

159 - 6/17/26



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

Lori A. Weaver
 Commissioner

Morissa Henn
 Deputy Commissioner

129 PLEASANT STREET, CONCORD, NH 03301-3857
 603-271-9200 1-800-852-3345 Ext. 9200
 Fax: 603-271-4912 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

May 12, 2026

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, Office of the Commissioner, to enter into a **Sole Source** contract with Southern New Hampshire Services Inc. d/b/a Community Action Partnership Hillsborough and Rockingham Counties (VC# 177198), Manchester, NH, in the amount of \$3,433,504 to provide resource and referral services for NH Child Care Programs and families to access and secure high quality early childhood and school-age child care, with the option to renew for up to four (4) additional years, effective July 1, 2026, upon Governor and Council approval through June 30, 2028. 100% Federal Funds.

Funds are available in the following account for State Fiscal Year 2027, and are anticipated to be available in State Fiscal Year 2028, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-45-451110-23360000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: DIV ECONOMIC STABILITY, CHILD DEVELOPMENT, CHILD CARE DVLP-QUALITY ASSURE 100% Federal Funds

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2027	102-500731	Contracts for Program Servi	45113508	\$1,716,752
2028	102-500731	Contracts for Program Servi	45113508	\$1,716,752
			Total	\$3,433,504

EXPLANATION

This request is **Sole Source** because the Contractor holds the licensing and management contracts for the Teacher Education and Compensation Helps (TEACH) and the U.S. Department of Labor Apprenticeship programs, which are essential to the Department's plan to strengthen teacher qualifications, compensation, and retention; particularly within the infant/toddler workforce. These efforts help stabilize the child care workforce and increase access to high-quality care across the state. Additionally, the Contractor holds the affiliate agreement with the nationally recognized Child Care Aware of America, and as such, the Contractor has direct

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
Page 2 of 3

access to extensive support services and best practices for providing child care resources and referral services to families and family outreach supports, as well as staff trainings and professional development for child care providers (CCPs). In short, this is the only contractor qualified to provide uninterrupted statewide Child Care Resource and Referral (CCR&R) services due to its existing integrated infrastructure, federally aligned systems, statewide provider relationships, and management of key workforce initiatives that cannot be rapidly replicated without significant service disruption.

The purpose of this request is for the Department to provide child care resource and referral services to support families' access to high-quality early childhood and school-age child care for their children by providing a statewide, centralized network of child care-related services, and assist families in need of child care. The Contractor will refer families to community supports, as needed; and assist child care programs with improving program quality by providing comprehensive training, technical assistance services, and access to child care related resources to current and prospective licensed and license-exempt CCPs utilizing the state's web-based New Hampshire Connections Information System (NHCIS). Additionally, the Contractor will help CCPs build capacity, enhance quality, and expand access to child care across the state. The Contractor will also award TEACH Early Childhood® New Hampshire Scholarships, support and mentor a minimum of fifteen (15) TEACH recipients and offer a minimum of eight (8) apprenticeships through the US DOL Apprenticeship Program.

Resource and Referral services are available to every family seeking child care in New Hampshire while approximately 500 utilize the service each year and approximately 2,700 child care professionals will be served through training and technical assistance.

The Contractor will lead New Hampshire's statewide system that supports families' access to high-quality child care and strengthens the early childhood and Out-of-School Time workforce through the statewide, centralized network for CCR&R services. This work is critical to ensure a stable child care infrastructure that supports family well-being, economic mobility, and the state's broader workforce and economic development goals. In the seven (7) regions of the state, families receive customized, timely assistance in identifying licensed and license-exempt child care, including specialized support for children with disabilities, behavioral needs, or non-traditional care schedules. These services extend to employers and community partners, supporting local and statewide workforce needs.

The Contractor will provide comprehensive training, coaching, and technical assistance that advance program quality, business practices, compliance with state and federal requirements, and alignment with the state's quality initiatives. Additionally, the Contractor will support statewide data quality and reporting by maintaining accurate CCP information in the New Hampshire Connections Information System (NHCIS), support CCPs in completing ongoing surveys and reports; and ensure CCPs maintain federally required professional profiles.

