Community Action Program		
(1) ADA Small Cutaway 9x3-passenger – replacement bus	74.7%	Awarded

*These projects are pending approval of final project specifications.

The total project cost is estimated at \$1,598,380, which includes \$1,278,704 (80%) FTA Section 5339 funds and \$319,676 (20%) Agency match. This contract reflects only the federal portion of the project for a maximum contract amount of \$1,278,704. SCS will complete the renovation project following federal procurement guidelines. SCS will pay the contractors/vendor(s) for eligible project costs and will submit invoices to the Department for the federal portion.

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

This agreement has been approved by the Attorney General as to form and execution. The Department has verified that the necessary funds are available. Copies of the fully executed agreement are on file at the Secretary of State's Office and the Department of Administrative Services Office, and subsequent to Governor and Council approval will be on file at the Department.

Your approval of this resolution is respectfully requested.

Sincerely,



William J. Cass, P.E.
Commissioner

Attachments

Subject: SFY 2023 FTA Section 5339

GRANT AGREEMENT

The State of New Hampshire and the Grantee hereby Mutually agree as follows:

GENERAL PROVISIONS

1. Identification and Definitions.

1.1. State Agency Name NH Department of Transportation		1.2. State Agency Address PO Box 483 & Hazen Dr. Concord, NH 03302-0483	
1.3. Grantee Name Southwestern Community Services, Inc.		1.4. Grantee Address 6 Kinney Place Claremont, NH 03743-3748	
1.5. Grantee Phone # 603-542-9609	1.6. Account Number 04-96-96-964010-2916-0 72-500575	1.7. Completion Date June 30, 2025	1.8. Grant Limitation \$ 1,278,704
1.9. Grant Officer for State Agency Frederick Butler, Public Transportation Administrator, Bureau of Rail & Transit		1.10. State Agency Telephone Number 603-271-2565	
If Grantee is a municipality or village district: "By signing this form we certify that we have complied with any public meeting requirement for acceptance of this grant, including if applicable RSA 31:95-b."			
1.11. Grantee Signature 1 <i>Beth Daniels</i>		1.12. Name & Title of Grantee Signor 1 <i>Beth Daniels, CEO</i>	
Grantee Signature 2 N/A		Name & Title of Grantee Signor 2 N/A	
Grantee Signature 3 N/A		Name & Title of Grantee Signor 3 N/A	
1.13. State Agency Signature(s) <i>Michelle L. Winters</i>		1.14. Name & Title of State Agency Signor(s) <i>Michelle L. Winters, Director</i>	
1.15. Approval by Attorney General (Form, Substance and Execution) (if G & C approval required) By: <i>SBT</i> Assistant Attorney General, On: <i>10/2/2023</i>			
1.16. Approval by Governor and Council (if applicable) By: _____ On: _____			

2. SCOPE OF WORK: In exchange for grant funds provided by the State of New Hampshire, acting through the Agency identified in block 1.1 (hereinafter referred to as "the State"), the Grantee identified in block 1.3 (hereinafter referred to as "the Grantee"), shall perform that work identified and more particularly described in the scope of work attached hereto as EXHIBIT B (the scope of work being hereinafter referred to as "the Project").

3. **AREA COVERED.** Except as otherwise specifically provided for herein, the Grantee shall perform the Project in, and with respect to, the State of New Hampshire.
4. **EFFECTIVE DATE; COMPLETION OF PROJECT.**
- 4.1. This Agreement, and all obligations of the parties hereunder, shall become effective on the date on the date of approval of this Agreement by the Governor and Council of the State of New Hampshire if required (block 1.16), or upon signature by the State Agency as shown in block 1.14 ("the Effective Date").
- 4.2. Except as otherwise specifically provided herein, the Project, including all reports required by this Agreement, shall be completed in ITS entirety prior to the date in block 1.7 (hereinafter referred to as "the Completion Date").
5. **GRANT AMOUNT; LIMITATION ON AMOUNT; VOUCHERS; PAYMENT.**
- 5.1. The Grant Amount is identified and more particularly described in EXHIBIT C, attached hereto.
- 5.2. The manner of, and schedule of payment shall be as set forth in EXHIBIT C.
- 5.3. In accordance with the provisions set forth in EXHIBIT C, and in consideration of the satisfactory performance of the Project, as determined by the State, and as limited by subparagraph 5.3 of these general provisions, the State shall pay the Grantee the Grant Amount. The State shall withhold from the amount otherwise payable to the Grantee under this subparagraph 5.3 those sums required, or permitted, to be withheld pursuant to N.H. RSA 80:7 through 7-c.
- 5.4. The payment by the State of the Grant amount shall be the only, and the complete payment to the Grantee for all expenses, of whatever nature, incurred by the Grantee in the performance hereof, and shall be the only, and the complete, compensation to the Grantee for the Project. The State shall have no liabilities to the Grantee other than the Grant Amount.
- 5.5. Notwithstanding anything 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 Grant limitation set forth in block 1.8 of these general provisions.
6. **COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS.** In connection with the performance of the Project, the Grantee shall comply with all statutes, laws regulations, and orders of federal, state, county, or municipal authorities which shall impose any obligations or duty upon the Grantee, including the acquisition of any and all necessary permits and RSA 31-95-b.
7. **RECORDS and ACCOUNTS.**
- 7.1. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency, the Grantee shall keep detailed accounts of all expenses incurred in connection with the Project, including, but not limited to, costs of administration, transportation, insurance, telephone calls, and clerical materials and services. Such accounts shall be supported by receipts, invoices, bills and other similar documents.
- 7.2. Between the Effective Date and the date seven (7) years after the Completion Date, unless otherwise required by the grant terms or the Agency pursuant to subparagraph 7.1, at any time during the Grantee's normal business hours, and as often as the State shall demand, the Grantee shall make available to the State all records pertaining to matters covered by this Agreement. The Grantee shall permit the State to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data (as that term is hereinafter defined), and other information relating to all matters covered by this Agreement. As used in this paragraph, "Grantee" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in block 1.3 of these provisions
8. **PERSONNEL.**
- 8.1. The Grantee shall, at its own expense, provide all personnel necessary to perform the Project. The Grantee warrants that all personnel engaged in the Project shall be qualified to perform such Project, and shall be properly licensed and authorized to perform such Project under all applicable laws.
- 8.2. The Grantee shall not hire, and it shall not permit any subcontractor, subgrantee, or other person, firm or corporation with whom it is engaged in a combined effort to perform the Project, to hire any person who has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.
- 8.3. The Grant Officer shall be the representative of the State hereunder. In the event of any dispute hereunder, the interpretation of this Agreement by the Grant Officer, and his/her decision on any dispute, shall be final.
9. **DATA; RETENTION OF DATA; ACCESS.**
- 9.1. As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations,
- computer programs, computer printouts, notes, letters, memoranda, paper, and documents, all whether finished or unfinished.
- 9.2. Between the Effective Date and the Completion Date the Grantee shall grant to the State, or any person designated by it, unrestricted access to all data for examination, duplication, publication, translation, sale, disposal, or for any purpose whatsoever.
- 9.3. No data shall be subject to copyright in the United States or any other country by anyone other than the State.
- 9.4. On and after the Effective Date 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, whichever shall first occur.
- 9.5. The State, and anyone it shall designate, shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, all data.
10. **CONDITIONAL NATURE OR AGREEMENT.** Notwithstanding anything in this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability or continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available or appropriated funds. In the event of a reduction or termination of those funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Grantee notice of such termination.
11. **EVENT OF DEFAULT; REMEDIES.**
- 11.1. Any one or more of the following acts or omissions of the Grantee shall constitute an event of default hereunder (hereinafter referred to as "Events of Default"):
- 11.1.1 Failure to perform the Project satisfactorily or on schedule; or
- 11.1.2 Failure to submit any report required hereunder; or
- 11.1.3 Failure to maintain, or permit access to, the records required hereunder; or
- 11.1.4 Failure to perform any of the other covenants and conditions of this Agreement.
- 11.2. Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:
- 11.2.1 Give the Grantee a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Grantee notice of termination; and
- 11.2.2 Give the Grantee a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion Grant Amount which would otherwise accrue to the Grantee during the period from the date of such notice until such time as the State determines that the Grantee has cured the Event of Default shall never be paid to the Grantee; and
- 11.2.3 Set off against any other obligation the State may owe to the Grantee any damages the State suffers by reason of any Event of Default; and
- 11.2.4 Treat the agreement as breached and pursue any of its remedies at law or in equity, or both.
12. **TERMINATION.**
- 12.1. In the event of any early termination of this Agreement for any reason other than the completion of the Project, the Grantee shall deliver to the Grant Officer, not later than fifteen (15) days after the date of termination, a report (hereinafter referred to as the "Termination Report") describing in detail all Project Work performed, and the Grant Amount earned, to and including the date of termination. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall entitle the Grantee to receive that portion of the Grant amount earned to and including the date of termination.
- 12.2. In the event of Termination under paragraphs 10 or 12.4 of these general provisions, the approval of such a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder.
- 12.3. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice default has been given to the Grantee hereunder, the Grantee, may terminate this Agreement without cause upon thirty (30) days written notice.
- 12.4. **CONFLICT OF INTEREST.** No officer, member of employee of the Grantee, and no representative, officer or employee of the State of New Hampshire or of the governing body of the locality or localities in which the Project is to be performed, who exercises any functions or responsibilities in the review or

- approval of the undertaking or carrying out of such Project, shall participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is directly or indirectly interested, nor shall he or she have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof.
14. **GRANTEE'S RELATION TO THE STATE.** In the performance of this Agreement the Grantee, its employees, and any subcontractor or subgrantee of the Grantee are in all respects independent contractors, and are neither agents nor employees of the State. Neither the Grantee nor any of its officers, employees, agents, members, subcontractors or subgrantees, shall have authority to bind the State nor are they entitled to any of the benefits, workmen's compensation or emoluments provided by the State to its employees.
15. **ASSIGNMENT AND SUBCONTRACTS.** The Grantee shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Project Work shall be subcontracted or subgranted by the Grantee other than as set forth in Exhibit B without the prior written consent of the State.
16. **INDEMNIFICATION.** The Grantee shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based on, resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Grantee or subcontractor, or subgrantee or other agent of the Grantee. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant shall survive the termination of this agreement.
17. **INSURANCE.**
- 17.1 The Grantee shall, at its own expense, obtain and maintain in force, or shall require any subcontractor, subgrantee or assignee performing Project work to obtain and maintain in force, both for the benefit of the State, the following insurance:
- 17.1.1 Statutory workers' compensation and employees liability insurance for all employees engaged in the performance of the Project, and
- 17.1.2 General liability insurance against all claims of bodily injuries, death or property damage, in amounts not less than \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury or death any one incident, and \$500,000 for property damage in any one incident; and
- 17.2. The policies described in subparagraph 17.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Grantee shall furnish to the State, certificates of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy.
18. **WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event, or any subsequent Event. No express waiver of any Event of Default shall be deemed a waiver of any provisions hereof. No such failure of waiver shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other default on the part of the Grantee.
19. **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 first above given.
20. **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 Council of the State of New Hampshire, if required or by the signing State Agency.
21. **CONSTRUCTION OF AGREEMENT AND TERMS.** This Agreement shall be construed in accordance with the law of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assignees. The captions and contents of the "subject" blank are used only as a matter of convenience, and are not to be considered a part of this Agreement or to be used in determining the intent of the parties hereto.
22. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.
23. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings relating hereto.
24. **SPECIAL PROVISIONS.** The additional or modifying provisions set forth in Exhibit A hereto are incorporated as part of this agreement.

**SOUTHWESTERN COMMUNITY SERVICES, INC.
EXHIBITS TO CONTRACT**

EXHIBIT A Special Provisions

EXHIBIT B Scope of Services

EXHIBIT C Budget

Certificate of Good Standing

Certificate of Corporate Vote

Certificate of Insurance

FTA Certifications and Assurances

FTA Master Agreement

2 CFR Part 200

FTA Federal Clauses

**A&E
Construction**

Social Service Documents to Include:

**501 (c)
Financial Report
Board of Directors
Key Personnel and Salaries
Resumes**

SOUTHWESTERN COMMUNITY SERVICES, INC.
EXHIBIT A
SPECIAL PROVISIONS

- A.1. Amend G-1 Section 2. "SCOPE OF WORK" by adding the following:**
- 2.1. The Grantee may change services only with the prior written agreement of the State and in accordance with applicable Federal Transit Administration (FTA) requirements.
- A.2. Amend G-1 Section 5. "GRANT AMOUNT: LIMITATION ON AMOUNT: VOUCHERS: PAYMENT" by adding the following:**
- 5.6. As applicable based on Federal participation ratios, the amount paid by the State to the Grantee shall not exceed the Federal share of project costs as identified in Exhibit C. Upon request by the State, the Grantee shall provide and document the availability of local funds sufficient to meet the project cost in excess of the Grant Price Limitation.
 - 5.7. The Grantee shall submit a request for payment to the State on a form specified by the State on a monthly or quarterly basis, together with all information to support the request. Such requests for payment shall be properly completed and signed. Requests for payments must be for allowable costs only as defined in 2 CFR Part 200. No requests for advance payment will be accepted by the State.
 - 5.8. Upon receipt of the request for payment, the State shall review the request to determine the allowability of costs. In connection with this review, the State may demand production of (and the Grantee shall produce) and inspect any documents and records described in Section 7.
 - 5.9. Within 30 days of receipt of the request for payment and other documents and records required by the State, the State shall determine the allowability of costs and the amount due and owing to the Grantee and shall pay said amount, subject to other provisions of this Agreement.
 - 5.10. Final Payment. Satisfactory acceptance by the State and FTA of all reports required by this Agreement is a condition precedent to final payment (i.e., payment for the last month or portion thereof of this Agreement). All reports will be prepared to the satisfaction of the State and Federal Transit Administration (FTA). The final payment may be retained and withheld pending receipt and satisfactory acceptance of all reports required by this Agreement and resolution of all pending matters.
- A.3. Amend G-1 Section 6. "COMPLIANCE BY GRANTEE WITH LAWS AND REGULATIONS" by adding the following:**
- 6.1. The Grantee shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of the Federal Title VI non-discrimination requirements.
 - 6.2. The Grantee shall state, in all solicitations or advertisements for employees, that all qualified applicants will receive consideration for employment without regard to race, color, age, creed, sex, or national origin.
 - 6.3. The provisions of 2 CFR 200 shall apply to the local administration of this agreement and any subgrantee under this agreement.
 - 6.4. The Grantee agrees to comply with and ensure compliance by any subgrantees, or consultants,

with all federal and state laws, rules, regulations, and policies as applicable, including but not limited to:

- 6.4.1. **Third-Party Procurement Guidelines.** The Grantee shall comply with the Uniform Administrative Requirements 2 CFR 200 and FTA Circular 4220.1F or as amended.
- 6.4.2. The Grantee will follow FTA Circular 4220.1F, as amended, which requires the procurement of Architect and Engineer Services (A&E) be in accordance with the "qualifications-based procurement methods" of the Brooks Act as defined in 40 U.S.C. Section 1102 and 49 U.S.C. Section 5325 (b), as-amended.
- 6.4.3. The Grantee will ensure that professional services other than architectural and engineering services are obtained through sealed bids, competitive proposals, or (as the Grant value warrants) small purchase or micro-purchase procedures in accordance with FTA procurement requirements.
- 6.4.4. **National Environmental Policy Act.** This includes documentation needed to support the FTA environmental classification of the project as applicable.
- 6.4.5. **Prevailing Wages.** The Grantee shall pay subgrantees prevailing building wages in accordance with the Davis-Bacon Act and shall ensure the requirement is incorporated into any lower-tier agreements.
- 6.4.6. **Certified Payrolls.** The Grantee shall submit certified payrolls on a weekly basis using a form and instructions provided or otherwise specified by NHDOT's Office of Access, Opportunity, and Compliance (OAOC). The current form is WHD-347.
- 6.4.7. **Subcontract Approval.** The Grantee shall seek subcontracting approval from OAOC as detailed in Section 12.4.
- 6.4.8. **Bulletin Board.** The Grantee shall ensure that during the construction phase of the project, a Bulletin Board with the necessary labor posters is posted in a conspicuous location for all working on the project to review.
- 6.4.10. **Prompt Payment.** The Grantee shall submit invoices to the State for the Federal share of the amounts to be paid by the Grantee to subgrantees for the performance of the work set forth herein and certify that the invoices properly represent payment for completed work.
- 6.4.11. The Grantee shall abide by NHDOT Prompt Payment requirements to sub-grantees and/or material suppliers, which requires (all tiers) to pay their subgrantees/material supplier/consultants for the satisfactory work performed no later than twenty-one (21) calendar days from the date the Grantee receives the payment from NHDOT, or the applicable subgrantee receives payment from the Grantee.
- 6.4.12. The Grantee and its applicable subgrantee/contractors shall report their payments using a form and instructions provided or otherwise specified by NHDOT's OAOC and submit it to OAOC no later than the 10th day of each month. The current form is OAOC Form 12.
- 6.5. **General Federal requirements.** The Grantee shall comply with the provisions outlined in the FTA's Annual Certifications and Assurances, Master Agreements, Federal Circulars, Federal Clauses, and all other applicable federal laws.
 - 6.5.1. The Grantee shall require all contracts/subcontracts to include notifications of the Federal

Clauses (and as amended), including certificates for Lobbying and Debarment, outlined in the Federal Clauses attached herein.

6.5.2. The Grantee shall have NHDOT OAOC review facility plans to ensure ADA requirements and accessibility are being addressed and met.

6.6. In the event of any conflict between the requirements within this Exhibit related to Federal requirements and Federal Clauses incorporated elsewhere into this Agreement, the Federal Clauses take precedence.

A.4. Amend G-1 Section 12. "TERMINATION" by adding the following:

12.5. The termination report must be accepted by the State and the Federal Transit Administration (FTA) prior to final payment.

12.6. Completion of Services; Payment of Price. Excepting those obligations of the Grantee which, by the terms of this Agreement, do not expire on the Completion Date, upon the completion of the Services and upon payment of the Grant Price, this Agreement, and all obligations of the parties hereunder, shall cease and shall be without recourse to the parties hereto.

12.7. Termination; Liability. In the event of termination under Section 4 or 10.4 of this Agreement, the acceptance of a Termination Report by the State shall in no event relieve the Grantee from any and all liability for damages sustained or incurred by the State as a result of the Grantee's breach of its obligations hereunder, including a refund of any federal funds required by FTA in C 5010.1E (Pg. IV-17 Real Estate Disposition C 5010.1E) or as amended.

12.8. Termination for Convenience. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice of default has been given to the Grantee hereunder, the Grantee may terminate this Agreement without cause upon thirty (30) days' written notice.

A.5. Amend G-1 Section 9. "DATA; RETENTION OF DATA; ACCESS" by adding the following:

9.6. The following restrictions apply to all subject data first produced in the performance of this agreement:

9.6.1 Except for its own internal use, the Grantee may not publish or reproduce such data in whole or in part, or in any manner or form, nor may the Grantee authorize others to do so, without the written consent of the State, until such time as the FTA may have either released or approved the release of such data to the public.

9.6.2 As authorized by 2 CFR 200, the FTA reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish and otherwise use, and to authorize others to use, for Federal purposes, any work developed under a grant, cooperative agreement, subgrant, or third party grant, irrespective of whether a copyright has been obtained; and any rights of copyright to which a recipient, sub-recipient, or third party contractor purchases ownership with Federal assistance.

9.6.3. It is FTA's intent to increase the body of mass transportation knowledge. Therefore, the Grantee understands and agrees that in addition to the rights set forth in 9.6 (b) above, FTA may make available to any recipient, subgrantee, grantee, or subgrantee its license in the copyright to the date derived under this Agreement or a copy of the data first produced under this Agreement.

9.7. The Grantee shall indemnify, save, and hold harmless the State and United States, their officers,

agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation of the proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under this Agreement.

- 9.8. Nothing contained in this clause shall imply a license to the United States under any patent or be construed as affecting the scope of any license or other right otherwise granted to the United States under any patent.
- 9.9. Sections 9.4, 9.5, and 9.6 above are not applicable to material furnished to the Grantee by the State or United States and incorporated in the work furnished under the agreement; provided that such incorporated material is identified by the Grantee at the time of delivery of such work.
- 9.10. In the event that the project is not completed for any reason, all data developed under the project shall become subject Data as defined in Section 9.1 and shall be delivered as the State or FTA may direct.

