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DEC 17 2025



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION FOR BEHAVIORAL HEALTH

Lori A. Weaver
 Commissioner

Katja S. Fox
 Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9544 1-800-852-3345 Ext. 9544
 Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

November 18, 2025

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

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division for Behavioral Health, to amend an existing contract with the Contractor listed below in **bold**, to ensure accurate billing and reimbursement for actual costs incurred for the Public Health Advisory Council and Substance Misuse programming, with no change to the price limitation of \$21,974,594 and no change to the contract completion date of June 30, 2026, effective upon Governor and Council approval. 100% Federal Funds.

The individual contracts were approved by Governor and Counsel as specified in the table below.

Contractor Name	Vendor Code	Area Served	Current Amount	Increase (Decrease)	Revised Amount	G&C Approval
City of Nashua	177441	Greater Nashua	\$2,079,273	\$0	\$2,079,273	O: 7/12/22 (Item # 10) A1: 2/8/23 (Item #40) A2: 6/26/24 (Item #41) A3:8/13/25 (item #77)
CADY, INC.	171395	Central NH	\$1,638,971	\$0	\$1,638,971	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
Granite United Way	160015	Capital Region, Carroll County, South Central	\$5,017,999	\$0	\$5,017,999	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)

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Greater Seacoast Community Health	154703	Stafford County	\$1,654,991	\$0	\$1,654,991	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
Lamprey Health Care, Inc.	177677	Seacoast	\$1,688,377	\$0	\$1,688,377	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
Manchester Health Department	177433	Greater Manchester	\$2,165,511	\$0	\$2,165,511	O: 7/12/22 (Item # 10) A1: 2/8/23 (Item #40) A2: 6/26/24 (Item #41) A3:8/13/25 (item #77)
Mary Hitchcock Memorial Hospital	177160	Greater Sullivan and Upper Valley	\$2,990,322	\$0	\$2,990,322	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
North Country Health Consortium	158557	North Country	\$1,561,443	\$0	\$1,561,443	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
Partnership for Public Health, Inc.	165635	Winnepesaukee	\$1,590,299	\$0	\$1,590,299	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19) A3:8/13/25 (item #77)
The Cheshire Medical Center	155405	Greater Monadnock	\$1,587,408	\$0	\$1,587,408	O: 6/29/22 (Item #41) A1: 2/8/23 (Item #40) A2: 5/1/24 (Item #19)

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						A3: 8/13/25 (item #77)
		Total	\$21,974,594	\$0	\$21,974,594	

EXPLANATION

The purpose of this request is for the Contractor to make budget line item adjustments to ensure accurate expense tracking and reimbursement for actual costs incurred for the Public Health Advisory Council and Substance Misuse programming. Under the existing budget, costs are allocated under the subrecipient contracts line item for the Public Health Advisory Council and Substance Misuse programming, and the Department is not able to reimburse the Contractor for costs incurred. By making the line item adjustments, the Contractor will be able to bill the Department for accurate costs incurred and seek reimbursement.

The Contractor transitioned from a subcontractor arrangement to contracting directly with the Department to oversee the work related to the Public Health Advisory Council and Substance Misuse programming. Funding allocated to the subrecipient line is being reallocated to line items for actual expenses to ensure accurate billing and reimbursement.

Ten Contractors implement the 13 Reginal Public Health Networks (RPHNs) to bring together a wide range of stakeholders to deliver regional health services and strategic planning. Stakeholders include local health departments and health officers, healthcare providers, social services agencies, schools, fire and police departments, emergency medical services, behavioral health professionals, and faith-based and business leaders. The collaborative, cross-sector approach allows each RPHN to set region-specific health priorities that are data-driven, evidence-based, and responsive to community needs.

The Contractor ensures the RPHNs oversee substance misuse prevention, continuum of care coordination, and overdose prevention response. The substance misuse prevention programs promote and advance evidence-based primary prevention approaches, programs, policies, and services. Additional services provided by the Contractor include facilitating Continuum of Care to focus on the development of a robust and coordinated approach for prevention, early intervention, treatment and recovery from substance misuse utilizing the principles of Resiliency and Recovery Oriented Systems of Care; and an overdose prevention program to distribute overdose prevention education resources, Naloxone, and Naloxone kits to reach high-need, high-risk populations within each RPHN. In addition, the Contractor ensures RPHNs coordinate a Public Health Advisory Council, which develops a regional community health assessment and a community health improvement plan. The plan establishes priorities and implementation of strategies for improving public health within their region.

The Department will continue to monitor services through review of Contractor monthly data submissions as well as quarterly and annual ad hoc reports, and through conducting annual site visits.

Should the Governor and Executive Council not authorize this request, the Contractor will not be able to bill the Department accurately for actual costs incurred related to the Public Health Advisory Council and Substance Misuse programming.

The Department has determined that the Contractor is in good standing with the Secretary of State's Office, has secured the required levels of insurance, and has provided evidence of authority to execute and be bound by the contract. Documents supporting these assertions are available at the agency for review upon request. The Contractor is a non-profit organization, and

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and the Honorable Council
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the Department has also confirmed the Contractor is registered and in good standing with the Department of Justice's Charitable Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Lori A. Weaver". The signature is stylized with a large initial "L" and "W".

For:

Lori A. Weaver
Commissioner

**State of New Hampshire
Department of Health and Human Services
Amendment #4**

This Amendment to the Regional Public Health Network Services contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and CADY, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 29, 2022 (item #41), and as amended on February 8, 2023 (item #40); May 1, 2024 (item #19); and most recently amended on August 13, 2025 (item #77), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

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

1. Modify Exhibit A - Revisions to Standard Provisions, by adding Subsection 1.4., to read:
 - 1.4 Paragraph 6, Compliance by Contractor with Laws and Regulations/Equal Employment Opportunity, Subparagraph 6.1., is amended as follows:
 - 6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, RSA 151:21 Patients' Bill of Rights, civil rights and equal employment opportunity laws, and the Governor's order on Respect and Civility in the Workplace, Executive Order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.
2. Modify Exhibit C, Payment Terms, Section 3, to read:
 3. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement and shall be in accordance with the approved line items, as specified in Exhibit C-1, Budget – Amendment #1 through Exhibit C-4, Budget – Amendment #4.
3. Modify Exhibit C-4, Budget – Amendment #3, by replacing it in its entirety with Exhibit C-4, Budget – Amendment #4, which is attached hereto and incorporated by reference herein.

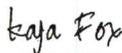
All terms and conditions of the Contract not modified by this Amendment remain in full force and effect. This Amendment shall be effective upon Governor and Council approval.

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

State of New Hampshire
Department of Health and Human Services

11/19/2025

Date

Signed by:

Name: Kaja Fox
Title: Re Director

CADY, Inc.