The Contractor will play a central role in the State's early childhood system by ensuring families can access reliable child care, supporting CCPs in improving quality and sustainability, and advancing a well-trained, stable workforce essential to child development and the state's economic vitality.

The Department will monitor services through:

- The number of families successfully connected with appropriate CCPs through personalized resource and referral services;
- The number of CCPs awarded a Granite Steps for Quality designation and those with new and renewed credentials;

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
Page 3 of 3

- The child care workforce reporting measurable, effective impacts resulting from targeted trainings and technical assistance;
- Review and assessment of quarterly and annual reports required of the Contractor to determine the extent to which the Contractor is progressing satisfactorily toward the desired results for infant and toddler activities, resource and referral services, training and technical assistance, and market rate survey responses.
- Review and assessment of financial supporting documentation required with Contractor invoices.
- Meeting with the Contractor regularly.

As referenced in Exhibit A, Revisions to Standard Agreement Provisions of the attached agreement, the parties have the option to extend the agreement for up four (4) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request, it will significantly disrupt statewide child care resource and referral services. This could lead to an insufficient network of child care services, information, access, and support for families and providers. CCPs would be without necessary technical assistance, training, and access to important child development resources and credentialing and professional development to the detriment of New Hampshire families and child care providers. Additionally, the Department would be out of compliance with the Child Care and Development Fund Federal Plan.

Area served: Statewide.

Source of Federal Funds: Assistance Listing Number 93.575, FAIN 2601NHCCDD.

Respectfully submitted,



For:

Lori A. Weaver
Commissioner

Subject: Resource and Referral for NH Child Care Facilities - SS-2027-DES-02-RRNC-01

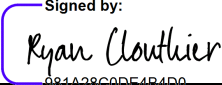
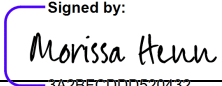
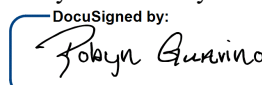
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name New Hampshire Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Southern New Hampshire Services Inc. d/b/a Community Action Partnership Hillsborough and Rockingham Counties		1.4 Contractor Address 40 Pine Street, Manchester, NH, 03103	
1.5 Contractor Phone Number 603-668-8010	1.6 Account Unit and Class TBD	1.7 Completion Date 06/30/2028	1.8 Price Limitation \$3,433,504
1.9 Contracting Officer for State Agency Robert W. Moore, Director		1.10 State Agency Telephone Number (603) 271-9631	
1.11 Contractor Signature Signed by:  Date: 5/13/2026		1.12 Name and Title of Contractor Signatory Ryan Clouthier Chief Executive Officer	
1.13 State Agency Signature Signed by:  Date: 5/13/2026		1.14 Name and Title of State Agency Signatory Morissa Henn Morissa Henn, Deputy Commissioner	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 5/20/2026			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

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

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

3.3 Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

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

5.2 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8. The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance

hereof, and shall be the only and the complete compensation to the Contractor for the Services.

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

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws and the Governor’s order on Respect and Civility in the Workplace, Executive order 2020-01. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of age, sex, sexual orientation, race, color, marital status, physical or mental disability, religious creed, national origin, gender identity, or gender expression, and will take affirmative action to prevent such discrimination, unless exempt by state or federal law. The Contractor shall ensure any subcontractors comply with these nondiscrimination requirements.

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

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

7. PERSONNEL.

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

7.2 The Contracting Officer specified in block 1.9, or any successor, shall be the State’s point of contact pertaining to this Agreement.

8. EVENT OF DEFAULT/REMEDIES.

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

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

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

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

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

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

9. TERMINATION.

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

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State’s discretion, deliver to the Contracting Officer, not later than fifteen (15) calendar days after the date of termination, a report (“Termination Report”) describing in detail all Services performed, and the contract price earned, to and including the date of termination. In addition, at the State’s discretion, the Contractor shall, within fifteen (15) calendar days of notice of early termination, develop and submit to the State a transition plan for Services under the Agreement.

10. PROPERTY OWNERSHIP/DISCLOSURE.

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

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

10.3 Disclosure of data, information and other records shall be governed by N.H. RSA chapter 91-A and/or other applicable law. Disclosure requires prior written approval of the State.