A.6. Amend G-1 Section 15. "ASSIGNMENTS/ SUBGRANTEES" by adding the following:

- 15.1. The Grantee shall cause the provisions of this grant to be inserted in all subgrants/subcontracts for any work covered by this Agreement so that the provisions will be binding on each subgrantee; provided, however, that the foregoing provisions shall not apply to subgrantees for standard commercial supplies or raw materials. The Grantee shall take such action with respect to any subcontract as the State may direct as a means of enforcing such provisions, including sanctions for noncompliance. The Grantee shall ensure that any subgrantee has obtained all licenses, permits, or approvals required for the performance of grant services.
- 15.2. The following provisions apply for any agreements entered into by the Grantee:
 - 15.2.1. The Grantee, as a sub-recipient of FTA funding, shall be responsible for contractor/subcontractor compliance with Federal, State, and local requirements. This includes but is not limited to, ensuring that applicable Federal Clauses are incorporated into any agreements.
 - 15.2.2. Written approval by NHDOT's OAOC is required prior to entering into any contractor/subcontractor agreements. Agreements involving construction activities require written approval by OAOC prior to the advertisement and will require that wages be determined and outlined therein.
 - 15.2.3. Any contracts/subcontracts involving \$2,500 or more of construction activities shall include provisions to ensure compliance with prevailing wages per Davis-Bacon requirements.
 - 15.2.4. As applicable, certified payrolls shall be submitted to OAOC on a weekly basis, or as otherwise directed by OAOC, on a form specified by OAOC.
 - 15.2.5. As applicable based on Disadvantaged Business Enterprise (DBE) requirements, certified payrolls shall be submitted to OAOC by the 10th of each month, or as otherwise directed by OAOC.
 - 15.2.6. Buy America provisions apply to any construction agreements in excess of \$150,000.
 - 15.2.7. At the discretion of OAOC, the Grantee, and any contractors/subcontractors participating

in this project, may be required to attend OAOC-sponsored contractor compliance training courses.

A.7. Amend G-1 by adding "DEFINITIONS" as Section 25:

25. DEFINITIONS

ALLOWABLE COSTS: Costs that are incurred in the performance of the Services described in Exhibit B and which satisfy the requirements of 2 CFR 200.

EQUIPMENT: An article of nonexpendable, tangible personal having a useful life of more than one year and an acquisition cost which equals or exceeds the lesser of the capitalization level established by the governmental unit for financial statement purposes, or \$5,000. Includes rolling stock and all other such property used in the provision of public transit services.

FTA: U.S. Department of Transportation, Federal Transit Administration

PROJECT APPLICATION: The narrative, charts, figures, and/or maps submitted to the State detailing the scope of the public transportation program of the Grant as modified and approved by the State.

REAL PROPERTY: Land, including affixed land improvements, structures, and appurtenances. It does not include movable machinery and equipment.

REVENUE: Fares from individuals or other direct income for the public transportation services being provided by the Grantee. Revenues also include funds from Grants, purchase of service agreements, and excess matching funds that directly benefit the transportation service.

SECTION 5339: FTA's Bus and Bus Facilities Formula Program of Moving Ahead for Progress in the 21st Century Act (Map-21) of 2012, as amended.

STATE: The State of New Hampshire, acting through the Department of Transportation, Bureau of Rail and Transit.

USEFUL LIFE: Useful life is determined by years of service or accumulation of miles whichever comes first, by asset type as referenced in the SMP.

A.8. Amend G-1 by adding "ACCOUNTING, BOOKKEEPING, AND REPORTING REQUIREMENTS" as Section 26:

26. ACCOUNTING, BOOKKEEPING, AND REPORTING REQUIREMENTS

26.1. Ledgers. Grantee and/or subcontractor shall establish and maintain ledger sheets for each budget category. Entries shall be made and shall reflect the financial activities of the Grantee. The ledger sheet must be in a form approved by the State. The ledger will indicate the funds remaining in each line item of the Grant Budget at the beginning of each month. Entries shall be made on a running basis and carried over to the following month; that is, figures will be brought forward cumulatively. Grantee shall also prepare and submit to the State a profit and loss statement quarterly if such information is not provided with invoices.

26.2. Accounts Receivable. Grantee and/or subcontractor shall deposit all revenue in an interest-bearing account with a banking institution in this State. Grantee shall prepare and maintain receipt vouchers for all revenue. Immediately upon receipt, Grantee and/or subcontractor shall credit all revenue to the appropriate receipt account. Grantee and/or subcontractor shall establish and

maintain an Accounts Receivable Ledger. The receipt number appearing in the Ledger shall correspond to the receipt voucher number. A receipt voucher must be completed on a form approved by the State and shall identify each component of every deposit. All appropriate supporting documents for each deposit should be attached to the receipt voucher.

- 26.3. **Payables.** Grantee and/or subcontractor shall prepare vouchers to document all expenditures of funds. The voucher shall include the following information and shall be prepared on a form approved by the State: The Division and account numbers from which the funds will be drawn, the date of expenditure, a voucher number running in sequence, and any appropriate comments supporting the expenditure of funds (e.g., invoices and payroll vouchers). All invoices received by the Grantee shall be checked for accuracy and allowability. Each invoice must be approved for payment by the Grant Manager or designee. Immediately upon payment, Grantee and/or subcontractor shall make entries to the appropriate ledger sheets documenting payment. (Each subcontractor shall identify a Contract Manager).
- 26.4. **Voucher and Receipt Register.** Grantee and/or subcontractor shall establish and maintain two registers that will contain a running total of all payable receipt vouchers. The registers will provide a summary of voucher or receipt numbers, amount, and purpose of action. No self-designated abbreviations are to be used.
- 26.5. **Check Register.** Grantee and/or subcontractor shall maintain a check register. This register is also considered a book of original entries and is posted to the ledger immediately.
- 26.6. **Time Sheet, Taxes, and Benefits.** Grantee and/or subcontractor shall require each of its employees to 1) submit weekly time reports designating work performed and time spent on such work, or 2) be included in an indirect cost allocation plan approved by the cognizant Federal agency. The Grantee shall summarize time reports by task and apply the employee's rates of pay to the hours worked. The Grant Manager shall review completed and signed time reports and cause them to be posted to the appropriate category in the general ledger. The Grantee shall maintain records of employee payroll and benefits and shall post this information to the appropriate category in the general ledger. The Grant Manager shall ensure that all payments are on a timely basis.
- 26.7. **Reimbursements.** On a monthly basis, the Grantee shall submit a description of Grant activities, in a format as required by the State. Should the Grantee show a profit for any month, the Grantee shall apply the amount of profit against subsequent reimbursement requests. The Grantee shall agree to provide information in addition to the monthly narrative at such times and in such manner as the State may require, and to prepare any reports which may be requested by the State including but not limited to a final or termination report if operations cease.
- 26.8. **Maintenance of Records.** The Grantee shall keep and maintain the records, documents, and accounts described herein for a period of three years after the FTA grant is closed. The Grantee shall maintain, and make available to the State and FTA, records relating to complaints and comments received from the public. In the event, the State disputes the Grantee's operations or records as submitted for payment or otherwise, the final resolution shall rest with the State.
- 26.9. **Audits and Inspections.** Between the Effective Date and the Completion Date, and for a period of three (3) years after the FTA grant is closed or the date of the resolution of all matters relating to this Agreement, whichever is later, at any time during the Grantee's normal business hours, and as often as the State or FTA may demand, the Grantee shall make available to the State and FTA or their designees all records pertaining to matters covered by this Agreement. The Grantee shall permit the State and FTA to audit, examine, and reproduce such records, and to make audits of all grants, contracts, invoices, materials, payrolls, records of personnel, Data (as defined in G-

1 section 9.1), and other information relating to all matters covered by this Agreement. As used in this paragraph, " Grantee " includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Grantee in 1.3 of G-1.

26.10. **General Transit Feed Specification (GTFS).** The Grantee shall generate and keep updated General Transit Feed Specification (GTFS) data and submit related data for reporting to the National Transit Database (NTD) as required. The Grantee shall submit related data to the Department upon request.

26.11. **Independent Audit.** The Grantee shall submit one audit done by one Certified Public Accountant (CPA) for the entire project, or, as the State may require, for any part of the project upon demand. Monies required for payment of the audit shall be set aside in the Grant Budget for that specific purpose.

26.11.1 In the event the audit reveals that monies are due and owing to the State from the Grantee, for whatever reasons, the Grantee shall pay to the State such sums within thirty (30) days of the audit date.

26.12. **Reporting.** The Grantee shall submit quarterly performance, drug and alcohol, and charter activity reports within 30 days of the end of each quarter and shall submit any forms, information, or reports required by the State to complete the FTA's National Transit Database (NTD) reporting.

A.9. Amend G-1 by adding "PROJECT EQUIPMENT AND REAL PROPERTY" as Section 27:

27. **PROJECT EQUIPMENT AND REAL PROPERTY.** The following terms and conditions apply to all equipment and real property purchased in whole or in part with funds provided through this or other Agreements between the State and the Grantee:

27.1. All procurements shall be made in accordance with 2 CFR 200 and FTA Circular 4220.1F and future amendments, and with Buy America requirements, 49 CFR Parts 661 and 663.

27.2. All other equipment with a cost in excess of five hundred (\$500) per unit shall be purchased by the Grantee subject to the prior approval of the State.

27.3. In the event that this agreement is terminated, all project equipment and property become the property of the State and it is understood and agreed that legal title to such equipment shall be transferred to the State as soon as feasible. Project equipment will be disposed of in accordance with FTA Circular 9040.1G and the State Management Plan unless written approval is received from the State, or most recent, and the State Management Plan and as outlined in A.4 "Termination".

A.10. Amend G-1 by adding "EQUIPMENT CERTIFICATION" as section 28:

28. **EQUIPMENT CERTIFICATION.** The Grantee shall maintain a current inventory listing of all nonexpendable property involved in this Agreement. The Grantee shall submit to the State a certification that the equipment is still being used in accordance with the terms of the Agreement. The inventory listing and equipment certification shall be supplied to the State by each year, generally by June 30th.

A.11. Amend G-1 by adding "REAL PROPERTY/EQUIPMENT MAINTENANCE" as section 29:

29. **REAL PROPERTY/EQUIPMENT MAINTENANCE.** The Grantee shall be responsible for the maintenance and repair of all real property and equipment used in the service described in

Exhibit B. The Grantee shall maintain all such property/equipment at a high level of cleanliness, safety, and mechanical soundness. The Grantee shall certify that a proper maintenance plan that meets or exceeds the original equipment manufacturer's preventive maintenance guidelines is followed. Vehicle maintenance plans must be approved by the Board of Directors. All maintenance, repair, and physical improvement activities on equipment shall be conducted by the Grantee and at a location specified by the Grantee. The Grantee shall notify the State of any changes in this location. The Grantee further agrees to maintain, repair, or make any physical improvement to equipment as requested by the State. The State, FTA, and/or their designees shall have the right to conduct periodic inspections for the purpose of confirming proper maintenance and repair.

A.12. Amend G-1 by adding "PATENT RIGHTS" as section 30:

30. **PATENT RIGHTS.** If any invention, improvement, or discovery of the Grantee is conceived or first actually reduced to practice in the course of or under this grant, which invention, improvement, or discovery may be patentable under the laws of the United States or any foreign country, the Grantee shall immediately notify the State and provide a detailed report. The rights and responsibilities of the Grantee and the State with respect to such invention, improvement, or discovery will be determined in accordance with applicable Federal laws, regulations, policies, and any waiver thereof.

A.13. Amend G-1 by adding "BROKERAGE REPRESENTATION" as section 31:

31. **BROKERAGE REPRESENTATION.** The Grantee warrants that it has not employed or retained any company or person, other than a bona-fide employee working solely for the Grantee, to solicit or secure this Agreement; and that it has not paid or agreed to pay any company or person, other than a bona-fide employee working solely for the Grantee, any fee, commission, percentage, brokerage fee, gifts or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the State shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage, brokerage fee, gift, or contingent fee.

A.14. Amend G-1 by adding "REPAIR RECORDS AND REPORTS" as Section 32:

32. **REPAIR RECORDS AND REPORTS.** The Grantee shall maintain a complete and up-to-date record of all real property and equipment and shall make such records available to the State and FTA upon demand.

A.15. Amend G-1 by adding "GRANT REPRESENTATIONS" as Section 33:

33. **GRANT REPRESENTATIONS.** Grantee warrants that with respect to the Services to be performed, it has obtained all licenses, permits, or approvals which are required by any law, order, or regulation of any authority, state or federal, or which may be necessary for the performance of the Services hereunder. The Grantee warrants that all personnel engaged in the Services shall be qualified to perform such Services and shall be properly licensed and authorized to perform such Services under all applicable laws.

A.16. Amend G-1 by adding "LABOR PROVISIONS" as Section 34:

34. **LABOR PROVISIONS.** The Grantee agrees to adhere to the terms and conditions of the Unified Protective Arrangement, Section 5333(b) of 49 USC 53 or as amended, incorporated herein for the protection of the employees of any employer providing transportation services assisted by this Agreement, and the employees of any other surface transportation providers in the transportation service area identified in Exhibit B.

SOUTHWESTERN COMMUNITY SERVICES, INC.
EXHIBIT B
SCOPE OF SERVICES

B.1. REAL PROPERTY RENOVATION

- 1.1 The Grantee will renovate the real property located at 148 John Stark Highway, Newport, NH 03773 (hereinafter the "Property") in accordance with Federal Transit Administration (FTA) Section 5339 Bus and Bus Facilities program requirements for the purpose of utilizing the Property as a primary base of operations, maintenance, and dispatching related to public transit/human transportation services in the greater Sullivan County region.
- 1.2 DUTIES and RESPONSIBILITIES of the Grantee shall include, but not be limited to:
 - 1.2.1 Completing and submitting to the State for approval a Request for Qualifications (RFQ) that will detail the renovation scope and related tasks to be completed.
 - 1.2.1.1 Upon receiving a Notice to Proceed from the State, issuing the RFQ.
 - 1.2.1.1.1 The Grantee shall issue the RFQ to at least one Disadvantaged Business Enterprise (DBE) as listed in the State's DBE directory.
 - 1.2.2 Managing the procurements, design, construction, and maintenance of the Project. The Grantee may, with prior written State approval, utilize a subgrantee/subcontractor for any aspect related to the Project but shall retain ultimate responsibility.
 - 1.2.3 Developing, maintaining, and adhering to a Project Management Plan (PMP) in accordance with the FTA Construction Management Handbook 2016, as amended, to manage the Project's scope, budget, schedule, quality, and safety throughout all phases of the Project, including procurement, design, and construction.
 - 1.2.3.1 The Grantee shall provide the PMP to the State within thirty (30) days from the approved Grant and shall seek written approval from the State to amend the PMP.
 - 1.2.4 Submitting a monthly PMP report to the State that includes but is not limited to:
 - 1.2.4.1 Progress of the Project with respect to the planned tasks, schedule, and budget.
 - 1.2.4.2 Delays, concerns, and/or risks to the Project and recommendations to address the items.
 - 1.2.4.3 Change Orders for the Project and any associated impact on the schedule or budget.
 - 1.2.4.4 At its discretion, the State may require an action plan to be submitted by the Grantee to address any Project delays. Failure to reasonably address delays may, at the State's discretion, result in payments being withheld until remedied to the State's satisfaction.
 - 1.2.5 Providing the Project manager and other identified personnel as needed and identified in the PMP to effectively manage the Project so that it remains on schedule, within budget, and within scope barring unforeseen issues.
 - 1.2.5.1 The Grantee's Project Manager and Project Administrator, at a minimum, shall complete State training and certifications, including but not limited to: Local Public Agency (LPA) Training and Certification Process, Labor Compliance Certification, and Contractor Compliance Training. The Grantee shall complete this training before proceeding to the

construction phase of the Project unless otherwise approved in writing by the State.

- 1.2.6 Maintaining all source Project documents in accordance with FTA C 5010.1E, Pg. III-21, Section 7, and as amended.
- 1.2.7 Maintaining the real property for the intended purpose for the duration of the useful life of the property or until disposal, if later, in accordance with Federal requirements. The Grantee may submit grant applications in the future to the State for additional funding to assist with related facility maintenance and repairs, and/or additional renovations.
- 1.2.8 Developing and following a facilities maintenance plan that shall describe a system of periodic inspections and preventative maintenance to be performed at certain defined intervals for specific mission-critical and safety items such as, but not limited to:
 - i. Buildings
 - ii. Elevators
 - iii. Parking lots
 - iv. Plumbing and electrical systems
 - v. Overhead doors
 - vi. Vehicle washers
 - vii. Heating and Air-conditioning
- 1.2.9 Developing and following a system for tracking warranty issues and pursuing warranty claims.
- 1.2.10 Annually completing a Facility Condition Assessment on a form and per instructions provided by the State and in accordance with the FTA.
- 1.2.11 Preventing any encroachments upon the property upon completion of the Project herein contemplated.
- 1.2.12 Providing quality control and quality assurance for the Project from development to closeout and maintenance, and being responsible to ensure all parties, including the Grantee, working on the Project follow all the Federal requirements. The Grantee is the primary responsible party for providing oversight and monitoring of the other parties who provided work on this Project. The Grantee shall review all documents for Federal compliance before submitting them to the State.
- 1.2.13 Adhering to the Special Provisions set forth in Exhibit A.
- 1.3 The DUTIES and RESPONSIBILITIES of the State shall be:
 - 1.3.1 Reviewing the Project's development and any pertinent Grant documents for applicability of the FTA and State requirements for a federally funded Project.
- 1.4 It is further understood and agreed between the State and the Grantee:
 - 1.4.1 That the Grantee agrees to commence the Project within three (3) months after the date of the Notice to Proceed and complete the Project no later than the Completion Date per Section 1.7 of the Grant Agreement (G-1). Failure to meet either deadline without good cause may cancel the State's participation in this Project, at the discretion of the State. Any remaining funds will be forfeited. The Grantee is responsible for informing the State if any condition arises that may result in either deadline being violated.
 - 1.4.2 As applicable, the Grantee shall submit a Cost Allocation plan to the State for approval covering all uses of the facility not covered by a program administered by the FTA. The

plan shall assess fair market values for space used for other than FTA program purposes per FTA incidental use requirements. The Grantee agrees to review, update, and resubmit the plan every three years for approval by the State.

- 1.4.3 The Grantee may submit a written request to the State to modify the type and/or quantity of capital purchases and/or the renovations detailed in the scope and budget, provided that said changes are within the Grant budget amount. Said written request must contain sufficient details to support and substantiate the requested change(s). Within 30 days of receipt of the Grantee's written request, the State will provide a written decision to the Grantee as to whether approval is granted.
- 1.4.4 The State will provide oversight in the form of onsite and desk compliance reviews to ensure federal/state compliance, including but not limited to Property maintenance, and overall asset management for the duration of the Project and the lifetime of the Grantee's ownership of the Property.

**SOUTHWESTERN COMMUNITY SERVICES INC.
EXHIBIT C
BUDGET**

C.1 The Grant price, as defined in Section 1.8 of the General Provisions, are FTA Section 5339 program portions of the eligible project costs. Federal funds are granted as follows:

FTA Section 5339	Estimated Total Project Costs	Federal (FTA 5339)	State Match	Local Agency
New transit facility renovation	\$1,598,380	\$1,278,704	\$0	\$319,676
Total Funding	\$1,598,380	\$1,278,704	\$0	\$319,676
Total Grant Funds		\$1,278,704		

- I.1 Funds are contingent upon Federal appropriations.
- I.2 The Grant will provide funding through the State, from the FTA Section 5339 Bus and Bus Facilities Program, for the Federal portion (generally 80% but may vary based on the Federal share of project costs) of the cost related to the project as detailed in the table above, not to exceed \$1,278,704 Federal funding. The Grantee will pay the non-federal match, estimated at 20% or \$319,676, for a total estimated project cost of \$1,598,380.
- C.2 Pre-approval of any procurement is required by the State as detailed in Exhibit B.
- C.3 As applicable, the Grantee may seek reimbursement for these funds by submitting individual invoices for completed milestones and/or deliverables relating to the Scope of Services as outlined in Exhibit B. Requests shall be monthly or less frequent.
- C.4 The invoice(s) must include verification of source(s) of matching funds.

State of New Hampshire

Department of State

CERTIFICATE

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

Business ID: 65514

Certificate Number: 0006194063



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 3rd day of April A.D. 2023.

A handwritten signature in black ink, appearing to read "D. Scanlan", written over a horizontal line.

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

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

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

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

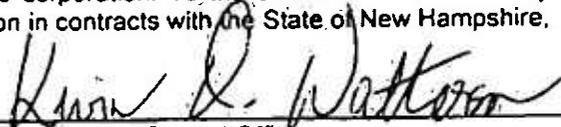
VOTED: That Beth Daniels, CEO (may list more than one person)
(Name and Title of Contract Signatory)

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

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

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

Dated: 8/21/2023


Signature of Elected Officer
Name: Kevin Watterson
Title: Chairperson



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/27/2023

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

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

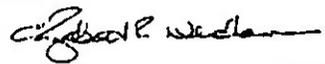
PRODUCER The Hillb Group New England, LLC PO Box 606 Keene NH 03431		CONTACT NAME: Ana O'Donnell, CPIW, CIC PHONE (A/C, No, Ext): _____ FAX (A/C, No): _____ E-MAIL ADDRESS: aodonnell@hillbgroup.com	
INSURED Southwestern Community Services Inc. 63 Community Way PO Box 603 Keene NH 03431		INSURER(S) AFFORDING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

COVERAGES CERTIFICATE NUMBER: 23/24 REVISION NUMBER:

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

NSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:		PHPK2571852	06/30/2023	01/01/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 PROFESSIONAL \$ 1M / 2M
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY <input type="checkbox"/> AUTOS ONLY		PHPK2571655	06/30/2023	01/01/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$ 10,000		PHUB870401	06/30/2023	01/01/2024	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	HCHS20232000036	04/01/2023	01/01/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
3a state: NH. All officers included. This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies referenced herein.