11/17/2025

Date

Signed by:

Name: Debra Naro
Title: Executive Director

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

OFFICE OF THE ATTORNEY GENERAL

11/20/2025

Date

DocuSigned by:
Robyn Guarino
748734844041460...
Name: Robyn Guarino
Title: Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

New Hampshire Department of Health and Human Services						
Contractor Name: <i>CADY, Inc.</i>						
Budget Request for: <i>Central NH RPHN</i>						
Budget Period: <i>July 1, 2025 - June 30, 2026</i>						
Indirect Cost Rate (if applicable) <i>10%</i>						
Line Item	Substance Misuse	Public Health Advisory Council (60% PH 50% BDAS)	Public Health Emergency Preparedness	Hospital Preparedness	School Based Vaccination Clinics	MRC STRONG Volunteer Program
1. Salary & Wages	\$80,525	\$21,000	\$0	\$0	\$0	\$0
2. Fringe Benefits	\$5,604	\$1,462	\$0	\$0	\$0	\$0
3. Consultants	\$0	\$0	\$0	\$0	\$0	\$0
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$0	\$0	\$0	\$0	\$0	\$0
5.(a) Supplies - Educational	\$0	\$0	\$0	\$0	\$0	\$0
5.(b) Supplies - Lab	\$0	\$0	\$0	\$0	\$0	\$0
5.(c) Supplies - Pharmacy	\$0	\$0	\$0	\$0	\$0	\$0
5.(d) Supplies - Medical	\$0	\$0	\$0	\$0	\$0	\$0
6. Travel	\$2,870	\$281	\$0	\$0	\$0	\$0
7. Software	\$0	\$0	\$0	\$0	\$0	\$0
8.(a) Other - Marketing/Communications	\$5,314	\$589	\$0	\$0	\$0	\$0
8.(b) Other - Education and Training	\$4,840	\$162	\$0	\$0	\$0	\$0
8.(c) Other - Other (Office Supplies)	\$2,304	\$692	\$0	\$0	\$0	\$0
Other (MRC Maintenance)	\$0	\$0	\$0	\$0	\$0	\$0
Other (Inventory Project)	\$0	\$0	\$0	\$0	\$0	\$0
Other (MRC Volunteer Liability)	\$0	\$0	\$0	\$0	\$0	\$0
Other (Occupancy)	\$5,688	\$599	\$0	\$0	\$0	\$0
Other (Phone/Internet)	\$2,470	\$181	\$0	\$0	\$0	\$0
Other (Postage)	\$1,832	\$349	\$0	\$0	\$0	\$0
Other (Insurance)	\$2,070	\$581	\$0	\$0	\$0	\$0
Other (Bookkeeping)	\$2,573	\$814	\$0	\$0	\$0	\$0
Other (Financial/Audit)	\$4,511	\$563	\$0	\$0	\$0	\$0
9. Subrecipient Contracts	\$0	\$0	\$76,000	\$0	\$15,341	\$24,000
Total Direct Costs	\$120,601	\$27,273	\$76,000	\$0	\$15,341	\$24,000
Total Indirect Costs	\$12,059	\$2,727	\$7,600	\$0	\$1,534	\$2,400
Subtotals	\$132,660	\$30,000	\$83,600	\$0	\$16,875	\$26,400
					Total	\$289,535

Initial
DN

Contractor Initial: _____
Date: 11/17/2025

State of New Hampshire

Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that CADY, INC. [COMMUNITIES FOR ALCOHOL AND DRUG FREE YOUTH] is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 17, 2004. 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: 473928

Certificate Number: 0007314418



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 17th day of October 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, Michael F. Conklin, hereby certify that:

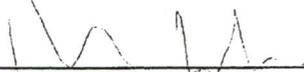
1. I am a duly elected Officer of CADY, Inc.

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 **Friday, October 17, 2025**, at which a quorum of the Directors were present and voting.

VOTED: That **Debra Naro, Executive Director** is duly authorized on behalf of CADY, Inc. to enter into contracts or agreements with 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 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: 10/17/2025



Signature of Elected Officer
Name: Michael F. Conklin
Title: CADY Board Chair

NONPROFIT COVER SHEET

A. Entity Name: CADY, INC.

B. Entity's Contact Information for Records Requests (e.g., resumes of key personnel; audited financial statements):

Debra A. Naro
dnaro@cadyinc.org; 603-536-9793 or 603-381-5158

C. List Board of Directors and Affiliations

<u>Name (Identify any additional role(s) in Parentheses)</u>	<u>Affiliations</u>
E.g., John Doe (President)	
Michael Conklin, Esq. (Chair)	Conklin and Reynolds, PA
Bonnie Bechard, Ph.D.	Plymouth State University, Professor
Maureen Ebner (Treasurer)	Community Member/Parent
Chief Stephen Lefebvre	Plymouth State University Police Dept.
William Luti	Retired Naval Captain
Clarissa Palmer, Ph.D.	Plymouth State University, Professor
Andrew Seefeld, MD, FACEP	Speare Memorial Hospital
Kyla Welch (Vice Chair)	SAU #48 Superintendent of Schools

D. List Key Personnel (Resumes must be available upon request to the person(s) listed in section B or may be attached):

<u>Name</u>	<u>Role</u>	<u>Annual Salary</u>	<u>Amount Paid From This Contract</u>
Debra Naro	RPHN Lead	\$145,000	25%
Lisa Leary	PHAC Coordinator	(.50FTE) \$55,000	32%

DISCLOSURE OF LEGAL ACTIVITIES INVOLVING THE STATE OF NEW HAMPSHIRE OR ANOTHER GOVERNMENT ENTITY

E. Check one of the following:

- [X] The entity is **not currently or has not been** party to any legal proceeding involving the State of New Hampshire (or any agency or subdivision thereof) or any other state/federal government entity before any adjudicative body in any jurisdiction **OR**
- [] The entity is or has been party to one or more legal proceedings as set forth above. Identify the jurisdiction, court or other adjudicative body, case number, and briefly describe the nature of the proceeding (Attached extra sheet if necessary).

CHARITABLE TRUSTS UNIT COMPLIANCE CERTIFICATION

F. Check one of the following:

- [X] is registered and in good standing with the New Hampshire Department of Justice Charitable Trusts Unit (** see note below) **or** has submitted a complete application for registration to the Charitable Trusts Unit and is awaiting a registration determination **OR**
- [] is not required to register with the Charitable Trusts Unit because it is neither tax-exempt under section 501(c)(3) of the Internal Revenue Code nor engages in charitable solicitations in the State of New Hampshire **OR**
- [] is exempt from registration with the Charitable Trusts Unit because it is a federal or state government, agency, or subdivision or is a religious organization, an integrated auxiliary of a religious organization, or is a convention or association of churches.