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

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 Contractor shall provide the State written notice at least fifteen (15) calendar days before any proposed assignment, delegation, or other transfer of any interest in this Agreement. No such assignment, delegation, or other transfer shall be effective without the written consent of the State.

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

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

12.4 The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. INDEMNIFICATION. The Contractor shall indemnify, defend, and hold harmless the State, its officers, and employees from and against all actions, claims, damages, demands, judgments, fines, liabilities, losses, and other expenses, including, without limitation, reasonable attorneys’ fees, arising out of or relating to this Agreement directly or indirectly arising from death, personal injury, property damage, intellectual property infringement, or other claims asserted against the State, its officers, or employees caused by the acts or omissions of negligence, reckless or willful misconduct, or fraud by the Contractor, its employees, agents, or subcontractors. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the State’s sovereign immunity, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

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

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or any successor, a certificate(s) of insurance for all insurance required under this Agreement. At the request of the Contracting Officer, or any successor, the Contractor shall provide certificate(s) of insurance for all renewal(s) of insurance required under this Agreement. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

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

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

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

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

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

19. CHOICE OF LAW AND FORUM.

19.1 This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire except where the Federal supremacy clause requires otherwise. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

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

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

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

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

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

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

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

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

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT A

Revisions to Standard Agreement Provisions

1. Revisions to Form P-37, General Provisions
 - 1.1. Paragraph 3, Subparagraph 3.1., Effective Date/Completion of Services, is amended as follows:
 - 3.1. Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall become effective on July 1, 2026 (“Effective Date”).
 - 1.2. Paragraph 3, Effective Date/Completion of Services, is amended by deleting subparagraph 3.3., in its entirety and replacing it as follows:
 - 3.3. Contractor must complete all Services by the Completion Date specified in block 1.7. The parties may extend the Agreement for up to four (4) additional years from the Completion Date, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
 - 1.3. Paragraph 6, Subparagraph 6.1., Compliance by Contractor with Laws and Regulations/Equal Employment Opportunity, 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.
 - 1.4. Paragraph 12, Assignment/Delegation/Subcontracts, is amended by adding subparagraph 12.5., as follows:
 - 12.5. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions. The Contractor shall have written agreements with all subcontractors, specifying the work to be performed, and if applicable, a Business Associate Agreement in accordance with the Health Insurance Portability and Accountability Act. Written agreements shall specify how corrective action shall be managed. The Contractor shall manage the subcontractor’s performance on an ongoing basis and take corrective action as necessary. The Contractor shall annually provide the State with a list of all subcontractors provided for under this Agreement and notify the State of any inadequate subcontractor performance.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

Scope of Services

1. Statement of Work

- 1.1. The Contractor must provide a statewide centralized network for child care related services to current and prospective licensed and license-exempt Child Care Providers (CCPs) as defined in Section 1.2. below, to assist providers in building capacity and improving the quality of and access to child care. Centralized network services must include, but are not limited to:
 - 1.1.1. Academic scholarships and apprenticeships to the child care workforce.
 - 1.1.2. Assisting child care providers and designated staff to create a user profile in the New Hampshire Connections Information System (NHCIS) [<https://www.dhhs.nh.gov/programs-services/childcare-parenting-childbirth/child-development-and-head-start>], and regularly update all related program information.
 - 1.1.3. Child Care Resource and Referral Services.
 - 1.1.4. Training, Technical Assistance, and Coaching.
- 1.2. For the purposes of this Agreement:
 - 1.2.1. A “Licensed” center-based or home-based child care program is defined as; in accordance with New Hampshire Administrative Rule He-C 4002, Child Care Licensing Rules; a program that serves children in any age group from six (6) weeks through twelve (12) years of age.
 - 1.2.2. See New Hampshire Revised Statutes Annotated (RSA) 170-E:3, I (a), (c), (f), (g), and (h) for the definition of a “License-Exempt” child care program.
- 1.3. The Contractor must provide services Monday through Friday from 8:00 AM to 5:00 PM.
- 1.4. Child Care Resource and Referral Services
 - 1.4.1. The Contractor must provide a network of child care resource and referral (CCR&R) services to assist individuals and families seeking to secure licensed and license-exempt child care including summer camps with a child care component and Head Start and Early Start programs for children from birth through twelve (12) years of age. CCR&R services include, but are not limited to:
 - 1.4.1.1. Providing meetings virtually, in-person, or by phone for referrals for families seeking or in need of child care.
 - 1.4.1.2. Providing customized referrals to families requiring specialized services including, but not limited to, children who have a disability, an emotional and/or behavioral need,

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

special health care needs, reside in an underserved community, or who need non-traditional hours of care.