CERTIFICATE HOLDER NH Department of Transportation Bureau of Rail & Tr PO Box 483 Concord NH 03302	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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FEDERAL FISCAL YEAR 2023 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: Southwestern Community Services, Inc.

The Applicant certifies to the applicable provisions of all categories: (check here) X

Or,

The Applicant certifies to the applicable provisions of the categories it has selected:

Table with 2 columns: Category and Certification. Categories include: 01 Certifications and Assurances Required of Every Applicant, 02 Public Transportation Agency Safety Plans, 03 Tax Liability and Felony Convictions, 04 Lobbying, 05 Private Sector Protections, 06 Transit Asset Management Plan, 07 Rolling Stock Buy America Reviews and Bus Testing, 08 Urbanized Area Formula Grants Program, 09 Formula Grants for Rural Areas, 10 Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program, 11 Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs.

- 12 Enhanced Mobility of Seniors and Individuals with Disabilities Programs
- 13 State of Good Repair Grants
- 14 Infrastructure Finance Programs
- 15 Alcohol and Controlled Substances Testing
- 16 Rail Safety Training and Oversight
- 17 Demand Responsive Service
- 18 Interest and Financing Costs
- 19 Cybersecurity Certification for Rail Rolling Stock and Operations
- 20 Tribal Transit Programs
- 21 Emergency Relief Program

CERTIFICATIONS AND ASSURANCES SIGNATURE PAGE

AFFIRMATION OF APPLICANT

Name of the Applicant: Southwestern Community Services, Inc.

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances, and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in the federal fiscal year, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it.

The Certifications and Assurances the Applicant selects apply to each Award for which it now seeks, or may later seek federal assistance to be awarded by FTA during the federal fiscal year.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute.

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances and any other statements made by me on behalf of the Applicant are true and accurate.

Signature Beth Daniels Date 02/03/23

Name Beth Daniels, CEO Authorized Representative of Applicant

FFY 2022 MASTER AGREEMENT

ACKNOWLEDGEMENT OF RECEIPT

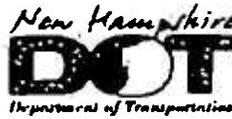
The Federal Transit Administration (FTA) Federal Fiscal Year 2022 Master Agreement requires recipients and subrecipients to comply with the requirements contained in the agreement in order to receive Federal funds. The language contained in the Master Agreement must be incorporated into the administration of the agreement my agency has with the New Hampshire Department of Transportation (NHDOT).

I acknowledge receipt of the FFY 2022 Federal Transit Administration (FTA) Master Agreement and understand this agreement is referred to in my agency's agreement with NHDOT by reference. The Master Agreement remains in force for the term of the agreement.

Southwestern Community Services, Inc. 06/21/22
Name of Agency Date

Beth Daniels, CEO
Name of Authorized Official

Beth Daniels
Signature



FTA and 2 CFR 200 Agreement

Name of Awarding Agency: Federal Transit Administration (FTA)

Name of Recipient Agency: New Hampshire Department of Transportation (NHDOT)

Name of Subrecipient/Contracting Agency: Southwestern Community Services

Southwestern Community Services, shall comply with all applicable federal laws, regulations, and requirements as outlined in the most recent Federal Transit Administration (FTA) Master Agreement and Federal Certifications and Assurances. This award includes information required by 2 CFR Part 200 as follows:

FTA award project description: *(As required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA))*

Amount: \$1,278,704.00

Catalog of Federal Domestic Assistance (CFDA) number: 20.526

FTA Award Name: FTA SECTION 5339 BUS & BUS FACILITIES PROGRAM

Federal Award Identification Number (FAIN): NH-2022-014-1

Federal Award Date: TBD

Contact information for sub-awarding official:

Name: Michelle L. Winters Title: Director of Aeronautics, Rail & Transit

Email: Michelle.L.Winters@dot.nh.gov Phone: 603-271-1484

Is this award for research and development? No

NHDOT's cost rate for the federal award: N/A

Subrecipient/Contractor Information:

Subrecipient/Contractor Name: *Southwestern Community Services*

Subrecipient/Contractor SAM.GOV I.D.: HMUUXK8MBJC3

Name of authorizing subrecipient/contracting official: Beth Daniels

Title of authorizing subrecipient/contracting official: CEO

Federal Clauses: N/A

Master Agreement/Certifications and Assurances: Yes

Subrecipient/Contractor Federal indirect cost rate: 12%

(An approved federally recognized indirect cost rate negotiated between the subrecipient/contractor and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with this part), or a De Minimis indirect cost rate as defined in §200.414 Indirect. (F&A) costs, paragraph (f)).

Subaward Period of performance:

Start Date: TBD End Date: 6/30/23



Total amount of FTA sub-award obligated by this action (contract/amendment):

For FFY: 2023 Section: 5339 Amount: \$1,278,704.00

Total amount of FTA sub-award committed to the subrecipient (original contract & amendments):

For FFY: 2023 Section: 5339 Amount: \$1,278,704.00

Pass-through requirements:

The Subrecipient/Contractor, Southwestern Community Services agrees to meet all requirement imposed by the pass-through entity (NHDOT) on the subrecipient so that the Federal award is used in accordance with Federal statues, regulations and the terms and conditions of the Federal award.

The Subrecipient/Contractor, Southwestern Community Services agrees to any additional requirements that the pass-through entity (NHDOT) imposes on the subrecipient in order for the pass-through entity (NHDOT) in order for the pass-through entity (NHDOT) to meet its own responsibility to the Federal awarding agency (FTA) including identification of any required financial and performance reports.

The Subrecipient/Contractor, Southwestern Community Services agrees to permit the pass-through entity (NHDOT) and auditors to have access to the subrecipients records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and appropriate terms and conditions concerning closeout of the subaward.

Date: 08/21/23

Name of authorizing subrecipient/contracting official: Beth Daniels

Title of authorizing subrecipient/contracting official: CEO

Signature of authorizing subrecipient/contracting official: Beth Daniels

Southwestern Community Services

Architectural & Engineering

\$ 200,000

Request for Qualification (RFQ)

Paula Bennett
System.Web.UI.WebControls.TextBox

New Hampshire DOT
7 Hazen Drive
Concord, New Hampshire 03302-0483
(603) 271-3734

<https://www.nh.gov/dot/>

The following clauses are for inclusion into procurement documents, but can also be inserted into contractual agreements. However, additional clauses and certification may be required for contractual agreements.

Federal Clauses

ACCESS TO RECORDS AND REPORTS

- a. **Record Retention.** The Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, leases, subcontracts, arrangements, other third party contracts of any type, and supporting materials related to those records.
- b. **Retention Period.** The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
- c. **Access to Records.** The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required.
- d. **Access to the Sites of Performance.** The Contractor agrees to permit FTA and its contractors access to the sites of performance under this contract as reasonably may be required.

AMERICANS WITH DISABILITIES ACT(ADA)

The contractor agrees to comply with the requirements of 49 U.S.C. § 5301 (d), which states the Federal policy that the elderly and persons with disabilities have the same right as other persons to use mass transportation service and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement that policy. The contractor also agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers Act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

BYRD ANTI-LOBBYING AMENDMENT

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Agency."

CIVIL RIGHTS LAWS AND REGULATIONS

The following Federal Civil Rights laws and regulations apply to all contracts.

1 Federal Equal Employment Opportunity (EEO) Requirements. These include, but are not limited to:

- a) **Nondiscrimination in Federal Public Transportation Programs.** 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age, and prohibits discrimination in employment or business opportunity.
- b) **Prohibition against Employment Discrimination.** Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, "Equal Employment Opportunity," September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.

2 Nondiscrimination on the Basis of Sex. Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25 prohibit discrimination on the basis of sex.

3 Nondiscrimination on the Basis of Age. The "Age Discrimination Act of 1975," as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.

4 Federal Protections for Individuals with Disabilities. The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

Civil Rights and Equal Opportunity

The Agency is an Equal Opportunity Employer. As such, the Agency agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Agency agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under the Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. Nondiscrimination. In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with

applicable Federal implementing regulations and other implementing requirements FTA may issue.

2. Race, Color, Religion, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

3. Age. In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

4. Disabilities. In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

5. Promoting Free Speech and Religious Liberty. The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

Clean Air Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.

(2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

Federal Water Pollution Control Act

(1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.

(2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.

(3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

CONFORMANCE WITH ITS NATIONAL ARCHITECTURE

Intelligent Transportation Systems (ITS) projects shall conform to the National ITS Architecture and standards. Conformance with the National ITS Architecture is interpreted to mean the use of the National ITS Architecture to develop a regional ITS architecture in support of integration and the subsequent adherence of all ITS projects to that regional ITS architecture. Development of the regional ITS architecture should be consistent with the transportation planning process for Statewide and Metropolitan Transportation Planning (49 CFR Part 613 and 621).

DEBARMENT AND SUSPENSION

a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs for a contract in the amount of at least \$25,000

(1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) The accompanying certification is a material representation of fact relied upon by the subrecipient. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Agency and subrecipient, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Agency deems appropriate, which may include, but is not limited to:

(1) Withholding monthly progress payments; (2) Assessing sanctions; (3) Liquidated damages; and/or (4) Disqualifying the contractor from future bidding as non-responsible. 49 C.F.R. § 26.13(b).

Prime contractors are required to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the Agency makes to the prime contractor. 49 C.F.R. § 26.29(a).

Finally, for contracts with defined DBE contract goals, each FTA Recipient must include in each prime contract a provision stating that the contractor shall utilize the specific DBEs listed unless the contractor obtains the Agency's written consent; and that, unless the Agency's consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

It is the policy of the Agency and the United States Department of Transportation ("DOT") that Disadvantaged Business Enterprises ("DBE's"), as defined herein and in the Federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts.

ENERGY CONSERVATION

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

FEDERAL CHANGES

49 CFR Part 18 Federal Changes - Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

FLY AMERICA

a) Definitions. As used in this clause—

1) "International air transportation" means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States. 2) "United States" means the 50 States, the District of Columbia, and outlying areas. 3) "U.S.-flag air carrier" means an air carrier holding a certificate under 49 U.S.C. Chapter 411.

b) When Federal funds are used to fund travel, Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires contractors, Agencies, and others use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established for the account of the United States, for international air transportation secured aboard a foreign-flag air carrier if a U.S.-flag air carrier is available to provide such services.

c) If available, the Contractor, in performing work under this contract, shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.

d) In the event that the Contractor selects a carrier other than a U.S.-flag air carrier for international air transportation, the Contractor shall include a statement on vouchers involving such transportation essentially as follows:

Statement of Unavailability of U.S.-Flag Air Carriers

International air transportation of persons (and their personal effects) or property by U.S.-flag air carrier was not available or it was necessary to use foreign-flag air carrier service for the following reasons. See FAR § 47.403. (State reasons):

e) Contractor shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase under this contract that may involve international air transportation.

INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

Incorporation of Federal Transit Administration (FTA) Terms - The provisions within include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in the current FTA Circular are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Agency, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject in its provisions.

NOTIFICATION TO FTA

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third Party Agreements and must require each Third Party Participant to include an equivalent provision in its sub agreements at every tier, for any agreement that is a "covered transaction" according to 2 C.F.R. §§ 180.220 and 1200.220.

(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.

(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government's interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government's administration or enforcement of federal laws, regulations, and requirements.

(3) The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient.

PATENT RIGHTS AND RIGHTS IN DATA

Intellectual Property Rights

This Project is funded through a Federal award with FTA for experimental, developmental, or research work purposes. As such, certain Patent Rights and Data Rights apply to all subject data first produced in the performance of this Contract. The Contractor shall grant the Agency intellectual property access and licenses deemed necessary for the work performed under this Contract and in accordance with the requirements of 37 C.F.R. 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 FTA or U.S. DOT. The terms of an intellectual property agreement and software license rights will be finalized prior to execution of this Contract and shall, at a minimum, include the following restrictions:

Except for its own internal use, the Contractor may not publish or reproduce subject data in whole or in part, or in any manner or form, nor may the Contractor authorize others to do so, without the written consent of FTA, until such time as FTA may have either released or approved the release of such data to the public. This restriction on publication, however, does not apply to any contract with an academic institution. For purposes of this Contract, the term "subject data" means recorded information whether or not copyrighted, and that is delivered or specified to be delivered as required by the Contract. Examples of "subject data" include, but are not limited to computer software, standards, specifications, engineering drawings and associated lists, process sheets, manuals, technical reports, catalog item identifications, and related information, but do not include financial reports, cost analyses, or other similar information used for performance or administration of the Contract.

1. The Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for "Federal Government Purposes," any subject data or copyright described below. For "Federal Government Purposes," means use only for the direct purposes of the Federal Government. Without the copyright owner's consent, the Federal Government may not extend its Federal license to any other party.

a. Any subject data developed under the Contract, whether or not a copyright has been obtained; and

b. Any rights of copyright purchased by the Contractor using Federal assistance in whole or in part by the FTA.

2. Unless FTA determines otherwise, the Contractor performing experimental, developmental, or research work required as part of this Contract agrees to permit FTA to make available to the public, either FTA's license in the copyright to any subject data developed in the course of the Contract, or a copy of the subject data first produced under the Contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of this Contract, is not completed for any reason whatsoever, all data developed under the Contract shall become subject data as defined herein and shall be delivered as the Federal Government may direct.

3. Unless prohibited by state law, upon request by the Federal Government, the Contractor agrees to indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Contractor of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under that contract. The Contractor shall be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agents of the Federal Government.

4. Nothing contained in this clause on rights in data shall imply a license to the Federal Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

5. Data developed by the Contractor and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the underlying Contract is exempt from the requirements herein, provided that the Contractor identifies those data in writing at the time of delivery of the Contract work.

6. The Contractor agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS

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."

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

- a. Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:
1. Procure or obtain;
 2. Extend or renew a contract to procure or obtain; or
 3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - ii. Telecommunications or video surveillance services provided by such entities or using such equipment.
 - iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.
- b. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered communications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.
- c. See Public Law 115-232, section 889 for additional information.
- d. See also § 200.471.

PROMPT PAYMENT

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work. In addition, the contractor is required to return any retainage payments to those subcontractors within 30 days after the subcontractor's work related to this contract is satisfactorily completed.

The contractor must promptly notify the Agency, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the Agency.

SAFE OPERATION OF MOTOR VEHICLES

Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms "company-owned" and "company-leased" refer to vehicles owned or leased either by the Contractor or Agency.

Distracted Driving

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

SEISMIC SAFETY

The contractor agrees that any new building or addition to an existing building will be designed and constructed in accordance with the standards for Seismic Safety required in Department of Transportation (DOT) Seismic Safety Regulations 49 C.F.R. part 41 and will certify to compliance to the extent required by the regulation. The contractor also agrees to ensure that all work performed under this contract, including work performed by a subcontractor, is in compliance with the standards required by the Seismic Safety regulations and the certification of compliance issued on the project.

SPECIAL NOTIFICATION REQUIREMENTS FOR STATES

Applies to States –

To the extent required under federal law, the State, as the Recipient, agrees to provide the following information about federal assistance awarded for its Program, Project, or related activities:

- (1) The Identification of FTA as the federal agency providing the federal assistance for a State Program or Project;
- (2) The Catalog of Federal Domestic Assistance Number of the program from which the federal assistance for a State Program or Project is authorized; and
- (3) The amount of federal assistance FTA has provided for a State Program or Project.

b. Documents - The State agrees to provide the information required under this provision in the following documents: (1) applications for federal assistance, (2) requests for proposals or solicitations, (3) forms, (4) notifications, (5) press releases, and (6) other publications.

TERMINATION

Termination for Convenience (General Provision)

The Agency may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Agency's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to Agency to be paid the Contractor. If the Contractor has any property in its possession belonging to Agency, the Contractor will account for the same, and dispose of it in the manner Agency directs.

Termination for Default (Breach or Cause) (General Provision)

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Agency may terminate this contract for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the Agency that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the Agency, after setting up a new delivery of performance schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

Opportunity to Cure (General Provision)

The Agency, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions

If Contractor fails to remedy to Agency's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within [10 days] after receipt by Contractor of written notice from Agency setting forth the nature of said breach or default, Agency shall have the right to terminate the contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Agency from also pursuing all available remedies against Contractor and its sureties for said breach or default.

Waiver of Remedies for any Breach

In the event that Agency elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this contract, such waiver by Agency shall not limit Agency's remedies for any succeeding breach of that or of any other covenant, term, or condition of this contract.

Termination for Convenience (Professional or Transit Service Contracts)

The Agency, by written notice, may terminate this contract, in whole or in part, when it is in the Agency's interest. If this contract is terminated, the Agency shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

Termination for Default (Supplies and Service)

If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Transportation Services)

If the Contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of default. The Contractor will only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

If this contract is terminated while the Contractor has possession of Agency goods, the Contractor shall, upon direction of the Agency, protect and preserve the goods until surrendered to the Agency or its agent. The Contractor and Agency shall agree on payment for the preservation and protection of goods. Failure to agree on an amount will be resolved under the Dispute clause.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Construction)

If the Contractor refuses or fails to prosecute the work or any separable part, with the diligence that will ensure its completion within the time specified in this contract or any extension or fails to complete the work within this time, or if the Contractor fails to comply with any other provision of this contract, Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. In this event, the Agency may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the Agency resulting from the Contractor's refusal or failure to complete the work within specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the Agency in completing the work.

The Contractor's right to proceed shall not be terminated nor shall the Contractor be charged with damages under this clause if: 1. The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include: acts of God, acts of Agency, acts of another contractor in the performance of a contract with Agency, epidemics, quarantine restrictions, strikes, freight embargoes; and 2. The Contractor, within [10] days from the beginning of any delay, notifies Agency in writing of the causes of delay. If, in the judgment of Agency, the delay is excusable, the time for completing the work shall be extended. The judgment of Agency shall be final and conclusive for the parties, but subject to appeal under the Disputes clause(s) of this contract. 3. If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Architect and Engineering)

The Agency may terminate this contract in whole or in part, for the Agency's convenience or because of the failure of the Contractor to fulfill the contract obligations. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2)

deliver to the Agency's Contracting Officer all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. Agency has a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, all such data, drawings, specifications, reports, estimates, summaries, and other information and materials.

If the termination is for the convenience of the Agency, the Agency's Contracting Officer shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If the termination is for failure of the Contractor to fulfill the contract obligations, the Agency may complete the work by contract or otherwise and the Contractor shall be liable for any additional cost incurred by the Agency. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Cost-Type Contracts)

The Agency may terminate this contract, or any portion of it, by serving a Notice of Termination on the Contractor. The notice shall state whether the termination is for convenience of Agency or for the default of the Contractor. If the termination is for default, the notice shall state the manner in which the Contractor has failed to perform the requirements of the contract. The Contractor shall account for any property in its possession paid for from funds received from the Agency, or property supplied to the Contractor by the Agency. If the termination is for default, the Agency may fix the fee, if the contract provides for a fee, to be paid the Contractor in proportion to the value, if any, of work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the Agency and the parties shall negotiate the termination settlement to be paid the Contractor.

If the termination is for the convenience of Agency, the Contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of a fee, in proportion to the work performed up to the time of termination.

If, after serving a Notice of Termination for Default, the Agency determines that the Contractor has an excusable reason for not performing, the Agency, after setting up a new work schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

**GOVERNMENT-WIDE DEBARMENT AND SUSPENSION
(NONPROCUREMENT)**

Instructions for Certification: By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below.

(1) It will comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR part 180.

(2) To the best of its knowledge and belief, that its Principals and Subrecipients at the first tier:

a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:

1. Debarred,
2. Suspended,
3. Proposed for debarment,
4. Declared ineligible,
5. Voluntarily excluded, or
6. Disqualified.

b. Its management has not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:

1. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
2. Violation of any Federal or State antitrust statute, or,
3. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,

c. It is not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding subsection 2.b of this Certification,

d. It has not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this Certification,

e. If, at a later time, it receives any information that contradicts the statements of subsections 2.a – 2.d above, it will promptly provide that information to FTA,

f. It will treat each lower tier contract or lower tier subcontract under its Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:

1. Equals or exceeds \$25,000.,
2. Is for audit services, or,
3. Requires the consent of a Federal official, and

g. It will require that each covered lower tier contractor and subcontractor:

1. Comply and facilitate compliance with the Federal requirements of 2 CFR parts 180 and 1200, and
2. Assure that each lower tier participant in its Project is not presently declared by any Federal department or agency to be:

- a. Debarred from participation in its federally funded Project,
- b. Suspended from participation in its federally funded Project,
- c. Proposed for debarment from participation in its federally funded Project,
- d. Declared ineligible to participate in its federally funded Project,
- e. Voluntarily excluded from participation in its federally funded Project, or
- f. Disqualified from participation in its federally funded Project, and

3. It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

(3) It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

Certification

Contractor: _____

Signature of Authorized Official: _____ Date: ____/____/____

Name and Title of Contractor's Authorized Official: _____

Federal Certifications

CERTIFICATION AND RESTRICTIONS ON LOBBYING

_____ hereby certify
(Name and title of official)

On behalf of _____ that:
(Name of Bidder/Company Name)

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). 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.