** Note: Attached screen shot from the DOJ Registered Charities List found at:

<https://mm.nh.gov/files/uploads/doj/remote-docs/registered-charities.pdf>

New Hampshire Department of Justice

Registered Charities List

Charitable Trusts Unit

G = Good Standing; X = Not in Good Standing; S = Suspended

Reg. No.	Charity Name	Address	City	State	Zip	Status	Report Due
15771	Cady, Inc.	94 Highland Street	Plymouth	NH	03264	G	11/15/2025

FINANCIAL DISCLOSURES

G. Check one the following:

The organization hired an outside firm (**TSS Financial Partners, LLP**) to audit its financial statements or to prepare GAAP-compliant financial statements for its most recently completed fiscal year. If so, please ensure that the financial statements and audit results are available to be requested from the contact listed on Page 1 (audited financials may be attached) **2023 Audit is attached. 2024 audit report will be available on November 15, 2025.**

The above does not apply, but the organization filed an IRS Form 990 or Form 990-EZ for its most recently completed fiscal year. Please attach that IRS Form 990 or Form 990-EZ to the submission. (Form 990 Schedule B is not required) **OR**

If neither of the above apply, complete the Income Statement and Balance Sheet below with the following basic financial information from the organization’s most recently completed fiscal year:

1. INCOME STATEMENT

<u>Revenue</u>		<u>Expenses</u>	
<i>Grants</i>	\$	<i>Compensation of officers, directors, and key personnel</i>	\$
<i>Donations</i>	\$	<i>Other salaries & wages</i>	\$
<i>Program Services Revenue</i>	\$	<i>Payroll taxes & employee benefits</i>	\$
<i>Interest & Dividends</i>	\$	<i>Occupancy, rent, utilities, and insurance</i>	\$
<i>All other Revenue</i>	\$	<i>Printing, publications, postage, office supplies, and IT</i>	\$
<u>Total Revenue</u>	\$	<i>All other expenses</i>	\$
		<u>Total Expenses</u>	\$

2. BALANCE SHEET

<u>Assets</u>		<u>Liabilities</u>	
<i>Cash & Equivalents</i>	\$	<i>Accounts Payable</i>	\$
<i>Investments</i>	\$	<i>Loans Payable</i>	\$
<i>Real Estate (less any depreciation)</i>	\$	<i>All other liabilities</i>	\$
<i>Other Property & Equipment (less any depreciation)</i>	\$	<u>Total Liabilities</u>	\$
<i>Pledges, grants, accounts receivable</i>	\$		
<i>All other assets</i>	\$		
<u>Total Assets</u>	\$		



Working with schools
and communities
to prevent and reduce
youth alcohol, tobacco,
and other drug use
and to promote healthy
environments and
promising futures.

EXECUTIVE DIRECTOR

Debra Naro

BOARD OF DIRECTORS

Michael Conklin, Esq.
Conklin and Reynolds, P.A.

The Hon. Mary Cooney
State Representative (Ret.)

Maureen Ebner
Community Leader

Chief Stephen Lefebvre
Plymouth State University
Police Department

William Luti
Captain, U.S. Navy (Ret.)

Clarissa Palmer, PhD
Professor of Education
Plymouth State University

Andrew Seefeld, M.D.
Director of Emergency Services
Speare Memorial Hospital

Kyla Welch
Superintendent, SAU #48

CADY Mission

Empowering healthy choices, drug-free lifestyles,
and promising futures through
collaboration, education, and engagement.

NH Department of Administrative Services Vendor Code: 171395

Communities for Alcohol-
and Drug-free Youth
94 Highland Street
Plymouth, NH 03264
phone (603) 536-9793
fax (603) 536-9799
cadyinc.org
facebook.com/cadyinc



educate. engage. empower.

CADY, Inc.
Financial Statements
and
Independent Auditors' Report

As of and for the Years Ended
December 31, 2024 and 2023



CADY, INC.

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As of and for the Years Ended December 31, 2024 and 2023

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Independent Auditors' Report

To the Board of Directors of
CADY, Inc.

Opinion

We have audited the financial statements of CADY, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CADY, Inc. as December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CADY, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CADY, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

TSS Financial Partners, LLP

Lebanon, New Hampshire
November 14, 2025

CADY, INC.**Statements of Financial Position**

As of December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 424,100	\$ 543,516
Certificate of deposit	133,041	126,938
Government grants receivable	151,731	95,551
Contracts receivable	29,807	3,813
Prepaid expenses	410	140
Total current assets	<u>739,089</u>	<u>769,958</u>
Other assets		
Security deposit	1,000	1,000
Property and equipment, net	136,026	145,405
Operating lease right of use assets, net	33,854	7,645
Total other assets	<u>170,880</u>	<u>154,050</u>
Total assets	<u>\$ 909,969</u>	<u>\$ 924,008</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 102,353	\$ 13,658
Accrued salaries and wages	32,170	23,885
Refundable advance	-	4,956
Current portion of long-term debt	5,437	5,234
Current portion of operating lease right of use obligation	13,362	7,310
Total current liabilities	<u>153,322</u>	<u>55,043</u>
Long-term liabilities		
Long-term debt, less current portion shown above	61,439	66,880
Operating lease right of use obligation, net of current portion	20,492	335
Total long-term liabilities	<u>81,931</u>	<u>67,215</u>
Total liabilities	<u>235,253</u>	<u>122,258</u>
Commitments (See Notes)	-	-
Net assets		
Without donor restriction	645,965	767,729
With donor restriction	28,751	34,021
Total net assets	<u>674,716</u>	<u>801,750</u>
Total liabilities and net assets	<u>\$ 909,969</u>	<u>\$ 924,008</u>

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.**Statements of Activities and Changes in Net Assets**

For the Year Ended December 31, 2024 with Comparative Totals for the Year Ended December 31, 2023