- 1.4.1.3. Providing customized referrals that consider the geographical and unique needs of the family and child, and the unique aspects of the child care program, including referring children to programs demonstrating high performance levels in quality, as evidenced by:
 - 1.4.1.3.1. Granite Steps for Quality (GSQ) level, National Association for the Education of Young Children Accreditation;
 - 1.4.1.3.2. Strengthening Families endorsements; or
 - 1.4.1.3.3. Quality indicators such as curriculum, developmental screenings, primary caregiving in infant/toddler care, etc.
- 1.4.1.4. Providing virtual or in-person meetings and referrals with businesses, employers, human resource departments, and community leaders to support child care needs.
- 1.4.1.5. Responding to inquiries by email, telephone, and/or in-person.
- 1.4.1.6. Supporting families and employers in accessing services online through the Department's website: <https://www.dhhs.nh.gov/programs-services/childcare-parenting-childbirth>.
- 1.4.2. The Contractor must provide the Resource and Referral Services and meetings, as specified in 1.4.1. above, including statewide outreach events outside of the standard business hours identified in Section 1.3., including but not limited to, a minimum of two (2) nights per month and a minimum of one (1) Saturday or Sunday per month.
- 1.4.3. The Contractor must follow-up with families no later than thirty (30) calendar days after an initial referral is received, which must include, but is not limited to, providing a satisfaction and outcome survey via one (1) or more of the communication methods below:
 - 1.4.3.1. Hard copy via email or USPS.
 - 1.4.3.2. NHCIS.
 - 1.4.3.3. SurveyMonkey or similar tool.
 - 1.4.3.4. Telephone contact.
- 1.4.4. The Contractor must enter all follow-up information and attempts and completed surveys into NHCIS.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.5. The Contractor must ensure CCR&R services are provided statewide, by Child Care Region, in accordance with Attachment 1 – Child Care Access & Regional Systems Coordination:
 - 1.5.1. Region 1 – Greater Monadnock, Greater Sullivan & Upper County.
 - 1.5.2. Region 2 – Capital Area.
 - 1.5.3. Region 3 – Greater Nashua.
 - 1.5.4. Region 4 – Greater Derry & Manchester.
 - 1.5.5. Region 5 – Central NH, Lakes.
 - 1.5.6. Region 6 – Strafford County & Seacoast.
 - 1.5.7. Region 7 – North Country & Carroll County.
- 1.6. The Contractor must provide a central office with a designated statewide CCR&R Manager to oversee and support regional area representatives supporting each specific child care region (hereinafter referred to as “Regional Leads”).
- 1.7. The Contractor must ensure the CCR&R Manager appoints Regional Leads, who must be early childhood professionals responsible for identifying strengths and needs of the early childhood systems within their prospective regions for the child care regions as specified in Section 1.5.
- 1.8. The Contractor must ensure the Regional Leads provide consistent and uninterrupted services in each region.
- 1.9. The Contractor must ensure CCR&R services specific to each region include, but are not limited to:
 - 1.9.1. Hosting monthly team check-ins with Regional Leads.
 - 1.9.2. Developing and maintaining a working relationship with the New Hampshire Employment Program (NHEP) and Department staff in each field office to include providing statewide CCR&R service to families who may or may not be receiving assistance or services from the NHEP or other programs within the Department.
 - 1.9.3. Maintaining comprehensive knowledge of topics including, but not limited to:
 - 1.9.3.1. Child care-related local ordinances.
 - 1.9.3.2. Care for children with disabilities.
 - 1.9.3.3. Current child care staffing levels including Out-of-School Time programs and unmet child care needs.
 - 1.9.3.4. Current child care supply and capacity.