The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder/Company Name: _____

Type or print name: _____

Signature of authorized representative: _____ Date ____/____/____

Southwester Community Services Renovation

Construction

\$ 1,100,000.00

Request for Proposal (RFP)

Paula Bennett
System.Web.UI.WebControls.TextBox

New Hampshire DOT
7 Hazen Drive
Concord, New Hampshire 03302-0483
(603) 271-3734

<https://www.nh.gov/dot/>

The following clauses are for inclusion into procurement documents, but can also be inserted into contractual agreements. However, additional clauses and certification may be required for contractual agreements.

Federal Clauses

ACCESS TO RECORDS AND REPORTS

- a. **Record Retention.** The Contractor will retain, and will require its subcontractors of all tiers to retain, complete and readily accessible records related in whole or in part to the contract, including, but not limited to, data, documents, reports, statistics, leases, subcontracts, arrangements, other third party Contracts of any type, and supporting materials related to those records.
- b. **Retention Period.** The Contractor agrees to comply with the record retention requirements in accordance with 2 C.F.R. § 200.333. The Contractor shall maintain all books, records, accounts and reports required under this Contract for a period of at not less than three (3) years after the date of termination or expiration of this Contract, except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case records shall be maintained until the disposition of all such litigation, appeals, claims or exceptions related thereto.
- c. **Access to Records.** The Contractor agrees to provide sufficient access to FTA and its contractors to inspect and audit records and information related to performance of this contract as reasonably may be required.
- d. **Access to the Sites of Performance.** The Contractor agrees to permit FTA and its contractors access to the sites of performance under this contract as reasonably may be required.

AMERICANS WITH DISABILITIES ACT(ADA)

The contractor agrees to comply with the requirements of 49 U.S.C. § 5301 (d), which states the Federal policy that the elderly and persons with disabilities have the same right as other persons to use mass transportation service and facilities, and that special efforts shall be made in planning and designing those services and facilities to implement that policy. The contractor also agrees to comply with all applicable requirements of section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, which prohibits discrimination on the basis of handicaps, with the Americans with Disabilities Act of 1990 (ADA), as amended, 42 U.S.C. §§ 12101 et seq., which requires that accessible facilities and services be made available to persons with disabilities, including any subsequent amendments to that Act, and with the Architectural Barriers act of 1968, as amended, 42 U.S.C. §§ 4151 et seq., which requires that buildings and public accommodations be accessible to persons with disabilities, including any subsequent amendments to that Act. In addition, the contractor agrees to comply with any and all applicable requirements issued by the FTA, DOT, DOJ, U.S. GSA, U.S. EEOC, U.S. FCC, any subsequent amendments thereto and any other nondiscrimination statute(s) that may apply to the Project.

BYRD ANTI-LOBBYING AMENDMENT

Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the Agency.

BOND REQUIREMENTS

Bid Guarantee. Bidders shall furnish a bid guaranty in the form of a bid bond, or certified treasurer's or cashier's check issued by a responsible bank or trust company, made payable to the Agency. The amount of such guaranty shall be equal to the value or a percentage of the total bid price.

In submitting this bid, it is understood and agreed by bidder that the Agency reserves the right to reject any and all bids, or part of any bid, and it is agreed that the Bid may not be withdrawn for a period of [90] days subsequent to the opening of bids, without the written consent of Agency.

It is also understood and agreed that if the undersigned bidder should withdraw any part or all of their bid within [90] days after the bid opening without the written consent of the Agency, or refuse or be unable to enter into this Contract as provided above, or refuse or be unable to furnish adequate and acceptable Performance and Payment Bonds, or refuse or be unable to furnish adequate and acceptable insurance, as provided above, it shall forfeit its bid guaranty to the extent Agency's damages occasioned by such withdrawal, or refusal, or inability to enter into a Contract, or provide adequate security thereof.

It is further understood and agreed that to the extent the defaulting bidder's bid guaranty shall prove inadequate to fully recompense Agency for the damages occasioned by default, then the undersigned bidder agrees to indemnify Agency and pay over to Agency the difference between the bid guarantee and Agency's total damages so as to make Agency whole.

The undersigned understands that any material alteration of any of the above or any of the material contained herein, other than that requested will render the bid unresponsive.

Performance Guarantee. A Performance Guarantee in the amount of 100% of the Contract value is required by the Agency to ensure faithful performance of the Contract. Either a Performance Bond or an Irrevocable Stand-By Letter of Credit shall be provided by the Contractor and shall remain in full force for the term of the Contract. The successful Bidder shall certify that it will provide the requisite Performance Guarantee to the Agency within ten (10) business days from Contract execution. The Agency requires all Performance Bonds to be provided by a fully qualified surety company acceptable to the Agency and listed as a company currently authorized under 31 C.F.R. part 22 as possessing a Certificate of Authority as described hereunder. Agency may require additional performance bond protection when the contract price is increased. The increase in protection shall generally equal 100 percent of the increase in contract price. The Agency may secure additional protection by directing the Contractor to increase the amount of the existing bond or to obtain an additional bond.

If the Bidder chooses to provide a Letter of Credit as its Performance Guarantee, the Bidder shall furnish with its bid, certification that an Irrevocable Stand-By Letter of Credit will be furnished should the Bidder become the successful Contractor. The Bidder shall also provide a statement from the banking institution certifying that an Irrevocable Stand-By Letter of Credit for the action will be provided if the Contract is awarded to the Bidder. The Irrevocable Stand-By Letter of Credit will only be accepted by the Agency if:

1. A bank in good standing issues it. The Agency will not accept a Letter of Credit from an entity other than a bank.
2. It is in writing and signed by the issuing bank.
3. It conspicuously states that it is an irrevocable, non-transferable, "standby" Letter of Credit.
4. The Agency is identified as the Beneficiary.
5. It is in an amount equal to 100% of the Contract value. This amount must be in U.S. dollars.

3. The effective date of the Letter of Credit is the same as the effective date of the Contract
7. The expiration date of the Letter of Credit coincides with the term of the contract.
3. It indicates that it is being issued in order to support the obligation of the Contractor to perform under the Contract. It must specifically reference the Contract between the Agency and the Contractor the work stipulated herein.

The issuing bank's obligation to pay will arise upon the presentation of the original Letter of Credit and a certificate and draft to the issuing bank's representative at a location and time to be determined by the parties. This documentation will indicate that the Contractor is in default under the Contract.

Payment Bonds. A Labor and Materials Payment Bond equal to the full value of the contract must be furnished by the contractor to Agency as security for payment by the Contractor and subcontractors for labor, materials, and rental of equipment. The bond may be issued by a fully qualified surety company acceptable to (Agency) and listed as a company currently authorized under 31 C.F.R. part 223 as possessing a Certificate of Authority as described thereunder.

BUY AMERICA REQUIREMENTS

The contractor agrees to comply with 49 U.S.C. 5323(j) and 49 C.F.R. part 661 and 2 CFR § 200.322 Domestic preferences for procurements, which provide that Federal funds may not be obligated unless all steel, iron, and manufactured products used in FTA funded projects are produced in the United States, unless a waiver has been granted by FTA or the product is subject to a general waiver. General waivers are listed in 49 C.F.R. § 661.7. Separate requirements for rolling stock are set out at 49 U.S.C. 5323(j)(2)(C), 49 U.S.C. § 5323(u) and 49 C.F.R. § 661.11. The bidder or offeror must submit to the Agency the appropriate Buy America certification. Bids or offers that are not accompanied by a completed Buy America certification will be rejected as nonresponsive.

CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251-1387). Violations must be reported to FTA and the Regional Office of the Environmental Protection Agency. The following applies for contracts of amounts in excess of \$150,000:

Clean Air Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
- (2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

Federal Water Pollution Control Act

- (1) The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- (2) The contractor agrees to report each violation to the Agency and understands and agrees that the Agency will, in turn, report each violation as required to assure notification to the Agency, Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- (3) The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

CARGO PREFERENCE REQUIREMENTS

The contractor agrees:

- a. to use privately owned United States-Flag commercial vessels to ship at least 50 percent of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, material, or commodities pursuant to the underlying contract to the extent such vessels are available at fair and reasonable rates for United States-Flag commercial vessels;
- b. to furnish within 20 working days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in the preceding paragraph to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590 and to the FTA Recipient (through the contractor in the case of a subcontractor's bill-of-lading.); and
- c. to include these requirements in all subcontracts issued pursuant to this contract when the subcontract may involve the transport of equipment, material, or commodities by ocean vessel.

CIVIL RIGHTS LAWS AND REGULATIONS

The following Federal Civil Rights laws and regulations apply to all contracts.

1 Federal Equal Employment Opportunity (EEO) Requirements. These include, but are not limited to:

- a) **Nondiscrimination in Federal Public Transportation Programs.** 49 U.S.C. § 5332, covering projects, programs, and activities financed under 49 U.S.C. Chapter 53, prohibits discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), disability, or age and prohibits discrimination in employment or business opportunity.
- b) **Prohibition against Employment Discrimination.** Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, and Executive Order No. 11246, "Equal Employment Opportunity," September 24, 1965, as amended, prohibit discrimination in employment on the basis of race, color, religion, sex, or national origin.

2 Nondiscrimination on the Basis of Sex. Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. § 1681 et seq. and implementing Federal regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 C.F.R. part 25

prohibit discrimination on the basis of sex.

3 Nondiscrimination on the Basis of Age. The "Age Discrimination Act of 1975," as amended, 42 U.S.C. § 6101 et seq., and Department of Health and Human Services implementing regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, prohibit discrimination by participants in federally assisted programs against individuals on the basis of age. The Age Discrimination in Employment Act (ADEA), 29 U.S.C. § 621 et seq., and Equal Employment Opportunity Commission (EEOC) implementing regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, also prohibit employment discrimination against individuals age 40 and over on the basis of age.

4 Federal Protections for Individuals with Disabilities. The Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. § 12101 et seq., prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Third party contractors must comply with their responsibilities under Titles I, II, III, IV, and V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions, many of which are subject to regulations issued by other Federal agencies.

Civil Rights and Equal Opportunity

The Agency is an Equal Opportunity Employer. As such, the Agency agrees to comply with all applicable Federal civil rights laws and implementing regulations. Apart from inconsistent requirements imposed by Federal laws or regulations, the Agency agrees to comply with the requirements of 49 U.S.C. § 5323(h) (3) by not using any Federal assistance awarded by FTA to support procurements using exclusionary or discriminatory specifications. Under this Contract, the Contractor shall at all times comply with the following requirements and shall include these requirements in each subcontract entered into as part thereof.

1. Nondiscrimination. In accordance with Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, or age. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

2. Race, Color, Religion, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e et seq., and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," 41 C.F.R. chapter 60, and Executive Order No. 11246, "Equal Employment Opportunity in Federal Employment," September 24, 1965, 42 U.S.C. § 2000e note, as amended by any later Executive Order that amends or supersedes it, referenced in 42 U.S.C. § 2000e note. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, or sex (including sexual orientation and gender identity). Such action shall include, but not be limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

3. Age. In accordance with the Age Discrimination in Employment Act, 29 U.S.C. §§ 621-634, U.S. Equal Employment Opportunity Commission (U.S. EEOC) regulations, "Age Discrimination in Employment Act," 29 C.F.R. part 1625, the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6101 et seq., U.S. Health and Human Services regulations, "Nondiscrimination on the Basis of Age in Programs or Activities Receiving Federal Financial Assistance," 45 C.F.R. part 90, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

4. Disabilities. In accordance with section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 et seq., the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 et seq., and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against individuals on the basis of disability. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

5. Promoting Free Speech and Religious Liberty. The Contractor shall ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.

CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs.

b. Where applicable (see 40 U.S.C. § 3701), all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations at 29 C.F.R. Part 5. See 2 C.F.R. Part 200, Appendix II.

c. Under 40 U.S.C. § 3702, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week.

d. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

e. The regulation at 29 C.F.R. § 5.5(b) provides the required contract clause concerning compliance with the Contract Work Hours and Safety Standards Act:

Compliance with the Contract Work Hours and Safety Standards Act.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by a subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section."

CONFORMANCE WITH ITS NATIONAL ARCHITECTURE

Intelligent Transportation Systems (ITS) projects shall conform to the National ITS Architecture and standards. Conformance with the National ITS Architecture is interpreted to mean the use of the National ITS Architecture to develop a regional ITS architecture in support of integration and the subsequent adherence of all ITS projects to that regional ITS architecture. Development of the regional ITS architecture should be consistent with the transportation planning process for Statewide and Metropolitan Transportation Planning (49 CFR Part 613 and 621).

DEBARMENT AND SUSPENSION

a. Applicability: This requirement applies to all FTA grant and cooperative agreement programs for a contract in the amount of at least \$25,000

(1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the contractor is required to verify that none of the contractor, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

(2) C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.

(3) The accompanying certification is a material representation of fact relied upon by the subrecipient. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the Agency and subrecipient, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.

The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions."

DAVIS BACON ACT AND COPELAND ANTI-KICKBACK ACT

a. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week.

b. The Non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The condition to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Compliance with the Copeland "Anti-Kickback" Act.

(1) Contractor. The contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are

incorporated by reference into this contract.

(2) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as the FTA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.

(3) 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.

DISADVANTAGED BUSINESS ENTERPRISE (DBE)

The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 C.F.R. part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the Agency deems appropriate, which may include, but is not limited to:

(1) Withholding monthly progress payments; (2) Assessing sanctions; (3) Liquidated damages; and/or (4) Disqualifying the contractor from future bidding as non-responsible. 49 C.F.R. § 26.13(b).

Prime contractors are required to pay subcontractors for satisfactory performance of their contracts no later than 30 days from receipt of each payment the Agency makes to the prime contractor. 49 C.F.R. § 26.29(a).

Finally, for contracts with defined DBE contract goals, each FTA Recipient must include in each prime contract a provision stating that the contractor shall utilize the specific DBEs listed unless the contractor obtains the Agency's written consent; and that, unless the Agency's consent is provided, the contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE. 49 C.F.R. § 26.53(f) (1).

It is the policy of the Agency and the United States Department of Transportation ("DOT") that Disadvantaged Business Enterprises ("DBE's"), as defined herein and in the Federal regulations published at 49 C.F.R. part 26, shall have an equal opportunity to participate in DOT-assisted contracts.

ENERGY CONSERVATION

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency, which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

EQUAL EMPLOYMENT OPPORTUNITY

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

FEDERAL CHANGES

49 CFR Part 18 Federal Changes - Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.....

FLY AMERICA

1) Definitions. As used in this clause—

1) "international air transportation" means transportation by air between a place in the United States and a place outside the United States or between two places both of which are outside the United States. 2) "United States" means the 50 States, the District of Columbia, and outlying areas. 3) "U.S.-flag air carrier" means an air carrier holding a certificate under 49 U.S.C. Chapter 411.

b) When Federal funds are used to fund travel, Section 5 of the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. 40118) (Fly America Act) requires contractors, Agencies, and others use U.S.-flag air carriers for U.S. Government-financed international air transportation of personnel (and their personal effects) or property, to the extent that service by those carriers is available. It requires the Comptroller General of the United States, in the absence of satisfactory proof of the necessity for foreign-flag air transportation, to disallow expenditures from funds, appropriated or otherwise established for the account of the United States, for international air transportation secured aboard a foreign-flag air carrier if a U.S.-flag air carrier is available to provide such services.

c) If available, the Contractor, in performing work under this contract, shall use U.S.-flag carriers for international air transportation of personnel (and their personal effects) or property.

d) In the event that the Contractor selects a carrier other than a U.S.-flag air carrier for international air transportation, the Contractor shall include a statement on vouchers involving such transportation essentially as follows:

Statement of Unavailability of U.S.-Flag Air Carriers

International air transportation of persons (and their personal effects) or property by U.S.-flag air carrier was not available or it was necessary to use foreign-flag air carrier service for the following reasons. See FAR § 47.403. (State reasons):

e) Contractor shall include the substance of this clause, including this paragraph (e), in each subcontract or purchase under this contract that may involve international air transportation.

INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

Incorporation of Federal Transit Administration (FTA) Terms - The provisions within include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in the current FTA Circular 4220 are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any request which would cause a violation of the FTA terms and conditions.

NO GOVERNMENT OBLIGATION TO THIRD PARTIES

The Agency and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Agency, Contractor or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract. The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

NOTIFICATION TO FTA

If a current or prospective legal matter that may affect the Federal Government emerges, the Recipient must promptly notify the FTA Chief Counsel and FTA Regional Counsel for the Region in which the Recipient is located. The Recipient must include a similar notification requirement in its Third Party Agreements and must require each Third Party Participant to include an equivalent provision in its sub agreements at every tier, for any agreement that is a "covered transaction" according to 2 C.F.R. §§ 180.220 and 1200.220.

(1) The types of legal matters that require notification include, but are not limited to, a major dispute, breach, default, litigation, or naming the Federal Government as a party to litigation or a legal disagreement in any forum for any reason.

(2) Matters that may affect the Federal Government include, but are not limited to, the Federal Government's interests in the Award, the accompanying Underlying Agreement, and any Amendments thereto, or the Federal Government's administration or enforcement of federal laws, regulations, and requirements.

(3) The Recipient must promptly notify the U.S. DOT Inspector General in addition to the FTA Chief Counsel or Regional Counsel for the Region in which the Recipient is located, if the Recipient has knowledge of potential fraud, waste, or abuse occurring on a Project receiving assistance from FTA. The notification provision applies if a person has or may have submitted a false claim under the False Claims Act, 31 U.S.C. § 3729 et seq., or has or may have committed a criminal or civil violation of law pertaining to such matters as fraud, conflict of interest, bribery, gratuity, or similar misconduct. This responsibility occurs whether the Project is subject to this Agreement or another agreement between the Recipient and FTA, or an agreement involving a principal, officer, employee, agent, or Third Party Participant of the Recipient. It also applies to subcontractors at any tier. Knowledge, as used in this paragraph, includes, but is not limited to, knowledge of a criminal or civil investigation by a Federal, state, or local law enforcement or other investigative agency, a criminal indictment or civil complaint, or probable cause that could support a criminal indictment, or any other credible information in the possession of the Recipient.

PROCUREMENT OF RECOVERED MATERIALS

(1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA- designated items unless the product cannot be acquired—

- i. Competitively within a timeframe providing for compliance with the contract performance schedule;
- ii. Meeting contract performance requirements; or
- iii. At a reasonable price.

(2) Information about this requirement, along with the list of EPA-designate items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS AND RELATED ACTS

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.

PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

a. Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:

1. Procure or obtain;
2. Extend or renew a contract to procure or obtain; or
3. Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - i. For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - ii. Telecommunications or video surveillance services provided by such entities or using such equipment.
 - iii. Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

b. In implementing the prohibition under Public Law 115-232, section 889, subsection (f), paragraph (1), heads of executive agencies administering loan, grant, or subsidy programs shall prioritize available funding and technical support to assist affected businesses, institutions and organizations as is reasonably necessary for those affected entities to transition from covered telecommunications equipment and services, to procure replacement equipment and services, and to ensure that communications service to users and customers is sustained.

c. See Public Law 115-232, section 889 for additional information.

d. See also § 200.471.

PROMPT PAYMENT

The contractor is required to pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than 30 days after the contractor's receipt of payment for that work. In addition, the contractor is required to return any retainage payments to those subcontractors within 15 days after the subcontractor's work related to this contract is satisfactorily completed.

The contractor must promptly notify the Agency, whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete its work and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of the Agency.

SAFE OPERATION OF MOTOR VEHICLES

Seat Belt Use

The Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company rented vehicles, or personally operated vehicles. The terms "company-owned" and "company-leased" refer to vehicles owned or leased either by the Contractor or Agency.

Distracted Driving

The Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer, and driving a vehicle the driver owns or rents, a vehicle Contractor owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this Contract.

SEISMIC SAFETY

The contractor agrees that any new building or addition to an existing building will be designed and constructed in accordance with the standards for Seismic Safety required in Department of Transportation (DOT) Seismic Safety Regulations 49 C.F.R. part 41 and will certify to compliance to the extent required by the regulation. The contractor also agrees to ensure that all work performed under this contract, including work performed by a subcontractor, is in compliance with the standards required by the Seismic Safety regulations and the certification of compliance issued on the project.

SPECIAL DOL EEO CLAUSE

Applies to construction contracts > \$10,000; This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability or veteran status.

SPECIAL NOTIFICATION REQUIREMENTS FOR STATES

Applies to States -

a. To the extent required under federal law, the State, as the Recipient, agrees to provide the following information about federal assistance awarded for its State Program, Project, or related activities:

- (1) The Identification of FTA as the federal agency providing the federal assistance for a State Program or Project;
- (2) The Catalog of Federal Domestic Assistance Number of the program from which the federal assistance for a State Program or Project is authorized; and
- (3) The amount of federal assistance FTA has provided for a State Program or Project.

b. Documents - The State agrees to provide the information required under this provision in the following documents: (1) applications for federal assistance, (2) requests for proposals or solicitations, (3) forms, (4) notifications, (5) press releases, and (6) other publications.

SIMPLIFIED ACQUISITION THRESHOLD

Contracts for more than the simplified acquisition threshold, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. § 1908, or otherwise set by law, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. (Note that the simplified acquisition threshold determines the procurement procedures that must be employed pursuant to 2 C.F.R. §§ 200.317-200.327. The simplified acquisition threshold does not exempt a procurement from other eligibility or processes requirements that may apply. For example, Buy America's eligibility and process requirements apply to any procurement in excess of \$150,000. 49 U.S.C. § 5323(j)(13).