	Without Donor Restriction	With Donor Restriction	Total 2024	Total 2023
Operating activities:				
Revenues and other support:				
Government grants	\$ 608,259	\$ -	\$ 608,259	\$ 887,987
Contributions	91,321	27,250	118,571	105,999
Contract revenue	71,456	-	71,456	35,234
Social marketing sales	6,155	-	6,155	18,900
Program service fees	16,950	-	16,950	31,891
Other income	278	-	278	-
Interest income	6,202	-	6,202	2,059
	<u>800,621</u>	<u>27,250</u>	<u>827,871</u>	<u>1,082,070</u>
Net assets released from donor restrictions	<u>32,520</u>	<u>(32,520)</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>833,141</u>	<u>(5,270)</u>	<u>827,871</u>	<u>1,082,070</u>
Expenses:				
Program expenses:				
Education, outreach and prevention	689,802	-	689,802	728,365
Juvenile diversion	35,244	-	35,244	29,831
Other program expenses	53,674	-	53,674	45,134
Total program expenses	<u>778,720</u>	<u>-</u>	<u>778,720</u>	<u>803,330</u>
Supporting services:				
Management and general	174,477	-	174,477	237,460
Fundraising	1,708	-	1,708	-
Total supporting services expenses	<u>176,185</u>	<u>-</u>	<u>176,185</u>	<u>237,460</u>
Total expenses	<u>954,905</u>	<u>-</u>	<u>954,905</u>	<u>1,040,790</u>
Change in net assets from operating activities	<u>(121,764)</u>	<u>(5,270)</u>	<u>(127,034)</u>	<u>41,280</u>
Non-operating activities:				
Loss on disposal of property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>(84)</u>
Change in net assets from non-operating activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(84)</u>
Change in net assets	(121,764)	(5,270)	(127,034)	41,196
Net assets, beginning of year	<u>767,729</u>	<u>34,021</u>	<u>801,750</u>	<u>760,554</u>
Net assets, end of year	<u>\$ 645,965</u>	<u>\$ 28,751</u>	<u>\$ 674,716</u>	<u>\$ 801,750</u>

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.

Statement of Activities and Changes in Net Assets

For the Year Ended December 31, 2023

	Without Donor Restriction	With Donor Restriction	Total
Changes in net assets without donor restrictions:			
Revenues and other support:			
Government grants and contracts	\$ 887,987	\$ -	\$ 887,987
Contributions	92,549	13,450	105,999
Contract revenue	35,234	-	35,234
Social marketing sales	18,900	-	18,900
Program service fees	31,891	-	31,891
Interest income	2,059	-	2,059
	<u>1,068,620</u>	<u>13,450</u>	<u>1,082,070</u>
Net assets released from restriction	<u>35,698</u>	<u>(35,698)</u>	<u>-</u>
Total revenues and other support	<u>1,104,318</u>	<u>(22,248)</u>	<u>1,082,070</u>
Expenses:			
Program services:			
Education, outreach and prevention	728,365	-	728,365
Juvenile diversion	29,831	-	29,831
Other program expenses	45,134	-	45,134
Total program expenses	<u>803,330</u>	<u>-</u>	<u>803,330</u>
Supporting services:			
Management and general	<u>237,460</u>	<u>-</u>	<u>237,460</u>
Total expenses	<u>1,040,790</u>	<u>-</u>	<u>1,040,790</u>
Change in net assets from operating activities	<u>63,528</u>	<u>(22,248)</u>	<u>41,280</u>
Non-operating activities:			
Loss on disposal of property and equipment	<u>(84)</u>	<u>-</u>	<u>(84)</u>
Change in net assets from non-operating activities	<u>(84)</u>	<u>-</u>	<u>(84)</u>
Change in net assets	63,444	(22,248)	41,196
Net assets, beginning of year	<u>704,285</u>	<u>56,269</u>	<u>760,554</u>
Net assets, end of year	<u>\$ 767,729</u>	<u>\$ 34,021</u>	<u>\$ 801,750</u>

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.

Statements of Functional Expenses

For the Year Ended December 31, 2024 with Comparative Totals for the Year Ended December 31, 2023

	Program Expenses				Supporting Services		2024 Total	2023 Total
	Education, Outreach & Prevention	Juvenile Diversion	Other	Subtotal	Management & General	Fundraising		
Salaries and wages	\$ 431,283	\$ 29,377	\$ 25,438	\$ 486,098	\$ 66,877	\$ -	\$ 552,975	\$ 599,576
Payroll taxes	29,026	2,017	1,056	32,099	8,941	-	41,040	47,554
Employee benefits	4,098	-	1,289	5,387	26,157	-	31,544	43,329
Professional services	37,771	-	4,480	42,251	16,253	-	58,504	89,234
Marketing and communication	3,926	-	-	3,926	-	-	3,926	23,829
Conferences and meetings	8,295	-	4,359	12,654	-	-	12,654	21,921
Insurance	6,145	-	828	6,973	5,042	-	12,015	26,433
Food	1,524	-	1,314	2,838	3,748	-	6,586	17,740
Occupancy	12,845	-	669	13,514	5,442	-	18,956	33,047
Supplies and other expenses	30,192	3,850	5,741	39,783	6,039	1,708	47,530	51,692
Depreciation	-	-	-	-	9,379	-	9,379	9,600
Interest	-	-	-	-	2,875	-	2,875	2,610
Legal and accounting	22,205	-	2,694	24,899	14,604	-	39,503	33,061
Repairs and maintenance	-	-	133	133	1,831	-	1,964	1,606
Travel	10,203	-	768	10,971	870	-	11,841	17,938
Office	6,387	-	1,754	8,141	6,419	-	14,560	16,801
Training and education	484	-	3,151	3,635	-	-	3,635	4,819
Subcontractors	85,418	-	-	85,418	-	-	85,418	-
	<u>\$ 689,802</u>	<u>\$ 35,244</u>	<u>\$ 53,674</u>	<u>\$ 778,720</u>	<u>\$ 174,477</u>	<u>\$ 1,708</u>	<u>\$ 954,905</u>	<u>\$ 1,040,790</u>

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program Expenses				Supporting Services		
	Education, Outreach & Prevention	Juvenile Diversion	Other	Subtotal	Management & General	Fundraising	Total
Salaries and wages	\$ 431,975	\$ 12,881	\$ 18,410	\$ 463,266	\$ 136,310	\$ -	\$ 599,576
Payroll taxes	42,684	418	529	43,631	3,923	-	47,554
Employee benefits	38,948	382	482	39,812	3,517	-	43,329
Professional services	74,285	10,000	180	84,465	4,769	-	89,234
Marketing and communication	23,829	-	-	23,829	-	-	23,829
Conferences and meetings	18,138	-	3,783	21,921	-	-	21,921
Insurance	18,431	-	-	18,431	8,002	-	26,433
Food	-	-	11,132	11,132	6,608	-	17,740
Occupancy	21,312	-	3,392	24,704	8,343	-	33,047
Supplies and other expenses	28,850	6,150	4,677	39,677	12,015	-	51,692
Depreciation	-	-	-	-	9,600	-	9,600
Interest	-	-	-	-	2,610	-	2,610
Legal and accounting	-	-	-	-	33,061	-	33,061
Repairs and maintenance	-	-	13	13	1,593	-	1,606
Travel	16,305	-	849	17,154	784	-	17,938
Office	10,094	-	832	10,926	5,875	-	16,801
Training and education	3,514	-	855	4,369	450	-	4,819
	<u>\$ 728,365</u>	<u>\$ 29,831</u>	<u>\$ 45,134</u>	<u>\$ 803,330</u>	<u>\$ 237,460</u>	<u>\$ -</u>	<u>\$ 1,040,790</u>