Initial


**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT B

- 1.9.3.5. Family and community support services, agencies, and non-profits to maximize child care resource services.
- 1.9.3.6. Differences in communities that may affect local child care.
- 1.9.3.7. Major challenges, strengths, and weaknesses that may affect local child care.
- 1.9.3.8. Major employers' hours of business for consideration and support of child care needs.
- 1.9.3.9. McKinney-Vento federal regulations regarding homelessness and education, and how to collaborate with local McKinney-Vento Liaisons (<https://www.education.nh.gov/who-we-are/division-of-learner-support/bureau-of-instructional-support/ehcy>).
- 1.9.4. Participating in a minimum of one (1) monthly activity, meeting, and/or event impacting child care, Head Start, and/or families, by region as specified in Section 1.5.
- 1.9.5. Providing "Introduction to CCR&R Services" at NHEP orientations and Family Resource Centers workshops at locations as requested by the Department during standard hours as specified in Section 1.3. and non-standard business hours.
- 1.10. The Contractor must ensure all staff are familiar with and can explain how families access the NH Child Care Scholarship Program (<https://www.dhhs.nh.gov/programs-services/childcare-parenting-childbirth/child-development-and-head-start/child-care>).
- 1.11. The Contractor must ensure CCR&R services provided to families and CCPs are individualized, which must include, but are not limited to:
 - 1.11.1. Ensuring all staff are trained annually on community needs.
 - 1.11.2. Ensuring all staff possess knowledge and understanding to individualize services across the state as necessary to meet the needs of each Child Care region as specified in Section 1.5.
 - 1.11.3. Providing translation and interpretation services in accordance with federal Culturally and Linguistically Appropriate Services.
 - 1.11.4. Providing video remote option(s) for American Sign Language.
 - 1.11.5. Ensuring Marketing and Outreach methodologies are varied and accessible.
- 1.12. The Contractor must provide, promote, and market CCR&R services regionally and locally to families, providers, businesses, and community members in accordance with Department-approved marketing guidelines. Marketing materials must include, but are not limited to:

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.12.1. Brochures.
- 1.12.2. Display posters.
- 1.12.3. Flyers.
- 1.12.4. Other marketing tools and material as requested and approved by the Department.
- 1.12.5. Promotional merchandise.
- 1.13. The Contractor must provide Department-provided and/or Department-approved informational videos, websites, regional marketing materials, and information to promote public awareness through various means to entities and events that include, but are not limited to:
 - 1.13.1. 211 NH; <https://211nh.org/>.
 - 1.13.2. Local hospitals, including prenatal classes.
 - 1.13.3. Child health support services and workplace success programs.
 - 1.13.4. Churches.
 - 1.13.5. Community action agencies (including Head Start).
 - 1.13.6. Community boards.
 - 1.13.7. Community events.
 - 1.13.8. Department district offices.
 - 1.13.9. Early intervention programs.
 - 1.13.10. Family Resource Centers.
 - 1.13.11. Fuel assistance offices.
 - 1.13.12. Grocery stores.
 - 1.13.13. Health clubs.
 - 1.13.14. Libraries.
 - 1.13.15. Local retailers and businesses.
 - 1.13.16. Malls.
 - 1.13.17. NHEP offices and partner meetings.
 - 1.13.18. Pediatrician, obstetric and general practitioner offices.
 - 1.13.19. Realtors.
 - 1.13.20. Restaurants.
 - 1.13.21. School districts and local community colleges.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.13.22. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).
- 1.14. The Contractor must ensure all marketing aligns with the Department’s branding and marketing guidelines and must receive Department approval prior to disseminating any marketing materials.
- 1.15. The Contractor must ensure the contact information and physical addresses for the Department’s District Offices and Family Resource Centers are provided to families, employers and CCPs.
- 1.16. The Contractor must conduct regionally specific marketing and outreach to families, employers, and CCPs, including live informational presentations as requested. Presentation locations include DHHS district offices identified at: <https://www.dhhs.nh.gov/about-dhhs/locations-facilities>, and at Family Resource Centers identified at: <https://www.fsnh.org/>, and other agreed-upon locations.
- 1.17. The Contractor must publish current information regarding CCR&R services on the its website and update on a regular basis.
- 1.18. The Contractor must, as applicable, make connections with McKinney-Vento Liaisons to identify children who may not be school age but require child care services, as well as school age children in need of before/after school care in accordance with federal regulations related to homelessness and education. Connections may be made through the Director of the Office of Homeless Education at the NH Department of Education and will minimally include information about Child Care Resource and Referral and the services they provide. Tracking of all activity is required.
- 1.19. The Contractor must maintain current relationships and collaborations with other agencies and organizations to maximize child care resource services.
- 1.20. The Contractor must promote awareness of CCR&R professional development activities for child care programs and providers. These activities include, but not limited to:
 - 1.20.1. Maintaining, on a daily basis or as needed, an up-to-date training calendar on NHCIS with information and registration links to relevant trainings that are not offered/funded by the Department.
 - 1.20.2. Promoting training and technical assistance opportunities using Constant Contact, Regional Leads, NHCIS, and similar tools.
- 1.21. The Contractor must participate in committees or councils as appropriate or requested by the Department based on the priorities of the strategic plan. Examples of such committees include, but are not limited to:
 - 1.21.1. GSQ Advisory Committee.