TERMINATION

Termination for Convenience (General Provision)

The Agency may terminate this contract, in whole or in part, at any time by written notice to the Contractor when it is in the Agency's best interest. The Contractor shall be paid its costs, including contract close-out costs, and profit on work performed up to the time of termination. The Contractor shall promptly submit its termination claim to Agency to be paid the Contractor. If the Contractor has any property in its possession belonging to Agency, the Contractor will account for the same, and dispose of it in the manner Agency directs.

Termination for Default (Breach or Cause) (General Provision)

If the Contractor does not deliver supplies in accordance with the contract delivery schedule, or if the contract is for services, the Contractor fails to perform in the manner called for in the contract, or if the Contractor fails to comply with any other provisions of the contract, the Agency may terminate this contract for default. Termination shall be effected by serving a Notice of Termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for supplies delivered and accepted, or services performed in accordance with the manner of performance set forth in the contract. If it is later determined by the Agency that the Contractor had an excusable reason for not performing, such as a strike, fire, or flood, events which are not the fault of or are beyond the control of the Contractor, the Agency, after setting up a new delivery of performance

schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

Opportunity to Cure (General Provision)

The Agency, in its sole discretion may, in the case of a termination for breach or default, allow the Contractor [an appropriately short period of time] in which to cure the defect. In such case, the Notice of Termination will state the time period in which cure is permitted and other appropriate conditions.

If Contractor fails to remedy to Agency's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within [10 days] after receipt by Contractor of written notice from Agency setting forth the nature of said breach or default, Agency shall have the right to terminate the contract without any further obligation to Contractor. Any such termination for default shall not in any way operate to preclude Agency from also pursuing all available remedies against Contractor and its sureties for said breach or default.

Waiver of Remedies for any Breach

In the event that Agency elects to waive its remedies for any breach by Contractor of any covenant, term or condition of this contract, such waiver by Agency shall not limit Agency's remedies for any succeeding breach of that or of any other covenant, term, or condition of this contract.

Termination for Convenience (Professional or Transit Service Contracts)

The Agency, by written notice, may terminate this contract, in whole or in part, when it is in the Agency's interest. If this contract is terminated, the Agency shall be liable only for payment under the payment provisions of this contract for services rendered before the effective date of termination.

Termination for Default (Supplies and Service)

If the Contractor fails to deliver supplies or to perform the services within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. The Contractor will only be paid the contract price for supplies delivered and accepted, or services performed in accordance with the manner or performance set forth in this contract. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Transportation Services)

If the Contractor fails to pick up the commodities or to perform the services, including delivery services, within the time specified in this contract or any extension, or if the Contractor fails to comply with any other provisions of this contract, the Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of default. The Contractor will only be paid the contract price for services performed in accordance with the manner of performance set forth in this contract.

If this contract is terminated while the Contractor has possession of Agency goods, the Contractor shall, upon direction of the Agency, protect and preserve the goods until surrendered to the Agency or its agent. The Contractor and Agency shall agree on payment for the preservation and protection of goods. Failure to agree on an amount will be resolved under the Dispute clause.

If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Agency.

Termination for Default (Construction)

If the Contractor refuses or fails to prosecute the work or any separable part, with the diligence that will ensure its completion within the time specified in contract or any extension or fails to complete the work within this time, or if the Contractor fails to comply with any other provision of this contract, Agency may terminate this contract for default. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature of the default. In this event, the Agency may take over the work and complete it by contract or otherwise, and may take possession of and use any materials, appliances, and plant on the work site necessary for completing the work. The Contractor and its sureties shall be liable for any damage to the Agency resulting from the Contractor's refusal or failure to complete the work within specified time, whether or not the Contractor's right to proceed with the work is terminated. This liability includes any increased costs incurred by the Agency in completing the work.

The Contractor's right to proceed shall not be terminated nor shall the Contractor be charged with damages under this clause if: 1. The delay in completing the work arises from unforeseeable causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include: acts of God, acts of Agency, acts of another contractor in the performance of a contract with Agency, epidemics, quarantine restrictions, strikes, freight embargoes; and 2. The Contractor, within [10] days from the beginning of any delay, notifies Agency in writing of the causes of delay. If, in the judgment of Agency, the delay is excusable, the time for completing the work shall be extended. The judgment of Agency shall be final and conclusive for the parties, but subject to appeal under the Disputes clause(s) of this contract. 3. If, after termination of the Contractor's right to proceed, it is determined that the Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Architect and Engineering)

The Agency may terminate this contract in whole or in part, for the Agency's convenience or because of the failure of the Contractor to fulfill the contract obligations. The Agency shall terminate by delivering to the Contractor a Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the Agency's Contracting Officer all data, drawings, specifications, reports, estimates, summaries, and other information and materials accumulated in performing this contract, whether completed or in process. Agency has a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, all such data, drawings, specifications, reports, estimates, summaries, and other information and materials.

If the termination is for the convenience of the Agency, the Agency's Contracting Officer shall make an equitable adjustment in the contract price but shall allow no anticipated profit on unperformed services. If the termination is for failure of the Contractor to fulfill the contract obligations, the Agency may complete the work by contract or otherwise and the Contractor shall be liable for any additional cost incurred by the Agency. If, after termination for failure to fulfill contract obligations, it is determined that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Agency.

Termination for Convenience or Default (Cost-Type Contracts)

The Agency may terminate this contract, or any portion of it, by serving a Notice of Termination on the Contractor. The notice shall state whether the termination is for convenience of Agency or for the default of the Contractor. If the termination is for default, the notice shall state the manner in which the Contractor has failed to perform the requirements of the contract. The Contractor shall account for any property in its possession paid for from funds received from the Agency, or property supplied to the Contractor by the Agency. If the termination is for default, the Agency may fix the fee, if the contract provides for a fee, to be paid the Contractor in proportion to the value, if any, of work performed up to the time of termination. The Contractor shall promptly submit its termination claim to the Agency and the parties shall negotiate the termination settlement to be paid the Contractor.

If the termination is for the convenience of Agency, the Contractor shall be paid its contract close-out costs, and a fee, if the contract provided for payment of

a fee, in proportion to the work performed up to the time of termination.

If, after serving a Notice of Termination for Default, the Agency determines that the Contractor has an excusable reason for not performing, the Agency, after setting up a new work schedule, may allow the Contractor to continue work, or treat the termination as a Termination for Convenience.

VETERANS HIRING PREFERENCE

Employment - Recipients of Federal financial assistance shall ensure that contractors working on a capital project funded using such assistance give a hiring preference, to the extent practicable, to veterans (as defined in section 2108 of title 5) who have the requisite skills and abilities to perform the construction work required under the contract. This subsection shall not be understood, construed or enforced in any manner that would require an employer to give a preference to any veteran over any equally qualified applicant who is a member of any racial or ethnic minority, female, an individual with a disability, or a former employee.

VIOLATION AND BREACH OF CONTRACT

Rights and Remedies of the Agency

The Agency shall have the following rights in the event that the Agency deems the Contractor guilty of a breach of any term under the Contract.

1. The right to take over and complete the work or any part thereof as agency for and at the expense of the Contractor, either directly or through other contractors; 2. The right to cancel this Contract as to any or all of the work yet to be performed; 3. The right to specific performance, an injunction or any other appropriate equitable remedy; and 4. The right to money damages.

For purposes of this Contract, breach shall include.

Rights and Remedies of Contractor

Inasmuch as the Contractor can be adequately compensated by money damages for any breach of this Contract, which may be committed by the Agency, the Contractor expressly agrees that no default, act or omission of the Agency shall constitute a material breach of this Contract, entitling Contractor to cancel or rescind the Contract (unless the Agency directs Contractor to do so) or to suspend or abandon performance.

Remedies

Substantial failure of the Contractor to complete the Project in accordance with the terms of this Contract will be a default of this Contract. In the event of a default, the Agency will have all remedies in law and equity, including the right to specific performance, without further assistance, and the rights to termination or suspension as provided herein. The Contractor recognizes that in the event of a breach of this Contract by the Contractor before the Agency takes action contemplated herein, the Agency will provide the Contractor with sixty (60) days written notice that the Agency considers that such a breach has occurred and will provide the Contractor a reasonable period of time to respond and to take necessary corrective action.

Disputes

Disputes arising in the performance of this Contract that are not resolved by agreement of the parties shall be decided in writing by an authorized representative of Agency. This decision shall be final and conclusive unless within [10] days from the date of receipt of its copy, the Contractor mails or otherwise furnishes a written appeal to the Agency's authorized representative. In connection with any such appeal, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its position. The decision of the Agency's authorized representative shall be binding upon the Contractor and the Contractor shall abide by the decision.

In the event that a resolution of the dispute is not mutually agreed upon, the parties can agree to mediate the dispute or proceed with litigation. Notwithstanding any provision of this section, or any other provision of this Contract, it is expressly agreed and understood that any court proceeding arising out of a dispute under the Contract shall be heard by a Court de novo and the court shall not be limited in such proceeding to the issue of whether the Authority acted in an arbitrary, capricious or grossly erroneous manner.

Pending final settlement of any dispute, the parties shall proceed diligently with the performance of the Contract, and in accordance with the Agency's direction or decisions made thereof.

Performance during Dispute

Unless otherwise directed by Agency, Contractor shall continue performance under this Contract while matters in dispute are being resolved.

Claims for Damages

Should either party to the Contract suffer injury or damage to person or property because of any act or omission of the party or of any of its employees, agents or others for whose acts it is legally liable, a claim for damages therefor shall be made in writing to such other party within a reasonable time after the first observance of such injury or damage.

Remedies

Unless this Contract provides otherwise, all claims, counterclaims, disputes and other matters in question between the Agency and the Contractor arising out of or relating to this Contract or its breach will be decided by arbitration if the parties mutually agree, or in a court of competent jurisdiction within the State in which the Agency is located.

Rights and Remedies

The duties and obligations imposed by the Contract documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. No action or failure to act by the Agency or Contractor shall constitute a waiver of any right or duty afforded any of them under the Contract, nor shall any such action or failure to act constitute an approval of or acquiescence in any breach thereunder, except as may be specifically agreed in writing.

Federal Certifications

CERTIFICATION AND RESTRICTIONS ON LOBBYING

_____ hereby certify
(Name and title of official)

On behalf of _____ that:
(Name of Bidder/Company Name)

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

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). 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.

The undersigned certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provisions of 31 U.S.C. Section 3801, et seq., are applicable thereto.

Name of Bidder/Company Name: _____

Type or print name: _____

Signature of authorized representative: _____ Date _____/_____/_____

**GOVERNMENT-WIDE DEBARMENT AND SUSPENSION
(NONPROCUREMENT)**

Instructions for Certification: By signing and submitting this bid or proposal, the prospective lower tier participant is providing the signed certification set out below.

(1) It will comply and facilitate compliance with U.S. DOT regulations, "Nonprocurement Suspension and Debarment," 2 CFR part 1200, which adopts and supplements the U.S. Office of Management and Budget (U.S. OMB) "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR part 180,

(2) To the best of its knowledge and belief, that its Principals and Subrecipients at the first tier:

a. Are eligible to participate in covered transactions of any Federal department or agency and are not presently:

1. Debarred,
2. Suspended,
3. Proposed for debarment,
4. Declared ineligible,
5. Voluntarily excluded, or
6. Disqualified,

b. Its management has not within a three-year period preceding its latest application or proposal been convicted of or had a civil judgment rendered against any of them for:

1. Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction, or contract under a public transaction,
2. Violation of any Federal or State antitrust statute, or,
3. Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making any false statement, or receiving stolen property,

c. It is not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses listed in the preceding subsection 2.b of this Certification,

d. It has not had one or more public transactions (Federal, State, or local) terminated for cause or default within a three-year period preceding this Certification,

e. If, at a later time, it receives any information that contradicts the statements of subsections 2.a – 2.d above, it will promptly provide that information to FTA,

f. It will treat each lower tier contract or lower tier subcontract under its Project as a covered lower tier contract for purposes of 2 CFR part 1200 and 2 CFR part 180 if it:

1. Equals or exceeds \$25,000.,
2. Is for audit services, or,
3. Requires the consent of a Federal official, and

g. It will require that each covered lower tier contractor and subcontractor:

1. Comply and facilitate compliance with the Federal requirements of 2 CFR parts 180 and 1200, and
2. Assure that each lower tier participant in its Project is not presently declared by any Federal department or agency to be:

- a. Debarred from participation in its federally funded Project,
- b. Suspended from participation in its federally funded Project,
- c. Proposed for debarment from participation in its federally funded Project,
- d. Declared ineligible to participate in its federally funded Project,
- e. Voluntarily excluded from participation in its federally funded Project, or
- f. Disqualified from participation in its federally funded Project, and

3. It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

(3) It will provide a written explanation as indicated on a page attached in FTA's TrAMS platform or the Signature Page if it or any of its principals, including any of its first tier Subrecipients or its Third-Party Participants at a lower tier, is unable to certify compliance with the preceding statements in this Certification Group.

Certification

Contractor: _____

Signature of Authorized Official: _____ Date _____ / _____ / _____

Name and Title of Contractor's Authorized Official: _____

**BUY AMERICA CERTIFICATION
STEEL OR MANUFACTURED PRODUCTS**

If steel, iron, or manufactured products (as defined in 49 CFR 661.3 and 661.5) are being procured, the appropriate certificate as set forth below shall be completed and submitted by each bidder or offeror in accordance with the requirement contained in 49 CFR 661.13(b).

Certificate of Compliance with Buy America Requirements

The bidder or offeror hereby certifies that it will comply with the requirements of 49 U.S.C. 5323(j)(1), and the applicable regulations in 49 CFR part 661.

Company _____

Name _____ Title _____

Signature _____ Date _____

Certificate of Non-Compliance with Buy America Steel or Manufactured Products Requirements

The bidder or offeror hereby certifies that it cannot comply with the requirements of 49 U.S.C. 5323(j), but it may qualify for an exception to the requirement pursuant to 49 U.S.C. 5323(j)(2), as amended, and the applicable regulations in 49 C.F.R. 661.7.

Company _____

Name _____ Title _____

Signature _____ Date _____

Internal Revenue Service
District Director

Department of the Treasury
P.O. BOX 9081
J.F. KENNEDY POST OFFICE
BOSTON, MA. 02203

Date: JAN 05 1979

Person to Contact:
Marilyn Hamilton
Contact Telephone Number:
(617) 223-1498

Southwestern Community Services, Inc.
40 Mechanic Street
Keene, New Hampshire 03431

Date of Exemption: March, 1966
Internal Revenue Code Section: 501(c)(3)

Gentlemen:

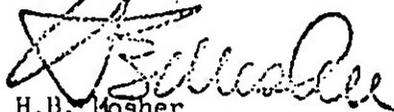
Thank you for submitting the information shown below. We have made it a part of your file.

The changes indicated do not adversely affect your exempt status and the exemption letter issued to you continues in effect.

Please let us know about any future change in the character, purpose, method of operation, name or address of your organization. This is a requirement for retaining your exempt status.

Thank you for your cooperation.

Sincerely yours,



H.B. Mosher
District Director

<u>Item Changed</u> Name	<u>From</u>	<u>To</u>
	Sullivan and Cheshire County Community Action Associates	Southwestern Community Services, Inc.

JUL 8 1974

Form 637 (Rev. July 1973)

Registration for Tax-Free Transactions Under Chapter 32 of the Internal Revenue Code

For District Director's Use Only

Department of the Treasury Internal Revenue Service

This Application Should Also Be Used by Producers and Importers of Gasoline and Manufacturers of Lubricating Oil

No. 02-74-0051-I

Please type or print	Name of individual, corporation, partnership, association, etc. Merrill Lynch, Pierce, Fenner & Smith, Inc.	Social Security or Employer Identification Number 02-6013808
	Name under which business is operated Merrill Lynch	Will you be required to file Form 720? <input type="checkbox"/> Yes <input type="checkbox"/> No
	Business address (Number and street) 120 Wall Street	File this application in duplicate with your District Director of Internal Revenue. See the instructions on pages 2 and 4.
	City, State, and ZIP code New York, NY 10038	

Application is hereby made for a Certificate of Registry in the name(s) indicated above. The applicant is a:

- Manufacturer
 Producer
 Importer
 Wholesaler
 Jobber
 Selling or
 Purchasing (specify type of product)
 Retailer
 Other (specify) Special Form 720

The applicant affirms that use of articles purchased or sold tax-free is to be for the exempt purposes specified in the applicable provisions of the law and regulations and understands that misuse of this certificate will lead to its revocation and/or the penalties provided by law.

See item 2 on page 2 and check applicable letter(s). I qualify as a:

- a, b, c, d, e, f, g, h, i, j, k, l, m, and/or n (other—specify)

Under the penalty of perjury, I declare that I have examined this application and to the best of my knowledge and belief it is true, correct, and complete.

Signature Frank A. Harwood Title Program Director Date 7-1-74

District Director's Validation

A certificate of registry for the above applicant is approved and issued under the number shown.

Frank Murphy

District Director of Internal Revenue

By

Russell E. Mersereau Chief, Review Staff

Date 7-5-74

Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC.
AND RELATED COMPANIES

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021
AND
INDEPENDENT AUDITORS' REPORTS**

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statements of financial position as of May 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Southwestern Community Services, Inc. and related companies as of May 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Community Services, Inc. and related companies' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southwestern Community Services, Inc. and related companies' ability to continue as a going concern for a reasonable period of time.

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

Report on Summarized Comparative Information

We have previously audited Southwestern Community Services, Inc. and related companies' 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 22, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended May 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 9, 2023, on our consideration of Southwestern Community Services, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southwestern Community Services, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southwestern Community Services, Inc.'s internal control over financial reporting and compliance.

*Leane McDonnell & Roberts
Professional Association*

Wolfeboro, New Hampshire
February 9, 2023

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MAY 31, 2022 AND 2021**

ASSETS

	<u>2022</u>	<u>2021</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 3,153,976	\$ 1,722,941
Accounts receivable, net	1,745,952	1,783,993
Prepaid expenses	<u>243,990</u>	<u>62,628</u>
Total current assets	<u>5,143,918</u>	<u>3,569,562</u>
PROPERTY		
Land and buildings	28,859,136	28,549,202
Vehicles and equipment	555,554	565,380
Furniture and fixtures	<u>958,072</u>	<u>934,441</u>
Total property	<u>31,372,762</u>	<u>30,049,023</u>
Less accumulated depreciation	<u>15,527,483</u>	<u>14,621,952</u>
Property, net	<u>15,845,279</u>	<u>15,427,071</u>
OTHER ASSETS		
Investment in related parties	94,230	138,001
Due from related parties	47,566	55,138
Cash escrow and reserve funds	1,479,277	1,471,741
Security deposits	111,033	105,790
Other assets	<u>384</u>	<u>384</u>
Total other assets	<u>1,732,490</u>	<u>1,771,054</u>
Total assets	<u>\$ 22,721,687</u>	<u>\$ 20,767,687</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 208,035	\$ 240,586
Accrued expenses	229,110	170,074
Accrued payroll and payroll taxes	353,786	244,003
Other current liabilities	158,972	148,854
Refundable advances	1,519,622	729,955
Current portion of Economic Injury Disaster Loan	3,585	-
Current portion of long term debt	<u>159,974</u>	<u>142,174</u>
Total current liabilities	<u>2,633,084</u>	<u>1,675,646</u>
NONCURRENT LIABILITIES		
Long term debt, less current portion shown above	11,243,212	10,911,627
Economic Injury Disaster Loan, less current portion shown above	<u>146,415</u>	<u>150,000</u>
Total noncurrent liabilities	<u>11,389,627</u>	<u>11,061,627</u>
Total liabilities	<u>14,022,711</u>	<u>12,737,273</u>
NET ASSETS		
Without donor restrictions	8,564,624	7,815,065
With donor restrictions	<u>134,352</u>	<u>215,349</u>
Total net assets	<u>8,698,976</u>	<u>8,030,414</u>
Total liabilities and net assets	<u>\$ 22,721,687</u>	<u>\$ 20,767,687</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED MAY 31, 2022
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	2022 <u>Total</u>	2021 <u>Total</u>
REVENUES AND OTHER SUPPORT				
Government contracts	\$ 24,553,574	\$.	\$ 24,553,574	\$ 14,451,497
Program service fees	2,991,407	.	2,991,407	2,708,902
Rental income	1,817,636	.	1,817,636	1,657,741
Support	610,247	58,928	669,175	601,638
Sponsorship	28,520	.	28,520	21,703
Interest income	1,099	.	1,099	1,402
Forgiveness of debt	90,609	.	90,609	518,501
Miscellaneous	156,954	.	156,954	239,096
In-kind contributions	89,366	.	89,366	65,414
	<u>30,339,412</u>	<u>58,928</u>	<u>30,398,340</u>	<u>20,265,894</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>139,925</u>	<u>(139,925)</u>	<u>.</u>	<u>.</u>
Total revenues, other support, and net assets released from restrictions	<u>30,479,337</u>	<u>(80,997)</u>	<u>30,398,340</u>	<u>20,265,894</u>
EXPENSES				
Program services				
Home energy programs	7,051,760	.	7,051,760	5,559,497
Education and nutrition	2,826,493	.	2,826,493	2,629,099
Homeless programs	13,349,415	.	13,349,415	5,516,502
Housing services	3,070,446	.	3,070,446	2,913,953
Economic development services	658,791	.	658,791	621,784
Other programs	683,000	.	683,000	750,430
	<u>27,639,905</u>	<u>.</u>	<u>27,639,905</u>	<u>17,991,265</u>
Supporting activities				
Management and general	2,031,268	.	2,031,268	1,948,672
	<u>29,671,171</u>	<u>.</u>	<u>29,671,171</u>	<u>19,939,937</u>
CHANGE IN NET ASSETS BEFORE LOSS ON SALE OF PROPERTY	808,166	(80,997)	727,169	325,957
LOSS ON SALE OF PROPERTY	(14,836)	.	(14,836)	.
LOSS ON INVESTMENT IN LIMITED PARTNERSHIPS	<u>(43,771)</u>	<u>.</u>	<u>(43,771)</u>	<u>(60,897)</u>
CHANGE IN NET ASSETS	749,559	(80,997)	668,562	265,060
NET ASSETS, BEGINNING OF YEAR	7,815,065	215,349	8,030,414	4,911,109
NET ASSETS TRANSFERRED FROM LIMITED PARTNERSHIPS	<u>.</u>	<u>.</u>	<u>.</u>	<u>2,854,245</u>
NET ASSETS, END OF YEAR	<u>\$ 8,564,624</u>	<u>\$ 134,352</u>	<u>\$ 8,698,976</u>	<u>\$ 8,030,414</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