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.**Statements of Cash Flows**

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities		
Change in net assets	\$ (127,034)	\$ 41,196
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	9,379	9,600
Amortization on right of use assets	13,767	12,648
Payments on operating lease right of use obligations	(13,767)	(12,648)
Loss on disposal of fixed assets	-	84
(Increase) decrease in the following assets:		
Government grants receivable	(56,180)	9,276
Contracts receivable	(25,994)	10,454
Prepaid expenses	(270)	(140)
Increase (decrease) in the following liabilities:		
Accounts payable	88,695	(3,699)
Accrued salaries and wages	8,285	6,616
Refundable advance	(4,956)	(96,284)
Net cash used in operating activities	<u>(108,075)</u>	<u>(22,897)</u>
Cash flows from investing activities		
Certificate of deposit purchases	(6,103)	(126,938)
Capital expenditures	-	(3,825)
Security deposit	-	1,300
Net cash used in investing activities	<u>(6,103)</u>	<u>(129,463)</u>
Cash flows from financing activities		
Payments on long-term debt	(5,238)	(5,039)
Net cash used in financing activities	<u>(5,238)</u>	<u>(5,039)</u>
Net decrease in cash and cash equivalents	(119,416)	(157,399)
Cash and cash equivalents, beginning of year	<u>543,516</u>	<u>700,915</u>
Cash and cash equivalents, end of year	<u>\$ 424,100</u>	<u>\$ 543,516</u>

Supplemental Disclosures of Cash Flow Information

Interest paid	\$ <u>2,875</u>	\$ <u>2,610</u>
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Supplemental Disclosures of Non-Cash Investing and Financing Activities

During 2024, the Organization renewed an operating lease right of use asset in exchange for an operating lease right of use obligation in the amount of \$39,976 (Note 7).

The accompanying notes to financial statements are an integral part of these statements.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies:

Organization

CADY, Inc. (Communities for Alcohol and Drug-Free Youth) (the Organization) is a New Hampshire nonprofit corporation established in 2005. The Organization's mission is: empowering healthy choices, drug-free lifestyles, and promising futures through collaboration, education, and engagement. The Organization's core purpose is to build a resilient, inclusive, and diverse community united in developing and sustaining a healthy environment where youth can grow up alcohol and drug free. The Organization conducts its programs with the following vision: collaborative, caring communities where youth are mentally strong, resilient, and substance-free.

Summary of Significant Accounting Policies

a. Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- Net assets without donor restrictions – net assets not subject to any donor-imposed stipulations.
- Net assets with donor restrictions:
 - Time or Purpose – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or passage of time.
 - Perpetual – Net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the Organization. As of December 31, 2024 and 2023, the Organization did not have any net assets with perpetual donor restrictions.

Revenues are reported as increases in net assets without donor restrictions unless restricted by the donor. Expenses are reported as decreases in net assets without donor restrictions. When a donor's restriction is accomplished by satisfying the restricted purpose or time restriction, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restriction.

b. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

c. Cash and Cash Equivalents

The Organization considers deposits in financial institutions with maturities of less than 90 days to be cash or cash equivalents.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

1. Organization and Summary of Significant Accounting Policies (continued):

d. Certificate of Deposit

The Organization holds a certificate of deposit with an original maturity term of ten months and therefore is included as a current asset on the statements of financial position.

e. Government Grant Revenue

Government grants, consisting of federal, state, and local grants, are primarily considered to be conditional contribution transactions, the majority of which are cost-reimbursement grants. The Organization has elected the “simultaneous release” accounting policy option, such that, conditional contributions received whose condition lapses simultaneously with the expiration of donor-imposed use restrictions are reported in net assets without donor restrictions. The Organization’s costs incurred under its government grants are subject to audit by government agencies. Management believes the disallowance of costs, if any, would not be material to the consolidated financial position or consolidated statement of operations.

The Organization has recorded grants receivable, all of which are expected to be collected in one year.

f. Contract Revenue

The Organization has entered into contracts to provide restorative justice services and to be the administrator for a substance misuse prevention program which both are considered to be exchange transactions and are recognized following the guidance in Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606). The revenues are recognized over the contract periods.

g. Social Marketing Sales

The Organization sells its social marketing materials. The revenue is accounted for as an exchange transaction and is recognized at the time of the sale.

h. Program Service Fees

The Organization provides various program services to individuals, for which there is a fee to participate. The revenue is accounted for as an exchange transaction and is recognized over the course of the programs.

i. Contributions:

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

1. Summary of Significant Accounting Policies (continued):

j. Property and Equipment

Property and equipment are stated at cost, if purchased, or fair value, if contributed. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repairs are charged to operations when incurred. Significant betterments and renewals are capitalized.

The useful lives of property and equipment for purposes of computing depreciation are:

	<u>Years</u>
Buildings	39.5
Improvements	7 - 15
Equipment	5
Furniture and fixtures	5 - 7

The Organization reviews the carrying value of property and equipment for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In cases where undiscounted expected future cash flows are less than carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends, and prospects, as well as the effects of obsolescence, demand, competition, and other economic factors.

k. Refundable Advance

Conditional contributions received by the Organization are recorded as a liability under “refundable advance” until the conditions have been substantially met or explicitly waived by the donor.

l. Marketing and Communication

Marketing and communication costs are charged to operations in the year incurred. Marketing and communication costs totaled \$3,926 and \$23,829 for the years ended December 31, 2024 and 2023, respectively.

m. Functional Expenses

The costs of providing the various programs and other supporting activities have been reported on a functional basis in the statements of activities and changes in net assets and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting activities benefited. Costs are allocated using reasonable and consistent methods for each type of cost.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

1. Summary of Significant Accounting Policies (continued):

n. Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and by New Hampshire state law, for activities considered related to its exempt purpose. The Organization remains subject to federal and state taxation, as a corporation, on items of income determined to be unrelated to its exempt purpose. The Organization reviews the positions taken in regard to categorizing revenues as related or not related to its exempt purpose. The Organization recognizes the effect of income tax positions only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting this standard, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. Management determined that no provision for income taxes was required for the years ended December 31, 2024 and 2023 as it did not identify activities that were not related to the Organization's exempt purpose. The Organization believes it is no longer subject to examinations for years prior to 2021.

o. Change in Accounting Principle

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which eliminates the probable initial recognition threshold and, instead, requires that all financial assets (or group of financial assets) measured at amortized cost basis be presented at the net amount expected to be collected inclusive of the entity's current estimate of all expected credit losses. The ASU also applies to certain off-balance-sheet credit exposures such as unfunded commitments and non-derivative financial guarantees. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial asset(s) in order to present the net carrying value at the amount expected to be collected on the financial asset. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. The Company adopted the new standard on January 1, 2023 using the modified retrospective approach. The adoption of the ASU has not had a material impact on the Company's financials.