Initial


**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

1.21.2. Pyramid Model State Leadership Team: The National Center for Pyramid Model Innovations.

1.22. Training

1.22.1. The Contractor must create and provide trainings that address state initiatives and systems including, but not limited to:

1.22.1.1. Early Learning Guidelines.

1.22.1.2. Specialized Competencies.

1.22.1.3. Early child care and Out-of-School Time Professional Development Systems (credentialing).

1.22.1.4. Granite Steps for Quality (New Hampshire's Quality Rating and Improvement System), including the purpose and appropriate use of each, executing them individually, and how each informs or is informed by the other.

1.22.1.5. Child Care Market Rate Survey:

1.22.1.5.1. The Contractor must document attendance via sign-in records, registration logs, or other attendance verification methods.

1.22.2. The Contractor must provide training opportunities to CCPs in person and virtually in collaboration with, and as requested by, the Department. Trainings must:

1.22.2.1. Comply with Child Care Licensing and Federal Office of Child Care training requirements.

1.22.2.2. Be delivered at local, regional, and statewide levels.

1.22.2.3. Include a variety of evidence-based adult learning principles.

1.22.2.4. Be offered at times convenient for the workforce, including weekend and evening options.

1.22.2.5. Be posted in NHCIS with prior approval by the Department.

1.22.2.6. Reflect and support statewide initiatives and systems, Department projects, and the priorities of the Department's strategic plan, when possible and appropriate.

1.22.2.7. Be updated on a schedule as required by the Department or on an ongoing basis as needed.

1.22.3. The Contractor must ensure trainers meet the specific qualifications described in the New Hampshire Early Childhood (Revised 2022) and Out-of-School Time Professional Development System. These

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

qualifications may be waived on a case-by-case basis only when a written request is approved by the Department.