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

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2022 Total
Payroll	\$ 551,449	\$ 1,553,713	\$ 601,469	\$ 872,177	\$ 140,079	\$ 416,924	\$ 4,135,811	\$ 856,749	\$ 4,992,560
Payroll taxes	45,152	127,557	48,819	51,549	20,490	35,545	340,122	88,373	402,501
Employee benefits	137,544	387,109	140,322	217,627	27,775	137,184	1,047,571	101,742	1,149,314
Retirement	31,440	95,676	32,887	49,044	16,083	18,580	243,710	56,594	300,304
Advertising	1,068	12,573	428	7,537	8,801	-	30,455	5,129	35,525
Bank charges	35	-	63	4,050	-	-	5,348	9,701	15,049
Co-natural cost	307	15,754	13,319	3,031	14,818	-	52,129	17,747	179,946
Contractual	828,075	15,256	87,421	28,033	-	33,107	992,852	63,330	1,056,212
Depreciation	-	26,438	104,035	574,526	-	3,510	801,750	150,982	982,733
Dissemination	-	2,539	-	430	568	125	3,652	11,736	15,401
Duplicating	-	8,660	-	-	-	-	8,650	5,503	14,153
Insurance	6,123	18,620	35,676	62,108	10,859	7,313	147,629	45,537	193,236
Interest	-	423	9,526	49,822	-	778	59,059	118,508	177,585
Meeting and conferences	-	-	354	3,255	832	2,562	7,303	1,636	8,929
Miscellaneous expense	670	2,817	120	112,217	6,358	5,102	127,414	30,914	158,228
Miscellaneous taxes	-	-	-	129,076	-	-	129,076	150	130,126
Equipment purchases	14,730	3,471	5,376	-	-	519	24,046	720	24,758
Office expense	43,231	8,735	22,764	10,408	3,613	90	89,732	24,371	112,773
Postage	120	383	26	24	171	-	798	33,927	34,723
Professional fees	1,075	-	4,323	28,930	-	220	32,548	85,763	118,351
Staff development and training	1,866	2,687	825	3,035	121	1,655	10,259	8,781	19,040
Subscriptions	-	-	-	228	-	-	228	180	408
Telephone	5,147	3,727	21,670	19,759	1,930	1,208	53,451	46,594	100,075
Travel	4,715	18,859	11,156	14,754	26,330	240	76,096	1,428	77,523
Vehicle	9,433	-	2,099	24,555	79,216	13,081	128,374	1,420	129,794
Hotel	8,050	18,300	-	-	24,585	-	48,895	-	48,895
Space costs	21,837	205,132	459,408	348,317	19,742	25	1,629,461	164,162	1,753,623
Direct client assistance	5,338,825	212,648	11,724,070	11,037	37,540	2,953	17,327,043	-	17,327,043
In-kind expenses	-	89,366	-	-	-	-	89,366	-	89,366
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	7,051,780	2,826,492	13,349,415	3,070,446	658,791	683,000	27,629,905	2,031,260	29,671,171
Allocation of management and general expenses	518,236	207,720	881,953	225,648	48,315	50,194	2,031,266	(2,031,266)	-
TOTAL FUNCTIONAL EXPENSES	\$ 7,569,996	\$ 3,034,212	\$ 14,330,468	\$ 3,296,094	\$ 707,206	\$ 733,194	\$ 29,671,171	\$ -	\$ 29,671,171

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MAY 31, 2021**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2021 Total
Payroll	\$ 426,387	\$ 1,518,514	\$ 491,054	\$ 725,103	\$ 350,543	\$ 439,136	\$ 4,011,067	\$ 752,116	\$ 4,763,183
Payroll taxes	25,674	156,565	37,005	43,514	30,248	33,024	276,003	120,407	396,530
Employee benefits	171,270	361,584	144,229	203,870	55,503	180,793	1,197,703	40,508	1,244,211
Retirement	32,604	55,776	24,671	51,368	20,760	14,238	229,357	66,965	296,322
Advertising	-	3,100	396	1,255	1,638	-	6,419	133	6,552
Bank charges	10	-	1,130	5,109	-	11	5,260	8,766	14,026
Computer cost	225	28,110	12,051	7,765	16,171	-	64,322	183,132	247,454
Contractual	1,007,401	12,304	42,954	61,431	580	49,737	1,174,007	59,518	1,233,525
Depreciation	-	26,435	117,987	603,038	-	7,620	755,062	153,192	908,254
Dues/registration	-	2,795	-	320	543	-	3,152	6,019	11,772
Duplicating	69	8,163	-	-	-	-	8,222	4,588	12,817
Insurance	5,579	15,035	11,493	57,061	15,290	6,090	124,127	42,480	177,616
Interest	-	5,955	5,993	48,121	-	1,090	61,745	112,918	175,667
Meeting and conference	-	-	-	840	154	133	1,127	1,637	2,764
Miscellaneous expense	2,802	-	1,242	82,239	9,546	1,359	97,249	2,075	99,324
Miscellaneous taxes	-	-	-	101,224	-	-	101,224	300	101,524
Equipment purchases	391	3,305	-	6,521	-	-	10,217	2,008	13,045
Office expense	19,084	17,479	66,872	11,634	2,568	740	112,588	40,570	162,168
Postage	300	363	128	37	348	-	1,172	31,999	33,178
Professional fees	1,050	-	3,320	38,627	-	-	42,977	81,024	124,011
Staff development and training	3,406	1,327	185	2,468	514	1,185	9,185	17,341	28,526
Subscriptions	-	-	-	98	-	-	98	2,767	2,865
Telephone	2,429	3,106	26,682	18,872	3,299	1,117	48,515	47,535	96,050
Travel	8,104	12,528	7,217	9,515	16,306	-	51,497	5,675	57,172
Vehicle	6,147	4,170	1,748	41,329	35,941	6,852	96,187	3,912	100,099
Rent	-	24,558	-	-	21,112	-	45,771	-	45,771
Space costs	-	122,478	384,053	718,703	16,731	114	1,242,119	139,968	1,382,087
Direct client assistance	3,738,543	179,702	4,126,139	12,971	24,399	5,782	8,135,512	-	8,135,512
In-kind expenses	-	65,414	-	-	-	-	65,414	-	65,414
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	5,559,497	2,629,989	5,516,502	2,913,853	621,784	750,430	17,991,265	1,948,672	19,939,937
Allocation of management and general expenses	632,161	204,703	587,504	316,610	67,347	81,281	1,948,672	(1,948,672)	-
TOTAL FUNCTIONAL EXPENSES	\$ 6,191,658	\$ 2,834,692	\$ 6,104,006	\$ 3,230,463	\$ 689,131	\$ 831,711	\$ 19,939,937	\$ -	\$ 19,939,937

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 668,562	\$ 265,060
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	989,773	909,155
Loss on sale of property	14,836	-
Loss on investment in limited partnerships	43,771	60,897
Forgiveness of debt	(90,609)	(518,501)
Decrease (increase) in assets:		
Accounts receivable, net	38,041	(580,504)
Prepaid expenses	(181,362)	31,348
Due from related parties	7,572	3,929
Security deposits	(5,243)	(2,242)
(Decrease) increase in liabilities:		
Accounts payable	(32,551)	22,045
Accrued expenses	59,036	36,929
Accrued payroll and payroll taxes	109,783	15,609
Other current liabilities	10,118	(300)
Refundable advances	789,667	439,518
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,421,394</u>	<u>682,943</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property	3,840	-
Purchase of property	(831,842)	(432,400)
NET CASH USED IN INVESTING ACTIVITIES	<u>(827,802)</u>	<u>(432,400)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term debt	-	85,000
Repayment of long term debt	(155,021)	(272,062)
Proceeds from Economic Injury Disaster Loan	-	150,000
NET CASH USED IN FINANCING ACTIVITIES	<u>(155,021)</u>	<u>(37,062)</u>
NET INCREASE IN CASH AND RESTRICTED CASH	1,438,571	213,481
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	3,194,682	2,210,050
CASH AND RESTRICTED CASH TRANSFERRED FROM LIMITED PARTNERSHIPS	<u>-</u>	<u>771,151</u>
CASH AND RESTRICTED CASH, END OF YEAR	<u>\$ 4,633,253</u>	<u>\$ 3,194,682</u>

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ 176,903	\$ 175,005
CASH AND RESTRICTED CASH:		
Cash and cash equivalents	\$ 3,153,976	\$ 1,722,941
Cash escrow and reserve funds	<u>1,479,277</u>	<u>1,471,741</u>
Total cash and restricted cash	\$ 4,633,253	\$ 3,194,682
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Property financed by long term debt	\$ 595,015	\$ 787,599
Transfer of assets from newly consolidated LPs:		
Prepaid expenses	\$ -	\$ 36,807
Land and buildings	-	3,382,003
Furniture and fixtures	-	624,491
Security deposits	-	<u>33,781</u>
Total transfer of assets from newly consolidated LPs	\$ -	\$ 4,077,082
Transfer of liabilities from newly consolidated LPs:		
Accounts payable	\$ -	\$ 57,865
Accrued expenses	-	46,122
Long term debt	-	<u>1,890,298</u>
Total transfer of liabilities from newly consolidated LPs	\$ -	\$ 1,994,285
Total partners' capital from newly consolidated LPs	\$ -	\$ 2,853,948
Partners' capital previously recorded as investment in related parties	-	<u>297</u>
Total transfer of partners' capital from newly consolidated LPs	\$ -	\$ 2,854,245

See Notes to Consolidated Financial Statements

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2022 AND 2021

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

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

Principles of Consolidation

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

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

Basis of Accounting

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2022 AND 2021

Basis of Presentation

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

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

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

As of May 31, 2022 and 2021, the Organization had net assets without donor restrictions and with donor restrictions.

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended May 31, 2021 from which the summarized information was derived.

Refundable Advances

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

In-Kind Support

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2022 AND 2021

Estimates

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

Cash and Cash Equivalents

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

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The allowance for uncollectible accounts was estimated to be zero at May 31, 2022. The allowance for uncollectible accounts was approximately \$3,600 for the year ended May 31, 2021. The Organization has no policy for charging interest on overdue accounts.

Concentration of Credit Risk

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

Current Vulnerability Due to Certain Concentrations

The Organization is operated in a heavily regulated environment. The operations of the Organization are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by an act of Congress or Legislature. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change. For the years ended May 31, 2022 and 2021, approximately 80% and 71%, respectively, of the Organization's total revenue was received from government agencies. The future nature of the Organization is dependent upon continued support from the government.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

Property and Depreciation

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

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

The use of certain assets is specified under the terms of grants received from agencies of the federal government. These grants also place liens on certain assets and impose restrictions on the use of funds received from the disposition of the property. Depreciation expense for the years ended May 31, 2022 and 2021 totaled \$989,773 and \$909,155, respectively.

Advertising

The Organization expenses advertising costs as incurred.

Income Taxes

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

SCS Housing, Inc., SCS Development Corporation and SCS Housing Development, Inc. are taxed as corporations. SCS Housing Inc. has federal net operating loss carryforwards available for the May 31, 2022 and 2021 tax returns totaling \$1,252,122 and \$1,230,191, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2027. SCS Development Corporation has federal net operating loss carryforwards totaling \$513 and \$542 at May 31, 2022 and 2021, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2022. SCS Housing Development, Inc. has federal net operating loss carryforwards totaling \$55,129 and \$59,861 at May 31, 2022 and 2021, respectively. These loss carryforwards may be offset against future taxable income and, if not used, will begin to expire in 2035.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2022 AND 2021

The tax effects of the carryforwards as related to deferred tax assets is as follows as of May 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Tax benefit from loss carryforwards	\$274,630	\$271,025
Valuation allowance	<u>(274,630)</u>	<u>(271,025)</u>
Deferred tax asset	<u>\$ _____</u>	<u>\$ _____</u>

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

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

Fair Value of Financial Instruments

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

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

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED MAY 31, 2022 AND 2021

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

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

Support and Revenue Recognition

Contracts with Customers

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

Generally, the Organization bills customers and third-party payors several days after the services are performed. Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by the Organization. The Organization measures the performance obligations of its childcare services to the point when it is no longer required to provide services to the client, which is generally weekly for childcare services. These services are considered to be a single performance obligation.

Revenue for performance obligations satisfied at a point in time is recognized when services are provided, and the Organization does not believe it is required to provide additional services to the client.

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

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

Private Grant Revenue and Contributions

Private grant contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions, if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

Grants and Support

Grant revenue is derived from various federal grant agreements and various state and private entity passthrough grant agreements and contracts to provide funding support of the Organization's programs and services provided by the Organization including childcare, child development, social, health, nutrition, employment, language, energy, and special needs services to families enrolled in the Organization's programs. The Organization has evaluated its grant agreements against applicable accounting standard guidance and determined that the grant agreements are contributions (nonreciprocal transaction) conditioned upon certain performance requirements and/or incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenses in compliance with specific provisions of the grant agreements.

Rental Revenue

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

Functional Allocation of Expenses

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

The Organization submits an indirect cost rate proposal for the paid leave, fringe benefits and other indirect costs to the U.S. Department of Health and Human services. The indirect cost rate is 12% effective from June 1, 2021 through May 31, 2022.

NOTE 2 **BANK LINE OF CREDIT**

The Organization has a \$250,000 revolving line of credit agreement with a bank. Interest is due monthly and is stated at the Wall Street Journal Prime Rate or at a floor rate of 4%. The line is secured by all the Organization's assets. As of May 31, 2022 and 2021, the interest rate was 4%. There was no outstanding balance at May 31, 2022 and 2021.

NOTE 3 **LONG TERM DEBT**

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

	<u>2022</u>	<u>2021</u>
1% mortgage payable to New Hampshire Housing in monthly installments for principal and interest of \$891 through August 2032. The note is secured by real estate of the Organization (NHH, 96 Main Street).	\$ 117,535	\$ 127,000
Non-interest bearing mortgage payable to Community Development Finance Authority, in quarterly principal payments based on an operating income formula applied to affordable housing portion of the specified real estate. The note is secured by real estate of the Organization (CDFA, 96 Main Street).	25,589	27,589

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through September 2031, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHH, 17 Pearl).	242,708	242,708
Non-interest bearing mortgage payable to New Hampshire Housing. Payment is deferred for 30 years, through July 2032, unless there is surplus cash from which to make a payment, or until project is sold or refinanced. The note is secured by real estate of the Organization (NHH, 41-43 Central).	376,066	376,066
4.25% mortgage payable to a bank in monthly installments for principal and interest of \$1,875 through December 2016, with a balloon payment that was due January 2017. The note was amended during the year ended May 31, 2019, and is now due December 2026. Under the amendment, interest rate is 4.94% and monthly installments for principal and interest are \$1,957. The note is secured by real estate of the Organization (People's United Bank, Milestones).	94,456	112,702
4.375% note payable to Rural Housing Service in monthly installments for principal and interest of \$11,050 through May 2049. The note is secured by real estate of the Organization (TD Bank, Keene Office).	2,095,301	2,134,970
Non-interest bearing note payable to Cheshire County in New Hampshire. Payment is not necessary unless Organization defaults on contract. The note is secured by real estate of the Organization (CDBG, Keene Office).	460,000	460,000

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Note payable to a bank in monthly installments for principal and interest of \$2,463 including interest through May 2039. Interest is adjusted every five years based on remaining principal balance and "Classic Advantage Rate" provided by Federal Home Loan Bank of Boston which resulted in an interest rate of 4.67% at May 31, 2022 and 2021. The note is secured by real estate of the Organization (TD Bank, Keene Office/Community Way).	362,931	376,617
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, Ashuelot).	50,000	75,000
Non-interest bearing note payable to the United States Department of Housing and Urban Development. No payment is due and beginning in January 2015 10% of the note is forgiven each year providing the property is used for low income housing through January 2025. The note is secured by real estate of the Organization (HUD, 112 Charlestown Road).	30,000	45,000
Non-interest bearing note payable to New Hampshire Housing in annual payments in the amount of 50% of annual surplus cash through July 2042 at which time the remaining balance is due. The note is secured by real estate of the Organization (NHH, Second Chance).	794,189	794,189
Non-interest bearing note payable to a county in New Hampshire. No payment is due and 5% of the balance is forgiven each year through 2032 when the remaining balance becomes due. The note is secured by real estate of the Organization (CDBG, Second Chance).	296,217	311,808

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Non-interest bearing note payable to a county in New Hampshire, relating to an agreement between the City of Keene and SCS for the purpose of renovating Keene shelters. In total, SCS will receive \$472,000 from CDBG. The agreement was amended during the year ended May 31, 2022 to increase the total loan to \$652,091. SCS will receive the funds as progress is made. The note is secured by real estate of the Organization and will be fully forgiven providing the facility serves low- and moderate-income individuals for 20 years (Keene Shelters).	629,280	127,215
5.54% note payable to a finance company in monthly installments for principal and interest of \$543 through August 2022. The note is secured by a vehicle (Ally, Econoline Van).	1,581	7,815
2.99% note payable to a bank in monthly installments for principal and interest of \$820 through May 2031. The note is secured by real estate of the Organization (Savings Bank of Walpole, 45 Central Street).	76,974	84,395
Non-interest bearing note payable to the City of Keene, New Hampshire. The note expires in June 2022 and payment is not necessary unless the Organization defaults on contract. The note is secured by real estate of the Organization (City of Keene, 139 Roxbury Street).	77,100	77,100
Non-interest bearing note payable to the City of Keene, New Hampshire, with an original balance of \$240,000 reduced to \$204,000 when the Organization acquired the note from Keene Housing in July 2020. No payment is due and 5% of the balance is forgiven each year through June 2037. The note is secured by real estate of the Organization (City of Keene, 139 Roxbury Street).	192,000	204,000
3.575% note payable to a finance company in monthly installments for principal and interest of \$650 through September 2026. The note is secured by a vehicle (Leaf, Dodge Ram).	30,888	

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021.