p. Concentration of Credit Risk

The Organization maintains funds in bank accounts at a financial institution. These balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to a maximum of \$250,000. At times during the year, funds carried in the Organization's accounts may exceed FDIC limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk related to uninsured funds.

q. Fair Value of Financial Instruments

The Organization's financial instruments consist of cash, grants, contracts and contributions receivables, trade payables and notes payable. The carrying value of all instruments approximates their fair value.

r. Liquidity

Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to the nearness of their maturity and resulting use of cash.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

2. Government Grants:

The Organization receives various reimbursement grants from the federal government, State of New Hampshire and other public agencies considered to be conditional contributions (see Note 1). The following is a summary of the grant activity for the years ended December 31:

	<u>Government Grants Revenue</u>		<u>Government Grants Receivable</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
U.S. Department of Health and Human Services				
Drug-Free Communities Support Program	\$ -	\$ 90,356	\$ -	\$ -
STOP Act	10,276	46,557	7,008	-
RCORP (Implementation)	-	81,470	-	-
Central NH Partnerships for Prevention	267,134	333,036	-	44,682
State of New Hampshire				
NH Empowers Youth Program	-	101,240	-	-
Other				
Grafton County	26,229	29,831	-	-
Regional Public Health Network Services	304,620	205,497	144,723	50,869
	<u>\$ 608,259</u>	<u>\$ 887,987</u>	<u>\$ 151,731</u>	<u>\$ 95,551</u>

3. Property and Equipment:

Property and equipment consisted of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Property and equipment, at cost		
Land	\$ 32,177	\$ 32,177
Building	88,976	88,976
Building improvements	35,626	35,626
Solar improvements	32,442	32,442
Equipment	3,845	3,845
	<u>193,066</u>	<u>193,066</u>
Less- Accumulated depreciation	<u>57,040</u>	<u>47,661</u>
Property and equipment, net	<u>\$ 136,026</u>	<u>\$ 145,405</u>

Depreciation expense totaled \$9,379 and \$9,600 for the years ended December 31, 2024 and 2023, respectively.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

4. Refundable Advance:

During 2023, the Organization received \$20,000 from Grafton County's American Rescue Plan funds. The Organization recognized revenue of \$3,850 and \$16,150, based on actual costs incurred, during the years ended December 31, 2024, and 2023, respectively. These amounts are included in government grants on the statements of activities and changes in net assets for the years ended December 31, 2024, and 2023. The remaining \$0 and \$3,850 as of December 31, 2024, and 2023, respectively, are reported as a refundable advance on the statements of financial position.

During 2023, the Organization also received \$6,250 from Grafton County's general funds covering the period of July 1, 2023 – June 30, 2024. The Organization recognized revenue of \$1,106 and \$5,144, based on actual costs incurred, during the years ended December 31, 2024, and 2023, respectively. These amounts are included in government grants on the statements of activities and changes in net assets for the years ended December 31, 2024, and 2023. The remaining \$0 and \$1,106 as of December 31, 2024, and 2023, respectively, are reported as a refundable advance on the statements of financial position.

5. Long-Term Debt:

Long-term debt consisted of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Mortgage note payable, Woodsville Guaranty Savings Bank, payable in 240 monthly installments of \$595, including interest initially at 3.8%, to change each January 6 th , beginning in 2022, based on Wall Street Journal Prime plus 2%, with a floor of 4%. Renegotiated in January 2022 for monthly payments of \$657, including the variable interest rate at 3.8%. Matures January 2037. Secured by real estate.	\$ 66,876	\$ 72,114
LESS: Current portion	<u>5,437</u>	<u>5,234</u>
Long-term debt, excluding current portion	<u>\$ 61,439</u>	<u>\$ 66,880</u>

The following are maturities of long-term debt as of December 31, 2024:

2025 (Included in current liabilities)	\$ 5,437
2026	5,647
2027	5,865
2028	6,092
2029	6,328
Thereafter	<u>37,507</u>
	<u>\$ 66,876</u>

CADY, INC.**Notes to Financial Statements**

As of and for the Years Ended December 31, 2024 and 2023

6. Net Assets with Donor Restrictions:

Net assets with donor restrictions consisted of the following as of December 31:

	<u>2024</u>	<u>2023</u>
Specified purpose restrictions:		
NH Charitable Foundation - Substance Abuse	\$ 8,072	\$ 9,496
NH Charitable Foundation - Advocacy	7,973	-
NH Charitable Foundation - CHIP	10,000	-
Restorative Justice - Restitution Fund	801	1,201
Speare Memorial Hospital - Prevention Outreach/Education	1,905	3,324
Long-term operational support	-	20,000
	<u>\$ 28,751</u>	<u>\$ 34,021</u>

Net assets released from restriction consisted of the following for the years ended December 31:

	<u>2024</u>	<u>2023</u>
Specified purpose restrictions:		
NH Charitable Foundation - Substance Abuse	\$ 1,424	\$ 2,840
NH Charitable Foundation - Advocacy	2,027	-
Speare Memorial Hospital - Prevention Outreach/Education	8,669	12,858
Grafton County - Restorative Justice	400	-
Operational support	20,000	20,000
	<u>\$ 32,520</u>	<u>\$ 35,698</u>

7. Lease Commitments:

In February 2016, the FASB issued ASU 2016-02 (Topic 842), Leases. Under Topic 842, lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide enhanced disclosures. Leases will be classified as either finance or operating.

The Organization determined if an arrangement is or contains a lease at inception of the contract. Right-of-use asset represents a right to use the underlying asset for the lease term and the right-of-use obligation represents the obligation to make lease payments arising from the leases. The right-of-use asset and right-of-use lease obligation are recognized at commencement date based on the present value of lease payments over the lease term.

The Organization uses the implicit rate noted within the contract. If not readily available, the Organization uses the estimated incremental borrowing rate, which is derived using a collateralized borrowing rate for the same currency and term as the associated lease. A right-of-use asset and right-of-use lease obligation are not recognized for leases with an initial term of 12 months or less and the Organization recognizes lease expense for these leases on a straight-line basis over the lease term as rental expense. The exercise of lease renewal options is at the Company's sole discretion. When determining the lease term, the Company included options to extend or terminate the lease when it is reasonably certain that management will exercise that option.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

7. Lease Commitments (continued):

The Organization's operating leases are for real estate and equipment. The Organization's real estate lease agreement was originally set to terminate on June 30, 2024 and during 2024 was renewed for an additional 36 months with a present value of \$39,976. It has a remaining term of 30 months as of December 31, 2024. The Organization's equipment lease agreement has a remaining term of 8 months as of December 31, 2024.