- 1.22.4. The Contractor must coordinate with the Department to obtain approval for trainings added to the Online Training Calendar in NHCIS.
- 1.22.5. The Contractor must create local, regional, and statewide training opportunities that participants may register for online.
- 1.22.6. The Contractor must provide base-knowledge trainings. The training topics must be pre-approved by the Department. Required, Department-approved topics include, but are not limited to:
 - 1.22.6.1. Social and emotional learning.
 - 1.22.6.2. Staff well-being.
- 1.22.7. The Contractor must offer other workshops on a statewide level, which must include health and safety training in addition to the health and safety trainings available on ProSolutions, as requested by the Department using data on child care programs related gaps and needs.
- 1.22.8. The Contractor must provide training on business best practices for operating child care programs in applying best practices, including but not limited to Out-of-School Time specific trainings (<https://www.childcareaware.org/providers/opening-running-child-care-center/operating-child-care-center-program-practices/>).
- 1.22.9. The Contractor must provide training on how to create individualized professional development plans designed to increase teacher competency and retention using professional development plan templates based on New Hampshire's specialized competencies.
- 1.22.10. The Contractor must provide training on how to utilize and implement the NH Early Learning Standards: www.caphr.org. The training and technical assistance must be:
 - 1.22.10.1. Flexible to allow for the unique accommodations of children and families; and
 - 1.22.10.2. Developmentally appropriate for each age group.
- 1.22.11. The Contractor must support and reflect the philosophy of the CCPs, and provide orientation on enrolling and/or renewing as a New Hampshire Child Care Scholarship Provider as needed. Orientation must include, but is not limited to:
 - 1.22.11.1. Application process.
 - 1.22.11.2. Agreements.
 - 1.22.11.3. Background checks.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.22.11.4. Health and safety requirements.
- 1.22.11.5. Marketing.
- 1.22.11.6. Monitoring requirements.
- 1.22.11.7. Programming.
- 1.22.11.8. Transitioning as a license-exempt provider to a licensed provider.
- 1.22.11.9. Web-billing.
- 1.22.11.10. The Contractor must collect data for CCPs that opened on or after the Contract effective date that decline training opportunities, and report the data to the Department on a quarterly basis in accordance with Section 1.29, Reporting. Data collected must include:
 - 1.22.11.10.1. CCP Name;
 - 1.22.11.10.2. Opening Date;
 - 1.22.11.10.3. Reasons or barriers preventing training participation; and
 - 1.22.11.10.4. Efforts made to reduce training barriers.
- 1.22.12. The Contractor must consider means to reduce training barriers, which may include, but is not limited to:
 - 1.22.12.1. Offering virtual and in-person hybrid trainings.
 - 1.22.12.2. Recording trainings for later viewing.
 - 1.22.12.3. Seeking informal stakeholder input regarding any barriers to training attendance so that training attendance is maximized as much as possible.
- 1.23. Technical Assistance
 - 1.23.1. The Contractor must provide specialized and qualified technical assistance staff who meet the qualifications set forth in the NH Early Childhood (Revised 2022) and Out-of-School Time Professional Development Guidebook, to administer on-site technical assistance activities to potential and current licensed and licensed exempt CCPs, as requested and required by the Department. The aforementioned qualifications may be waived by the Department on a case-by-case basis upon submission of a written request approved by the Department.
 - 1.23.1.1. The Contractor must provide specialized and region-specific technical assistance staff to collaborate with the Department to support CCPs, upon request by the Department.