	<u>2022</u>	<u>2021</u>
3.75% note payable to a finance company in monthly installments for principal and interest of \$530 through November 2026. The note is secured by a vehicle (Leaf, Promaster Van).	25,960	
4.373% note payable to a finance company in monthly installments for principal and interest of \$534 through December 2026. The note is secured by a vehicle (Leaf, Promaster Van).	26,576	
Troy Senior - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in June 2029. The note is secured by real estate of the Organization (CDBG).	640,000	640,000
Troy Senior - Non-interest bearing note payable to New Hampshire Housing Finance Authority to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHH).	140,210	140,210
Keene East Side - Non-interest bearing note payable to a county in New Hampshire. Payments are deferred until the note matures in December 2028. The note is secured by real estate of the Organization (CDBG).	900,000	900,000
Keene East Side - Non-interest bearing note payable to New Hampshire Community Development Finance Authority (CDFA) to fund energy upgrades and capital improvements. Beginning in 2016, 10% of the note is forgiven each year based on the rolling balance. The mortgage may be released after ten years in January 2026. The note is secured by real estate of the Organization (CDFA).	116,841	139,860

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Keene East Side - Non-interest bearing note payable to New Hampshire Housing to fund energy efficient improvements through the Authority's Greener Homes Program. Payment is deferred for 30 years, through August 2042. The note is secured by real estate of the Organization (NHH).	228,934	228,934
Swansey - Non-recourse, 4.90% simple interest mortgage note payable to the New Hampshire Housing (HOME), due September, 2033, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	286,530	287,710
Swansey - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due September 2043, payable in monthly installments of \$1,698, including interest at 2.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 40 year term of the mortgage.	341,364	353,561
Snow Brook - Non-recourse, mortgage note payable to New Hampshire Housing, due July 2057, payable in monthly installments of \$2,002 including interest at 4.35% secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	431,859	436,974
Snow Brook - Non-recourse, zero interest mortgage note payable to New Hampshire Housing (AHF), due June 2034, principal and interest payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage.	237,173	237,173

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Winchester - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due May 2032, payable in monthly installments of \$370, including interest at 2.00%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHH).	39,850	43,450
Winchester - Non-recourse, zero interest bearing mortgage note payable to New Hampshire Housing (FAF), due May 2032, payable at the sole discretion of the lender from the excess cash of the borrower determined by formula, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30-year term of the mortgage note (NHH).	77,452	79,609
Winchester - Non-recourse, zero interest bearing, direct subsidy AHP loan secured by the Partnership's land and buildings, subject to low-income housing restrictions under the terms of the AHP agreement. In the event of a default under the aforementioned agreement, the loan is due upon demand with interest accrued at a rate of 11.67% for the period the funds were outstanding (Federal Home Loan Bank).	150,000	150,000
Keene Highland - Non-recourse mortgage note payable to New Hampshire Housing (AHF), due August 2035, payable in monthly installments of \$3,122, including interest at 2.90%, secured by the Partnership's land and buildings, subject to low income housing use restrictions for the 30 year term of the mortgage note (NHH).	409,579	434,765
Keene Highland - 30 year, zero interest, non-recourse deferred mortgage note payable to the City of Keene, New Hampshire due June 2035, payment of principal is deferred until the due date, secured by land and buildings (City of Keene).	915,000	915,000

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
Warwick - 30 year, zero interest, non-recourse deferred mortgage note payable to the Town of Winchester, New Hampshire due August 2036, payment of principal is deferred until the due date, secured by land and buildings (Town of Winchester).	<u>500,000</u>	<u>500,000</u>
Total long-term debt before unamortized deferred financing costs	11,420,143	11,071,420
Unamortized deferred financing costs	<u>(16,957)</u>	<u>(17,619)</u>
	11,403,186	11,053,801
Less current portion due within one year	<u>159,974</u>	<u>142,174</u>
	<u>\$11,243,212</u>	<u>\$10,911,627</u>

The schedule of maturities of long term debt at May 31, 2022 is as follows:

<u>Year Ending</u> <u>May 31</u>	<u>Amount</u>
2023	\$ 159,974
2024	164,282
2025	170,410
2026	176,786
2027	159,624
Thereafter	<u>10,589,067</u>
Total	<u>\$11,420,143</u>

NOTE 4 ECONOMIC INJURY DISASTER LOAN

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

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

The scheduled maturities of the EIDL as of May 31, 2022 were as follows:

Year Ending May 31	Amount
2023	\$ 3,585
2024	3,685
2025	3,788
2026	3,893
2027	4,001
Thereafter	<u>131,048</u>
	<u>\$ 150,000</u>

NOTE 5 FORGIVENESS OF DEBT

During the years ended May 31, 2022 and 2021, the Organization realized forgiveness of debt income in connection with notes payable to Community Development Block Grant, HUD and Community Development Finance Authority. Forgiveness of debt income totaled \$90,609 and \$79,431 for the years ended May 31, 2022 and 2021, respectively.

The Organization recognized forgiveness of debt of \$439,070 related to the Paycheck Protection Program during the year ended May 31, 2021. See additional detail at Note 16.

NOTE 6 OPERATING LEASES

The Organization leases facilities, equipment and vehicles under non-cancelable lease agreements at various financial institutions. Lease periods range from month to month to 2027. Monthly lease payments range from \$900 to \$3,625. Lease expense for the years ended May 31, 2022 and 2021 totaled \$156,230 and \$148,143, respectively.

Future minimum payments as of May 31, 2022 on the above leases are as follows:

Year Ending May 31	Amount
2023	\$ 52,915
2024	49,500
2025	49,481
2026	49,959
2027	<u>41,576</u>
Total	<u>\$ 243,431</u>

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

NOTE 7 ACCRUED COMPENSATED BALANCES

At May 31, 2022 and 2021, the Organization accrued a liability for future annual leave time that its employees had earned and vested in the amount of \$143,703 and \$144,916, respectively.

NOTE 8 CONTINGENCIES

Southwestern Community Services, Inc. is the 100% owner of SCS Housing, Inc. and SCS Housing Development, Inc. SCS Housing, Inc. and SCS Housing Development, Inc. are the general partners of eight limited partnerships formed to develop low-income housing projects through the use of Low Income Housing Tax Credits. Southwestern Community Services, Inc., SCS Housing, Inc. and SCS Housing Development, Inc. have guaranteed repayment of liabilities of various partnerships totaling approximately \$11,760,000 and \$11,929,000 at May 31, 2022 and 2021, respectively.

Partnership real estate with a cost basis of approximately \$27,348,000 at May 31, 2022 and 2021 provides collateral on these loans.

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

No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed by government audits as of May 31, 2022 and 2021.

NOTE 9 RELATED PARTY TRANSACTIONS

During the years ended May 31, 2022 and 2021, SCS Housing, Inc. managed nine and eleven limited partnerships, respectively. Management fees charged by SCS Housing, Inc. totaled \$237,822 and \$228,239, for the years ended May 31, 2022 and 2021, respectively. Additionally, SCS Housing, Inc. has advanced the limited partnerships funds for cash flow purposes over several years.

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

The total amounts due and expected to be collected from the limited partnerships and related entities totaled \$47,566 and \$55,138 at May 31, 2022 and 2021, respectively.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

NOTE 10 EQUITY INVESTMENT

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

	<u>2022</u>	<u>2021</u>
Cityside Housing Associates, LP	\$ (9,516)	\$ (9,509)
Marlborough Homes, LP	(57)	(43)
Payson Village Senior Housing Associates, LP	(12,539)	(12,524)
Railroad Square Senior Housing Associates, LP	(2,436)	(2,247)
Woodcrest Drive Housing Associates, LP	137,205	180,727
Westmill Senior Housing, LP	34	49
Alstead Senior Housing Associates, LP	<u>(18,461)</u>	<u>(18,452)</u>
	<u>\$ 94,230</u>	<u>\$ 138,001</u>

SCS Housing Development, Inc. is a 0.01% partner of Cityside Housing Associates, LP, Marlborough Homes, LP, Payson Village Senior Housing Associates, LP, Warwick Meadows Housing Associates, LP, Woodcrest Drive Housing Associates, LP, and Alstead Senior Housing Associates, LP, a 0.10% partner of Railroad Square Senior Housing Associates, LP, and a 1% partner of Westmill Senior Housing, LP during the years ended May 31, 2022 and 2021.

SCS Housing, Inc. is a 0.01% partner of Winchester Senior Housing Associates, LP, Swanzey Township Housing Associates, LP, Snow Brook Meadow Village Housing Associates, LP, and Keene Highland Housing Associates, LP during the years ended May 31, 2022 and 2021.

The remaining 99.99% ownership interest in Keene Highland Housing Associates, LP and Warwick Meadow Housing Associates, LP were acquired by Southwestern Community Services, Inc. during the year ending May 31, 2021 (see Note 14), and therefore the limited partnerships are included in the consolidated financial statements for the years ended May 31, 2022 and 2021.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

Summarized financial information for entities accounted for under the equity method, as of May 31, 2022 and 2021, consists of the following:

	<u>2022</u>	<u>2021</u>
Total assets	\$ <u>51,204</u>	\$ <u>56,169</u>
Total liabilities	14,923	15,200
Capital/Member's equity	<u>36,281</u>	<u>37,969</u>
	\$ <u>51,204</u>	\$ <u>53,169</u>
Income	\$ 3,306	\$ 3,267
Expenses	<u>4,713</u>	<u>4,719</u>
Net loss	\$ <u>(1,407)</u>	\$ <u>(1,452)</u>

NOTE 11 RETIREMENT PLAN

The Organization maintains a tax sheltered annuity plan under the provisions of Section 403(b) of the internal Revenue Code. All employees who have had at least 30 days of service to the Organization are eligible to contribute to the plan. The Organization begins matching contributions after the employee has reached one year of service. Employer contributions are at the Organization's discretion and totaled \$310,304 and \$296,322 for the years ended May 31, 2022 and 2021, respectively.

NOTE 12 RESTRICTIONS ON NET ASSETS

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

	<u>2022</u>	<u>2021</u>
NNECAC – Annual Conference Fund	\$ -	\$ 16,646
GAPS/Warm Fund	108,508	101,736
Transport	20,000	90,000
HS Parents Association	<u>5,844</u>	<u>6,967</u>
Total net assets with donor restrictions	\$ <u>134,352</u>	\$ <u>215,349</u>

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

NOTE 13 BOARD DESIGNATED NET ASSETS

The board designates a portion of the unrestricted net assets for WM Marcello GAPS funds. There was \$12,792 and \$12,790 designated by the board at May 31, 2022 and 2021, respectively.

NOTE 14 TRANSFER OF PARTNERSHIP INTERESTS

During the year ended May 31, 2021, Southwestern Community Services, Inc. acquired a partnership interest in two low-income housing limited partnerships: Keene Highland and Warwick. The amount paid for the partnership interest in Keene Highland and Warwick was \$1 each, and at the time of acquisition, Southwestern Community Services, Inc. became the general partner.

The following is a summary of the assets and liabilities of the partnerships at the date of acquisition:

	<u>Keene Highland</u>	<u>Warwick</u>
Date of Transfer	07/01/2020	01/01/2021
Cash	\$ 156,907	\$ 68,061
Security deposits	21,321	12,460
Cash reserves	391,456	154,727
Property, net	2,769,245	1,237,249
Other assets	<u>25,946</u>	<u>10,861</u>
Total assets	<u>3,364,875</u>	<u>1,483,358</u>
Notes payable	1,372,220	518,078
Other liabilities	<u>85,048</u>	<u>18,939</u>
Total liabilities	<u>1,457,268</u>	<u>537,017</u>
Partners' capital	1,907,607	946,341
Partners' capital previously recorded as an investment in related parties	<u>269</u>	<u>28</u>
Partners' capital transferred	<u>\$ 1,907,876</u>	<u>\$ 946,369</u>

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021

NOTE 15 **LIQUIDITY AND AVAILABILITY**

The following represents Southwestern Community Services, Inc. and related companies' financial assets as of May 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 3,153,976	\$ 1,722,941
Accounts receivable	1,745,952	1,783,993
Due from related party	47,566	55,138
Cash escrow and reserve funds	<u>1,479,277</u>	<u>1,471,741</u>
Total financial assets	<u>6,426,771</u>	<u>5,033,813</u>
Less amounts not available to be used within one year:		
Due from related party	(47,566)	(55,138)
Reserve funds	<u>(1,479,277)</u>	<u>(1,471,741)</u>
Total amounts not available within one year	<u>(1,526,843)</u>	<u>(1,526,879)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 4,899,928</u>	<u>\$ 3,506,934</u>

The Organization has a goal to maintain unrestricted cash on hand to meet 30 days of normal operating expenditures, which are, on average, approximately \$2,350,000 and \$1,559,000 at May 31, 2022 and 2021, respectively. The Organization has a \$250,000 line of credit available to meet cash flow needs.

NOTE 16 **PAYCHECK PROTECTION PROGRAM**

In April 2020, the Organization received loan proceeds in the amount of \$439,070 under the Paycheck Protection Program (PPP). The PPP is established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). If the Organization did not meet the loan criteria, the unforgiven portion of the PPP loan is payable over five years at an interest rate of 1%, with a deferral of payments for the first ten months. The Organization has used the proceeds for purposes consistent with the PPP and the PPP loan has been forgiven in full. Therefore, forgiveness of the loan totaling \$439,070 was recognized on the Consolidated Statement of Activities for the year ended May 31, 2021.

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED MAY 31, 2022 AND 2021**

NOTE 17 **RECLASSIFICATION**

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

NOTE 18 **OTHER EVENTS**

The impact of the novel coronavirus (COVID-19) and measures to prevent its spread are affecting the Organization's operations. The significance of the impact of these disruptions, including the extent of their adverse impact on the Organization's financial operational results, will be dictated by the length of time that such disruptions continue and, in turn, will depend on the currently unknowable duration of the COVID-19 pandemic and the impact of governmental regulations that might be imposed in response to the pandemic. The Organization's business could also be impacted should the disruptions from COVID-19 lead to changes in consumer behavior. COVID-19 also makes it more challenging for management to estimate future performance of the businesses, particularly over the near to medium term.

NOTE 19 **SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through February 9, 2023, the date the financial statements were available to be issued.

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

	Horse Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2022 Total
REVENUES AND OTHER SUPPORT									
Government contracts	\$ 5,681,798	\$ 3,368,774	\$ 12,926,412	\$ 4,701	\$ 714,196	\$ 725,735	\$ 23,051,204	\$ 632,370	\$ 24,553,674
Program service fees	1,163,537	-	80,555	781,840	-	846,475	2,895,407	6,000	2,991,497
Rental income	-	-	84,046	1,713,405	-	-	1,797,451	20,185	1,817,636
Support	68,296	14,491	254,626	-	191,342	129,408	649,173	20,000	669,173
Sponsorship	-	-	-	-	-	78,520	20,520	-	20,520
Interest income	7	2	153	302	56	54	574	525	1,099
Forfeitures of debt	-	-	67,500	23,019	-	-	90,509	-	90,509
Miscellaneous	10,270	1,333	9,973	86,870	33,651	-	141,797	15,157	158,954
In-kind contributions	-	89,359	-	-	-	-	89,359	-	89,359
Total revenues and other support	\$ 7,823,899	\$ 3,503,195	\$ 13,436,356	\$ 2,610,227	\$ 839,245	\$ 1,321,192	\$ 28,734,103	\$ 664,207	\$ 29,398,310
EXPENSES									
Payroll	\$ 551,448	\$ 1,563,713	\$ 601,458	\$ 672,177	\$ 340,079	\$ 418,824	\$ 4,135,811	\$ 858,748	\$ 4,994,560
Payroll taxes	45,130	127,557	49,849	51,549	20,490	35,545	245,172	60,379	400,501
Employee benefits	137,544	587,199	140,322	217,837	27,775	137,184	1,547,571	101,743	1,649,314
Retirement	31,440	95,575	32,857	49,044	18,063	19,590	243,710	66,594	310,304
Advertising	1,098	12,573	428	7,637	8,801	-	30,405	5,129	35,525
Bank charges	35	-	653	4,651	-	-	5,340	9,701	15,049
Computer cost	307	15,754	13,319	8,001	14,818	-	52,199	127,747	179,949
Construction	826,974	15,158	87,421	25,073	-	35,197	902,882	63,330	1,056,212
Depreciation	-	28,438	134,038	674,506	-	3,840	835,790	150,983	989,773
Duct/registration	-	2,539	-	490	598	125	3,662	11,738	15,421
Duplicating	-	6,563	-	-	-	-	6,600	5,503	14,183
Insurance	6,123	18,820	25,878	82,108	19,859	7,313	147,899	45,537	193,256
Interest	-	723	9,536	48,822	-	278	52,059	118,502	177,565
Meeting and conference	-	-	354	3,256	832	2,882	7,303	1,238	8,039
Miscellaneous expense	870	2,917	120	112,217	6,388	5,102	127,414	30,514	158,228
Miscellaneous taxes	-	-	-	125,976	-	-	129,876	153	130,128
Equipment purchases	14,730	3,421	-	5,378	-	519	24,046	720	24,766
Office expense	43,291	8,735	22,754	16,409	3,513	90	88,702	24,071	112,773
Postage	190	282	28	24	171	-	798	33,027	34,723
Professional fees	1,075	-	4,323	26,930	-	220	32,548	85,753	118,301
Staff development and training	1,658	2,887	825	3,095	121	1,855	10,259	8,781	19,040
Subscriptions	-	-	778	-	-	-	778	106	408
Telephone	5,147	3,727	21,670	16,709	1,930	1,298	53,481	48,594	100,075
Traffic	4,715	18,858	11,158	14,784	28,330	249	70,096	1,428	77,523
Vehicle	9,423	-	2,099	24,565	79,210	13,061	128,374	1,420	129,794
Rent	8,000	18,300	-	-	24,595	-	48,895	-	48,895
Scrap costs	21,837	205,132	458,408	686,317	19,742	25	1,390,461	164,162	1,753,623
Direct client assistance	5,338,825	212,648	11,724,070	11,007	37,540	2,853	17,327,043	-	17,327,043
In-kind expenses	-	89,368	-	-	-	-	89,368	-	89,368
TOTAL FUNCTIONAL EXPENSES BEFORE MANAGEMENT AND GENERAL ALLOCATION	7,051,720	2,828,492	15,349,415	3,070,448	658,791	683,000	27,630,005	2,031,208	29,671,171
Allocation of management and general expenses	518,238	207,720	951,053	725,648	48,415	50,194	2,031,260	(2,031,260)	-
TOTAL FUNCTIONAL EXPENSES	\$ 7,569,958	\$ 3,036,212	\$ 16,300,468	\$ 3,296,096	\$ 707,206	\$ 733,194	\$ 29,671,171	\$ -	\$ 29,671,171

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC. AND RELATED COMPANIES

**CONSOLIDATED SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 2021**

	Home Energy Programs	Education and Nutrition	Homeless Programs	Housing Services	Economic Development Services	Other Programs	Total Program	Management and General	2021 Total
REVENUES AND OTHER SUPPORT									
Quarterment contracts	\$ 4,633,049	\$ 3,125,351	\$ 5,267,961	\$ 4,260	\$ 795,997	\$ -	\$ 13,826,118	\$ 625,379	\$ 14,451,497
Program service fee	1,025,348	-	53,851	146,171	-	776,732	2,708,902	-	2,708,902
Rental income	-	-	92,954	1,460,530	-	127	1,657,741	-	1,657,741
Support	55,162	0,267	242,175	-	130,072	114,194	501,672	66	601,638
Sponsorship	-	-	-	-	-	21,703	21,703	-	21,703
Interest income	13	11	198	589	22	35	1,402	735	1,402
Forgiveness of debt	-	-	55,411	231,220	-	-	78,421	439,070	518,501
Miscellaneous	1,947	3,905	5,813	119,379	25	39,382	166,224	69,862	239,096
In-kind contributions	-	65,114	-	-	-	-	65,114	-	65,114
Total revenues and other support	\$ 5,718,519	\$ 3,204,353	\$ 5,712,193	\$ 2,460,449	\$ 1,026,116	\$ 952,153	\$ 19,130,782	\$ 1,135,112	\$ 20,265,894
EXPENSES									
Payroll	\$ 486,367	\$ 1,518,514	\$ 491,054	\$ 725,103	\$ 350,843	\$ 439,132	\$ 4,011,027	\$ 752,116	\$ 4,763,183
Payroll taxes	25,674	106,565	37,075	43,514	30,248	33,024	276,031	129,497	396,530
Employee benefits	171,270	301,508	144,229	703,970	55,553	150,793	1,197,763	46,506	1,244,271
Retirement	32,604	85,778	21,871	31,509	20,790	14,232	229,357	65,965	296,322
Advertising	310	3,100	356	1,295	6,410	-	6,410	133	6,552
Bank charges	19	-	1,130	4,189	-	11	5,269	2,766	14,028
Computer cost	275	79,115	12,051	7,705	10,171	-	104,322	163,132	247,454
Contractual	1,007,401	12,804	42,954	51,431	680	48,737	1,174,007	59,518	1,233,525
Construction	-	26,435	117,957	633,935	7,822	-	766,053	163,192	900,155
Over/registration	-	2,282	-	723	543	-	3,153	8,619	11,772
Depreciating	69	0,160	-	-	-	-	6,220	4,588	12,817
Insurance	5,539	15,035	33,483	37,881	15,298	6,390	134,126	45,430	177,616
Interest	-	5,555	5,053	18,121	-	1,500	61,749	113,918	176,667
Meeting and conference	-	-	-	943	154	103	1,177	1,637	2,764
Miscellaneous expense	2,863	-	1,242	32,239	2,546	1,259	97,249	2,075	99,024
Miscellaneous taxes	-	-	-	31,224	-	-	101,224	300	131,524
Equipment purchases	366	3,335	6,621	-	-	-	10,224	2,808	13,045
Office expense	19,064	17,479	60,872	11,834	2,560	749	112,506	49,579	162,165
Printing	360	305	129	37	348	-	1,179	31,929	33,178
Professional	1,020	-	3,320	38,627	-	-	42,977	81,034	124,011
Self development and training	3,406	1,327	185	2,485	014	1,185	9,185	17,341	26,525
Subscriptions	-	-	-	99	-	-	99	2,767	2,865
Telephone	2,429	3,100	20,692	18,872	2,299	1,117	48,515	47,535	96,050
Travel	6,104	12,325	7,212	9,515	15,338	-	51,497	5,675	57,172
Vehicle	8,147	4,170	1,748	41,229	35,941	9,552	99,187	3,912	103,099
Rent	-	24,552	-	-	21,112	-	45,771	-	45,771
Supplies	-	122,475	384,093	718,703	18,721	114	1,242,119	139,968	1,382,587
Direct client assistance	3,788,549	179,702	4,126,109	12,671	24,399	3,782	8,135,512	-	8,135,512
In-kind expenses	-	65,414	-	-	-	-	65,414	-	65,414
TOTAL FUNCTIONAL EXPENSES BEFORE GENERAL AND MANAGEMENT ALLOCATION	5,569,497	2,029,999	5,516,502	2,913,653	621,734	750,430	17,891,265	1,948,672	19,939,937
Allocation of management and general expenses	602,161	284,763	557,504	315,616	67,347	81,281	1,948,672	(1,948,672)	-
TOTAL FUNCTIONAL EXPENSES	\$ 6,161,658	\$ 2,913,562	\$ 6,114,006	\$ 3,229,599	\$ 689,131	\$ 831,711	\$ 19,839,937	\$ -	\$ 19,939,937