The components of lease expense for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Operating lease cost	\$ 14,412	\$ 14,129
Variable and short term lease cost (a)	<u>-</u>	<u>-</u>
Total lease and rental expense	<u>\$ 14,412</u>	<u>\$ 14,129</u>

(a) Includes variable consideration and leases with a maturity of less than 12 months.

Cash paid for amounts included in the measurement of the Company's operating lease right-of-use obligations were included in cash flows from operating and totaled \$14,412 and \$14,129 for the years ended December 31, 2024 and 2023, respectively.

Supplemental balance sheet information related to leases are as follows as of December 31:

	<u>2024</u>	<u>2023</u>
Operating leases		
Operating lease right of use asset	\$ 41,721	\$ 34,414
Accumulated amortization	<u>(7,867)</u>	<u>(26,769)</u>
Operating lease right-of-use asset, net	<u>\$ 33,854</u>	<u>\$ 7,645</u>
Current portion of operating lease right-of-use obligation	\$ 13,362	\$ 7,310
Operating lease right-of-use obligation, less current portion	<u>20,492</u>	<u>335</u>
Total operating lease right-of-use obligation	<u>\$ 33,854</u>	<u>\$ 7,645</u>
Weighted average remaining lease term, years		
Operating leases	2.48	0.63
Weighted average discount rate		
Operating leases	3.80%	3.80%

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

7. Lease Commitments (continued):

Future maturities of lease liabilities as of December 31, 2024 are as follows:

Year ending December 31:	<u>Operating Leases</u>
2025	\$ 14,415
2026	14,076
2027	7,038
2028	-
2029	-
Thereafter	-
Total lease payments	<u>35,529</u>
Less: imputed interest	<u>(1,675)</u>
Total lease payments	<u>\$ 33,854</u>

8. Retirement Plan:

During 2022, the Organization adopted a SIMPLE IRA Plan. The Organization contributes to the plan 100% of elective deferrals up to 3% of eligible employees' wages. Retirement plan expense for the years ended December 31, 2024 and 2023 was \$11,154 and \$16,678, respectively.

9. Economic Dependency:

The Organization has two government grants that represented 37% and 32% of total revenues and other support for the year ended December 31, 2024, respectively. The first grant also represented 95% of government grants receivable as of December 31, 2024, respectively.

Those two grants represented 19% and 31% of total revenues and other support for the year ended December 31, 2023, respectively and 53% and 47% of government grants receivable as of December 31, 2023, respectively.

10. Liquidity:

Operating liquidity comes from government grants, contributions, contract revenue, social marketing sales and program service fees. The Organization has a policy to structure its financial assets to be available as its general expenditures and liabilities come due. The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments.

Financial assets are considered unavailable when not convertible to cash within one year or are subject to donor-imposed use or time restrictions other than for general operations within one year.

CADY, INC.

Notes to Financial Statements

As of and for the Years Ended December 31, 2024 and 2023

10. Liquidity (continued):

The following presents the Organization’s financial assets available for general expenditure, that is, without donor or other restrictions limiting their use for a purpose other than general operating expenditures, within one year of the statement of financial position date:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 424,100	\$ 543,516
Government grants receivable	151,731	95,551
Contracts receivable	<u>29,807</u>	<u>3,813</u>
Total financial assets as of December 31:	605,638	642,880
Less amounts not available to be used within one year, due to:		
Net assets with donor restrictions, subject to the passage of time or expenditure for specified purpose other than general operations	<u>28,751</u>	<u>14,021</u>
Financial assets available to meet general expenditures within one year	<u>\$ 576,887</u>	<u>\$ 628,859</u>

11. Subsequent Events:

The Organization has reviewed events occurring after December 31, 2024, through November 14, 2025, the date the board of directors accepted the final draft of the financial statements and made them available to be issued. The Organization does not believe that any other events requiring recognition or disclosure have occurred between the period of December 31, 2024 and the report date, November 14, 2025. The Organization has not reviewed events occurring after the report date for their potential impact on the information contained in these financial statements.

Debra A. Naro

EXPERIENCE

CADY, Inc. (Communities for Alcohol- and Drug-free Youth) Plymouth, NH 3/04-present
Executive Director

- Substance misuse prevention non-profit serving 18 Central NH communities
Mission: to prevent and reduce youth alcohol, tobacco, and other drug use and to promote healthy environments and promising futures
- Lead for Public Health Network of Central NH; Signatory for State and Federal Contracts
- Oversight of operations, finance, staff, and organizational development
- Program Development and Implementation
- Grant Writer/Management (Federal, State, Private Foundations)
- Public Relations / Community Building / Community Mobilization
- Direct report to CADY Board of Directors

STATE OF NEW HAMPSHIRE, Concord, NH 2000-2006
State Representative / Three Terms Representing Towns of Plymouth and Hebron
Official Appointments:

- House Education Committee
- Public Higher Education Study Committee
- Education Commission of the States, Legislative Representative
- SAU Oversight Committee
- NH Youth Council, Gubernatorial appointment
- Advisory Committee on the Education of Children with Disabilities
- Legislative Priorities: Child Safety; Youth Substance Abuse Prevention; High-Risk Students/Special Education; Drop-Out Prevention; Juvenile Justice

PLYMOUTH STATE UNIVERSITY, Plymouth, NH 1987-2004
PHILOSOPHY DEPARTMENT ADMINISTRATIVE COORDINATOR

- Implementation of department policies and procedures
- Financial management and systems oversight
- Coordination of department operations and staff

PARENT INFORMATION CENTER, Concord, NH 1998-2000
RESOURCE SPECIALIST/TRAINER, Lakes Region

- Trainings for parents, agencies, and schools on educational collaboration
- Provided technical assistance to NH schools and parents

EDUCATION

Plymouth State University, Plymouth, NH Master of Education Degree	2002
Plymouth State University, Plymouth, NH Bachelor of Arts Psychology Honors: Summa Cum Laude; Psi Chi National Honor Society	1993

RELATED PROFESSIONAL/LEADERSHIP DEVELOPMENT

Prevention Research Institute , Prime for Life, Evidence-Based Intervention Instructor Certification	2005
University of New Hampshire Advanced Leadership Series	2000
New Hampshire Leadership Series: Community Organizing	1999
Educational Advocacy Series	1997

PROFESSIONAL BOARDS/AFFILIATIONS

• SAM NH Steering Committee Member	2019-present
• NH Commission on Rural Affairs (Gubernatorial Appointment)	2018-2022
• Central NH Health Partnership, Board Member	2009-present
• NH Youth Council, Past Board (Gubernatorial Appointment)	2001-2006
• Plymouth State University: Affiliate Instructor for Social Work Field Supervision	2007
• Jobs for America's Graduates (JAG), Past Director	2002-2005
• CADY, Inc. Founding Board Member	2000-2004
• National Community of Caring, Past Director	2002-2005
• Plymouth PTA, Past President	1995

CIVIC LEADERSHIP RECOGNITION

• Outstanding Graduate Alumni Award , Plymouth State Alumni Assoc.	2024
• Social Entrepreneur of the Year Award , Plymouth State University	2022
• Imagine A Way Award , Plymouth State University	2017
• Dr. George Harris Community Service Award , Genesis Behavioral Health	2013
• National Legislative Education Leader , The College Board, Denver, CO	2003
• Citizen of the Year , Rotary Club, Plymouth, NH	2002
• National Outstanding Community Leader , Joseph P. Kennedy, Jr. Foundation, San Diego, CA	2001
• National Points of Light Award The Points of Light Foundation, Washington, DC	2001
• National Parents of the Year, Award Finalist National Parent Day Foundation, Washington DC	1999
• New Hampshire Parents of the Year Award Recipient NH Affiliate / Parent Day Foundation, Concord, NH	1999

LISA A. LEARY

Engaging and collaborative leader with 25+ years of experience in systems improvement, facilitation, and professional development across healthcare and nonprofit sectors. Skilled in delivering impactful training, fostering inclusive learning environments, and strengthening team performance through thoughtful strategy and execution. Known for helping organizations build **healthy, productive cultures** by aligning people, processes, and purpose.

KEY SKILLS

- Strategic Planning & Systems Design
 - Evaluative Methods (Qualitative & Quantitative)
 - Quality & Process Improvement
 - Corporate Wellbeing Strategy
 - Training & Adult Learning Facilitation
 - Collaborative Leadership & Multi-Sector Coordination
 - Statistical Process Control Methodology
 - Healthcare Transformation
-

PROFESSIONAL EXPERIENCE

Associate Direct Communities for Alcohol and Drug Free Youth Sept 2025 - Present

Provide visionary leadership to advance the organization's mission and strategic direction. Oversee programs, staff, operations, partnerships, and fund development to ensure excellence across all areas of the organization. Implement long-range strategies and manage state and federal grants to sustain impact and financial health. Ensure strong organizational systems, data-driven decision-making, and regulatory compliance while fostering a positive, high-performing workplace culture. Serve as Facilitator for the Central NH Regional Public Health Network, strengthening regional collaboration and community outcomes.

Performance Improvement Consultant Nov 2016-Present

Design and deliver interactive trainings sessions, and leadership development workshops to support performance improvement and culture change. Lead focus groups, community conversations, and stakeholder engagement activities to gather insights and design collaborative solutions. Coach teams in improvement methods and systems thinking to help organizations identify strategic priorities and implement changes that boost effectiveness, resilience, and results.

Director of Systems Integration Partnership for Public Health Aug 2015 - Nov 2016

Partnered with social service organizations to integrate care systems for individuals affected by substance use disorder (SUD). Led collaborative conversations with providers, clients, and community members to inform systems change. Produced reports for regulatory agencies to demonstrate progress, compliance, and alignment with state and federal standards.

Director of Performance Improvement Robert Wood Johnson Nov 2014-Nov 2016

Contributed to securing \$1.9 million grant funding to integrate Project ECHO, a tele-mentoring program into primary care practices. Provided training to clinical staff regarding healthcare transformation goals and improvement strategy. Conducted assessments of utilization data to drive improvement initiatives.

Quality Improvement Coach HealthTeamWorks Apr 2013-Oct 2014

Managed a portfolio of 20+ clients engaged in clinical transformation including shared savings initiatives and Patient Centered Medical Home (PCMH) recognition. Conducted practice assessments and provided value-based improvement recommendations. Facilitated staff trainings on quality improvement tools and methodology including PDSA cycles, process mapping and root cause analysis. Provided educational content to company employees specific to data analytics and statistical process control.

Quality Improvement Coach The Dartmouth Institute Jun 2010 – Mar 2013

Designed and presented quality improvement curriculum for Dartmouth "Coach the Coach" training program. Coached inter-professional healthcare team to implement nurse run annual wellness visits resulting in projected

annual revenue of \$248,000. Faculty presenter for “Fundamentals of Measurement” for the Cystic Fibrosis Foundation. Teaching assistant for “Statistical Measurement and Analysis” at the Dartmouth Institute.

Research Manager Dartmouth Hitchcock Medical Center Aug 2004-Jun 2010

Managed grant program, including successful completion of over 40 active grants focused on improving clinical quality. Increased grant completion rate from 60% to 95% ensuring that all projects were completed on time and on budget. Advised grant applications on study design and measurement. Ensured compliance with regulatory requirements including IRB updates.

EDUCATION AND CERTIFICATIONS

Master of Science– Evaluative Clinical Science

Dartmouth College: The Institute for Health Policy and Clinical Practice (Hanover, NH) June 2010

Bachelor of Science – Business Management

University System of New Hampshire, Granite State College (Lebanon, NH) June 2004

Associate Degree– Animal Science

Newbury College (Brookline, MA) June 1985

Certified Corporate Wellness Specialist

CCWS® April 2025

Six Sigma Green Belt - Certification

Thayer School of Engineering, Dartmouth College (Hanover, NH) May 2010

PUBLICATIONS AND PRESENTATIONS

“Understanding and Addressing Secondary Exposure to Trauma Among New Hampshire’s Behavioral Health Workforce” NH Behavioral Health Summit, November 2024.

“Practical Evaluation Methods in Public Health” Child Injury Action Group, Ohio Department of Health. Annual Meeting, April 2022.

“Empowering Employees: Three Lessons, Three Tools” New England Federation of Humane Societies, Annual Meeting, Nashua, NH., April 2018

“Using Microsystems to Transform Practice: Fundamentals to Advance Practice” Institute of Healthcare Improvement, Annual Summit on Improving Care in the Office Practice and the Community, Washington, DC, March 18, 2012

“Understanding Perception and Management of Quality in Rural New England Nursing Homes” American Medical Directors Association, Annual Meeting, Tampa, FL, March 17, 2011

Palac D, Patchett L, Jensen C, Flanagan M, **Leary L**, Stashwick C, Byock I, Meehan K, “Bone Marrow Procedure Related Pain and Anxiety Improved with Propofol Protocol”. Blood Nov 2005; (106) 1325

MacKenzie, T., **Leary, L.**, and Brooks, W.B. "The Effect of an Extract of Green Tea on Glucose Control in Adults With Type 2 Diabetes: Blinded Randomized Study" Metabolism May 2007; (56) 1340-44

BEYOND THE OFFICE

Podcast co-host “The Genuine Leader/Permaculture Design Certified/Meditation Practitioner/Backgammon Enthusiast