See Independent Auditors' Report

SOUTHWESTERN COMMUNITY SERVICES, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2022**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
<u>U.S. Department of Agriculture</u>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	State of NH, Department of Health & Human Services	010-090-5260000-102-500734	\$ 250,358
Child and Adult Care Food Program	10.558	State of NH, Department of Education	Unknown	\$ 114,790
Child and Adult Care Food Program	10.558	State of NH, Department of Education	Unknown	<u>89,483</u> 204,273
Food Distribution Cluster				
Commodity Supplemental Food Program	10.565	State of NH, Department of Health & Human Services	010-090-5260000-102-500734	2,400
Commodity Supplemental Food Program (Food Commodities)	10.565	Community Action Program Belknap-Merrimack Counties	Unknown	<u>106,339</u> 108,739
Total U.S. Department of Agriculture				<u>\$ 563,370</u>
<u>U.S. Department of Housing and Urban Development</u>				
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	City of Keene	SCS/Shelter Improvements	\$ 618,918
Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Housing Supports	05-95-95-958310-717600000-102-50731	\$ 12,255
COVID-19 Emergency Solutions Grant Program	14.231	State of NH, DHHS, Bureau of Housing Supports	05-95-42-423010-79270000	<u>283,853</u> 296,108
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Housing Supports	05-95-95-958310-717600000-102-50731	132,070
Supportive Housing Program	14.235	State of NH, DHHS, Bureau of Housing Supports	05-05-42-423010-79270000	<u>27,970</u> 161,040
Shelter Plus Care	14.238	State of NH, DHHS, Bureau of Housing Supports	NH0057L1T001910	226,204
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	NH0002L1T001904	83,228
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	NH0006L1T001904	126,004
Continuum of Care Program	14.267	State of NH, DHHS, Bureau of Housing Supports	NH0074L1T001907	<u>83,857</u> 293,089
Total U.S. Department of Housing and Urban Development				<u>\$ 1,500,343</u>
<u>U.S. Department of Transportation Federal Transit Administration (FTA)</u>				
Formula Grants for Rural Areas	20.509	State of NH, Department of Transportation	04-96-96-964010-2916	\$ 548,491
Transit Services Programs Cluster Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	State of NH, Department of Transportation	04-96-96-964010-2916	58,465
Federal Transit Cluster				
Bus and Bus Facilities Formula & Discretionary Programs (Bus Program)	20.526	State of NH, Department of Transportation	04-96-96-964010-2915	<u>3,328</u>
Total U.S. Department of Transportation Federal Transit Administration (FTA)				<u>\$ 607,284</u>

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2022

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
<u>U.S. Department of Treasury</u>				
Coronavirus Relief Fund	21.019	State of NH, DHHS, Bureau of Housing Supports	05-95-42-423010-10410000	\$ 60,659
Emergency Rental Assistance Program	21.023	New Hampshire Housing	Unknown	11,410,655
Total U.S. Department of Treasury				\$ 11,471,314
<u>U.S. Department of Energy</u>				
Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500607	\$ 860,132
Total U.S. Department of Energy				\$ 860,132
<u>U.S. Department of Health & Human Services</u>				
<u>Aging Cluster</u>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, Office of Energy & Planning	01-02-024010-7706-074-500587	\$ 5,730
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	State of NH, DHHS, Bureau of Elderly & Adult Services	05-95-48-481010-7872	70,240
Grants to States to Support Oral Health Workforce Activities	93.230	State of NH, DHHS, NH Medicaid	1006268	2,403
Activities to Support State, Tribal, Local and Territorial (SILT) Health Department Response to Public Health or Healthcare Crisis	93.301	State of NH, DHHS, Division of Public Health Services	01000057710000500731	15,071
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	02-52-52-520010-18870000-074-500587	1,420,000
Low Income Home Energy Assistance (BIVP)	93.568	State of NH, Office of Energy & Planning	01-02-02-024010-77060000-500587	297,968
		State of NH, DHHS, Administration for Children & Families, Office of Community Services	02-52-52-520010-18870000-074-500587	138,431
COVID-19 Low Income Home Energy Assistance	93.568		Grant #2001NHE5C3	307,274
ARPA Low Income Home Energy Assistance (BIVP)	93.568	State of NH, Office of Energy & Planning	02-052-052-520010-24490000-074-500587	33,817
ARPA Low Income Home Energy Assistance	93.568	State of NH, Office of Energy & Planning	02-052-052-520010-24490000	4,150,168
Community Services Block Grant	93.569	State of NH, DHHS, Div. of Family Assistance	500731	357,812
COVID-19 Community Services Block Grant	93.569	State of NH, DHHS, Division of Economic & Housing Stability	500731	222,108
Community Services Block Grant - Discretionary	93.570	State of NH, DHHS, Div. of Family Assistance	Unknown	22,652

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2022

FEDERAL GRANTOR: PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
<u>U.S. Department of Health & Human Services (continued)</u>				
Head Start Cluster				
Head Start	93.600	Direct Funding	01CH011404	\$ 2,270,884
COVID-19 Head Start	93.600	Direct Funding	01HE000358	\$ 60,778
Total U.S. Department of Health & Human Services				\$ 2,331,662
<u>U.S. Department of Homeland Security</u>				
Emergency Food and Shelter National Board Program	97.024	State of NH, DHHS, Office of Human Services	Unknown	\$ 9,200
Total U.S. Department of Homeland Security				\$ 9,200
TOTAL				\$ 24,507,495

See Notes to Schedule of Expenditures of Federal Awards

SOUTHWESTERN COMMUNITY SERVICES, INC.

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MAY 31, 2022**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal Awards (the Schedule) includes the federal award activity of Southwestern Community Services, Inc. under programs of the federal government for the year ended May 31, 2022. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southwestern Community Services, Inc., it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3 INDIRECT COST RATE

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

NOTE 4 FOOD DONATION

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

NOTE 5 SUBRECIPIENTS

Southwestern Community Services, Inc. had no subrecipients for the year ended May 31, 2022.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Southwestern Community Services, Inc. (a New Hampshire nonprofit corporation) and related companies, which comprise the consolidated statement of financial position as of May 31, 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated February 9, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2022-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

Southwestern Community Services, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Southwestern Community Services, Inc.'s response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Southwestern Community Services, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

*Leone McDonnell & Roberts
Professional Association*

Wolfeboro, New Hampshire
February 9, 2023

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Southwestern Community Services, Inc.'s (a New Hampshire nonprofit corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Southwestern Community Services, Inc.'s major federal programs for the year ended May 31, 2022. Southwestern Community Services, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Southwestern Community Services, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Southwestern Community Services, Inc.'s compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Southwestern Community Services, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Southwestern Community Services, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

*Leone McDermott & Roberts
Professional Association*

Wolfeboro, New Hampshire
February 9, 2023

SOUTHWESTERN COMMUNITY SERVICES, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MAY 31, 2022**

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Southwestern Community Services, Inc. and related companies were prepared in accordance with GAAP.
2. One significant deficiency disclosed during the audit of the consolidated financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the consolidated financial statements of Southwestern Community Services, Inc. and related companies, which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Southwestern Community Services, Inc. expresses an unmodified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with 2 CFR section 200.516(a) are reported in this Schedule.
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Low-Income Home Energy Assistance, ALN 93.568; U.S. Department of Treasury; Emergency Rental Assistance Program, ALN 21.023; and U.S. Department of Transportation; Formula Grants for Rural Areas, ALN 20.509.
8. The threshold for distinguishing Type A and B programs was \$750,000.
9. Southwestern Community Services, Inc. was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

SIGNIFICANT DEFICIENCY

2022-001 – Lack of accurate and timely reconciliations

Criteria: Internal controls ensuring timely and accurate reconciliations.

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

Cause: The Organization's internal control policies and procedures were not followed as designed.

Effect: Significant and material journal entries were provided by the client to ensure accurate financial statements.

Context: Reconciliations were not prepared timely, which resulted in late client entries many of which were a result of audit testing and inquiries made by auditor.

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

Views of Responsible Officials: The Organization acknowledges that internal control policies relative to certain reconciliations were not followed as established. The Organization's Leadership and the Fiscal Department Leadership is aware that is this not acceptable and the expectation is that all fiscal controls and policies are to be followed in a timely and accurate manner.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHWESTERN COMMUNITY SERVICES, INC.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED MAY 31, 2022**

There were no findings or questioned costs that were required to be reported in the Schedule of Findings and Questioned Costs for the year ended May 31, 2021.

Southwestern Community Services, Inc. Board of Directors - Composition – 2021 –

CHESHIRE COUNTY

SULLIVAN COUNTY

**CONSTITUENT
SECTOR**

Beth Fox
Assistant City Manager/
Human Resources Director
City of Keene

Mary Lou Huffling
Fall Mountain Emergency Food Shelf
Alstead Friendly Meals

Brianna Trombi
Head Start Policy Council
Parent Representative

**PRIVATE
SECTOR**

Kevin Watterson, *Chair/Secretary*
Clarke Companies (*retired*)

Anne Beattie
Newport Service Organization

**PUBLIC
SECTOR**

Jay Kahn
State Senator, District 10

Kerry Belknap Morris, M.Ed.
Early Childhood Education
River Valley Community College

David Edkins
Walpole, NH

Derek Ferland
Sullivan County Manager

SCS Transportation

Key Personnel – NHDOT

Name	Job Title	Salary
Meg Freeman	Chief Financial Officer	95,929.60
Keith Thibault	Chief Development Officer	87,796.80
Beth Daniels	Chief Operating Officer	71,000.00
Teri Palmer	Transportation Director	49,920.00
Terri Curtis	VDP Coordinator/Dispatcher	40,123.00

Beth Daniels

Experience

Southwestern Community Services, Inc., Keene, NH

Chief Operating Officer

03/2016-Present

- Responsible for all day-to-day program operations of the agency
- Supervise Program Directors, including WIC, Energy, and Housing Stabilization
- Ensure that all state and federal regulations are followed while those in need receive a smooth delivery of service

Director of Energy and Employment Programs

10/2008 – 12/2016

- Oversee all daily operations for Fuel Assistance, Electric Assistance, Neighbor Helping Neighbor, Senior Energy Assistance, Weatherization, HRRP, CORE, and Assurance 16 as well as the employment programs Workplace Success, Work Experience Program, and WIA.

Workforce Development Director

11/2006 – 10/2008

- Supervise, direct, coach, and encourage staff of six within four programs
- Collaborate with agency staff, community members and state contract holders to achieve common goals, including agency name recognition and program success
- Perform all SCS Program Director tasks including PPRs and budget management

Families @ Work Employment Specialist

03/2006 - 11/2006

- Managed a caseload of fifty (50) clients throughout the Keene, Claremont, Concord, and Nashua areas
- Worked closely with staff from Southwestern Community Services, Inc. and Southern New Hampshire Services
- Gained a strong working knowledge of all SCS programs for referral purposes

Second Start, Concord, NH

Career Development Specialist

11/2004 – 03/2006

- Facilitated daily job-readiness classes and skill-building exercises
- Assisted participants with barrier resolution and the job search process
- Maintained participant records and completed reporting requirements
- Received ongoing training in teaching techniques and learning styles

Nina's Family Daycare, Swanzey, NH

10/2003 – 11/2004

Daycare Provider

- Responsible for meal planning, payment records, supplies, and activities
- Acquired CPR & First Aid certification

Southwestern Community Services, Inc., Keene, NH

Case Manager, Homeless Services

09/2002 – 10/2003

- Responsible for all daily operations of housing program, rules, and regulations
- Completed weekly and monthly progress reports
- Coordinated house meetings, workshops, case conferences, and life skills classes

Case Manager, Welfare-to-Work

05/2000 – 09/2002

- Provided job placement and retention services for caseload of forty (40) clients
- Gained working knowledge of Department of Health & Human Services, Immigration & Naturalization Services, community agencies, and SCS

Education and Training

Results Oriented Management & Accountability (ROMA)	2016-2017
Grant Writing Workshop Cheshire County	05/2012
Nonviolent Crisis Intervention Crisis Prevention Institute, Inc.	2012
Leadership Training Tad Dwyer Consulting	2010-2011
Criticism & Discipline Skills for Managers CareerTrack	11/2007
How to Supervise People CareerTrack	11/2007
Career Development Facilitator Training National Career Development Association <i>120-hour NCDA training</i>	09/2005
Certified Workforce Development Specialist National Association of Workforce Development Professionals	06/2005
Infection Control & Bloodborne Pathogens Home Health Care	01/2003
Bachelor of Arts in Human Services Franklin Pierce College <i>Graduated cum laude</i>	05/2002

References Available

TERRI L. DAIGNAULT, VDP COORDINATOR/DISPATCHER

PROFESSIONAL EXPERIENCE

VDP Coordinator and Morning Dispatcher
Southwestern Community Services Transportation

Sept 2016 - Current

The Volunteer Driver Coordinator is responsible for developing and implementing a program for volunteer drivers within the Agency's transportation program. Reports directly to the Transportation Services Director this individual will recruit, train, schedule, and oversee volunteer drivers while working collaborating with other agencies that provide volunteer transportation for Sullivan County residents.

- Recruits, screens, trains, supervises, schedules, and evaluates volunteer drivers
- Identifies and implements resources for training and motivating volunteers
- Maintains a roster of volunteers willing to provide services.
- Maintains accurate records, producing monthly and quarterly reports of volunteer activities as requested.
- Partners with area agencies to coordinate volunteer efforts in the region for optimum efficiency
- Plans and implements an annual volunteer recognition event.
- Coordinates the evaluation of the volunteer program including volunteer satisfaction surveys.
- Handles incoming contacts to the program and makes home visits as appropriate.
- Attends meetings and interfaces with other community groups and agencies as appropriate.
- Participates in the public relations efforts by making presentations to community groups.
- Other related duties as assigned.

The morning dispatcher directly supports SCS transportation programs. Responsible for a variety of activities including collecting, compiling, and distributing transportation reports on both public and volunteer transportation services; managing the Volunteer Driver Program: managing the bus drivers work schedule; coordinating the maintenance and repairs schedule for all buses. Provide Drug and Alcohol Reasonable Suspicion referral for testing, accidents response and documentation. Also provide dispatching and scheduling for bus transportation.

VDP Coordinator and Morning Dispatcher
Community Alliance of Human Services

Feb 2012 – Sept 2016

Directly supported CAHS' transportation programs. Responsible for a variety of activities including collecting, compiling, and distributing transportation reports on both public and volunteer transportation services; managing the Volunteer Driver Program: managing the bus drivers work schedule; coordinating the maintenance and repairs schedule for all buses and serve as a Drug & Alcohol Safety Officer.

Twin State Speedway

July 2007 – April 2012

Sales, all aspects from dealing with customers, sales/ticket booths, training, overseeing of all ticket takers, deposits, record keeping of all deposits and weekly intake, dealing with employees and customers, registrations, and creating and maintaining websites.

Fleury's Sales

Aug 2010 – Feb 2012

Sales, all aspects from dealing with customers, taking payments to selling cars, deposits, record keeping of all deposits and weekly intake, dealing with employees and customers, registrations, and creating and maintaining websites

Jiffy Mart

Aug 2007 – Jan 2010

Worked as Assistant Manager, cashier, stocking, daily paperwork, invoices, ordering and receiving of stock. Training of new employees, opening and closing of store. Was responsible for daily deposits. Worked and trained in all areas of store, food preparations.

Hodgdon Sales

Aug 1988 – Sept 1996

Worked as cashier, stocking, ordering, and receiving of stock. Trained new employees, payroll, invoicing, billing, answering phones, dealing with the public. Set up new store fronts. Helped with auctions, scribing and any other duties as needed.

Margaret Freeman

Experience

2000 – Present

Southwestern Community Services Inc.
Keene, NH

Chief Financial Officer (2014 – present)

Supervising the quality of accounting and financial reporting of SCS; a Community Action Agency. Total funding of \$18 million; federal, state and local funding sources. Primary responsibilities include overseeing the accounting functions, implementation and monitoring of internal controls, reporting financial position to the Board of Directors, preparation of the annual A-133 audit, member of agencies Senior Staff.

Fiscal Director (2000-2014)

Responsible to lead and manage the daily operations of the Fiscal Department of SCS. Primary duties include budget preparation and analysis, financial statement preparation and audit coordination.

1993 –2000

Emile J. Legere Management Corp
Keene, NH

Accountant

Provided bookkeeping for real estate management/development corp. Managed 16 affordable housing properties. Responsible for cash management, general ledger, A/P, A/R, financial statement prep, and audit prep. Leasing Manager of large commercial/retail property responsible for lease management and marketing of over 30 retail spaces.

Education

Leadership New Hampshire, Graduate 2011

Plymouth State University, Plymouth, NH
M.B.A., 1999

Keene State College, Keene, NH

B.S., Management, 1991; concentration Mathematics and Computer Science

Keith F. Thibault
kthibault@scshelps.org (e-mail)

(603) 719-4208 (work)

Skills Summary

- Effective "hands-on" manager with proven supervisory experience.
- Honest, dependable and self-motivated.
- Strong written and oral communicator with PC skills & experience.
- Detail oriented, highly organized, flexible and hard-working.
- Able to effectively coordinate multiple projects and tasks.

Experience

Southwestern Community Services, Inc., Keene, New Hampshire
Housing Director – October, 1993 to December 1998
Director of Housing & Economic Development – January 1999 to June 2001
Development Director - July 2001 to August 2007
chief development officer – September 2007 - Present

Primarily responsible for the acquisition, development and financing of over 450 units of affordable housing, five Head Start pre-school facilities and 100,000 square feet of commercial space in fourteen communities in southwestern New Hampshire. Member of the agency's Senior Staff. The chief development officer position has grown to include all economic, program and philanthropic development activities within this very dynamic Community Action Agency. The position also includes the responsibility to represent the organization at numerous community events and on local, state and regional boards. Highlights as Housing Director included the development of a comprehensive Property Management component that currently maintains and manages all agency owned real estate; successful administration of a federal HOPE 3 first time home buyer program in Sullivan County as well as being the recipient of many awards for the development of historically significant properties.

Rural Housing Improvement, Winchendon, Massachusetts
Director of Home Ownership and Housing Counseling - June 1993 to October, 1993

This Program Director position consists primarily of the administration of a \$500,000 HOPE III Implementation grant, HOME funding for First-time Home Buyers of \$250,000, coordination of a State Finance Authority approved Home Buyer Education course, management of several government property disposition programs (FDIC, RTC and Fannie Mae), several rehabilitation programs, as well as all housing counseling activities for the component. Staff supervised include two Housing Developers, one or more Rehabilitation Specialists, one or more Housing Counselors as well as support staff.

Assistant Director for Administration/Leased Housing - April 1998 to May 1993

Administration of a nearly two thousand household Section 8 Rental Assistance program comprised the overall scope of this position. Primary responsibilities included the disbursement of nearly nine million dollars annually in Housing Assistance Payments to more than eleven hundred landlords, direct day-to-day supervision of eight staff, liaison work with all other Agency components as well as accurate record keeping per HUD regulations. Highlights included the creation of Agency Family Self-Sufficiency Program (FSS) and serving on a statewide Project Coordinating Committee for FSS. I also represented RHI on several committees of our State Housing Association as well as serving on several in-house committees focusing on employee benefits, performance evaluations and the rewriting of Agency job descriptions to conform to the American Disabilities Act.

Program Representative/Leased Housing - September 1986 to April 1998

Responsible for the administration and management of a two hundred-plus household caseload. Duties included initial and annual inspections of all units, rent negotiation and general file maintenance. Position required an unusually high degree of organizational, interpersonal and technical skills. Thorough knowledge of market area, Federal Housing Quality Standards and HUD Section 8 regulations were required.

Education

University of Massachusetts at Amherst

Bachelor of Arts cum laude - 1983

- Major: Economics with emphasis on Labor Economics
- Minor: Political Science with emphasis on local government
- Served a one-year paid internship with the University's Housing Administration, which led to becoming the Assistant Director of the program during my junior year.
- Completed a full semester academic internship serving as an assistant to the Town Manager of Action, Massachusetts.
- Took advanced courses in Economics and Latin through the Liberal Arts Honors Program

Civic and Other Activities

- Former Big Brother volunteer, Keene
- Current Co-Chair of Heading for Home, our Regional Housing Coalition
- Current co-chair of the Southwestern Region Planning Commission's Economic Development Advisory Committee
- Former volunteer at McKerley Health Care Center, Keene
- Former Chair of the Board of Directors for the Keene Day Care Center
- Current elected Vice Chairman of the Swanzey Zoning Board of Adjustment.
- Current founding board member and Chairperson of the Monadnock Collaborative, a 501(c) (3) organization formed to provide regional information and supported referral services.
- Dedicated husband and involved father of three children ages twenty-two, twenty and eight.

References available upon request.