Initial
RC

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.23.2. The Contractor must ensure all technical assistance staff collaborate effectively and cooperatively with Department-approved collaborators and CCPs and provide technical support on topics including, but not limited to:
 - 1.23.2.1. Child care management.
 - 1.23.2.2. Child Care Scholarship Program enrollment and renewal.
 - 1.23.2.3. Care for children with disabilities.
 - 1.23.2.4. Care for children with special health care needs, including emotional and behavioral needs.
 - 1.23.2.5. Developmentally Appropriate Practice.
 - 1.23.2.6. Emergency preparedness.
 - 1.23.2.7. Infant and toddler care and activities.
 - 1.23.2.8. NHCIS.
 - 1.23.2.9. Out-of-School Time activities.
 - 1.23.2.10. New Hampshire Early Childhood and Out-of-School Time Professional Credentials (<https://www.dhhs.nh.gov/programs-services/childcare-parenting-childbirth/child-care-and-head-start/early-childhood-and-out>).
 - 1.23.2.11. Professional Development Pathways.
 - 1.23.2.12. New Hampshire Early Learning Standards.
 - 1.23.2.13. Specialized Competencies.
 - 1.23.2.14. Granite Steps for Quality.
 - 1.23.2.15. Child Care Market Rate Survey.
- 1.23.3. The Contractor must document the provision of technical assistance in NHCIS.
- 1.23.4. The Contractor must provide technical assistance to CCPs on how to write child care program policies including, but not limited to:
 - 1.23.4.1. Health and safety policies.
 - 1.23.4.2. Programmatic integration and engagement policies.
 - 1.23.4.3. Prevention of suspension and expulsion.
- 1.23.5. The Contractor must provide technical assistance to expand program capacity with an emphasis on unmet child care needs statewide including, but not limited to:
 - 1.23.5.1. Children in Out-of-School Time settings.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.23.5.2. Infants and toddlers.
- 1.23.5.3. Children requiring care during non-traditional hours.
- 1.23.5.4. Children with disabilities and special health care needs.
- 1.23.5.5. Underserved geographical locations and populations.
- 1.23.6. The Contractor must collect data for CCPs that opened on or after the Contract effective date that decline technical assistance opportunities and report the data to the Department on a quarterly basis, in accordance with Section 1.29., Reporting. Data collected must include:
 - 1.23.6.1. CCP Name;
 - 1.23.6.2. Opening Date;
 - 1.23.6.3. Reasons or barriers for declining technical assistance; and
 - 1.23.6.4. Efforts made to reduce barriers.
- 1.23.7. The Contractor must consider means to reduce technical assistance engagement barriers, including, but not limited to:
 - 1.23.7.1. Offering virtual and in-person hybrid technical assistance.
 - 1.23.7.2. Recording common technical assistance topics for later viewing.
 - 1.23.7.3. Seeking informal stakeholder input regarding any barriers to obtaining technical assistance so that attendance is maximized as much as possible.
- 1.24. Professional Development System Recognition
 - 1.24.1. The Contractor must provide, coordinate, and fund the Annual Celebration for Early Childhood and Out-of-School Time Professionals and collaborate with the Department on the planning and implementation of the event, including presentation of the Gwen and Henry Morgan Award.
 - 1.24.1.1. The Contractor must survey all participants after the Annual Celebration for Early Childhood and Out-of-School Time Professionals and provide feedback to the Department no later than three (3) months after the date of the event.
- 1.25. TEACH NH
 - 1.25.1. The Contractor must prioritize Teacher Education And Compensation Helps (TEACH) NH and provide a TEACH coordinator to develop, promote, and market the TEACH NH Early Childhood Scholarship Program, which must focus on the need for a well-qualified, fairly compensated, and stable workforce.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.25.2. The Contractor must build infrastructure to develop and establish a streamlined service delivery system that promotes efficiencies and maximizes resources within all the CCR&R activities, which includes, but is not limited to:
- 1.25.2.1. Sharing the CCR&R email distribution list.
 - 1.25.2.2. Promoting TEACH NH opportunities at CCR&R meetings and trainings.
 - 1.25.2.3. Marketing the TEACH NH Program at early childhood stakeholder meetings and events.
 - 1.25.2.4. Developing and establishing a TEACH NH Advisory Committee under the guidance and expertise of the National Center to include NH early childhood stakeholders.
 - 1.25.2.5. Developing and implementing outreach and marketing resources to all early childhood programs, including center-based and family child care, with a focus on infant/toddler programs and infant/toddler professionals, in order to promote TEACH NH.
 - 1.25.2.6. Establishing and maintaining relationships between the TEACH NH program staff and the TEACH National Center.
 - 1.25.2.7. Adhering to TEACH core values and principles.
 - 1.25.2.8. Providing scholarships and stipends to TEACH NH recipients.
 - 1.25.2.9. Providing support and mentoring to TEACH NH recipients to obtain their Child Development Associate credential (CDA), or an Associate's Degree in Early Childhood Education.
 - 1.25.2.10. Providing support and mentoring for TEACH NH sponsors (participating NH Early Childhood/Child Care Programs).
 - 1.25.2.11. Providing TEACH NH staff with the necessary resources and supports to assist in the facilitation of this project as outlined by the TEACH National Center to include specific technology, integration, professional development, and technical assistance.
- 1.25.3. The Contractor must provide scholarships, stipends, support, and mentoring to a minimum of fifteen (15) TEACH NH recipients annually with priority given to individuals working in infant and/or toddler classrooms in early care/child care programs.

1.26. ECAP

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.26.1. The Contractor must provide the United States Department of Labor (US DOL) Early Childhood Apprenticeship Program (ECAP) in accordance with www.caphr.org/services/early-childhood-apprenticeship-program), and provide a Program Coordinator to coordinate and administer the program, which must be:
 - 1.26.1.1. Offered to individuals employed in the early childhood field;
 - 1.26.1.2. Designed to combine classroom instruction and work experience to enhance the quality of care for children while increasing the apprentice's skill level and wages; and
 - 1.26.1.3. Able to meet the goal of individuals obtaining the credential required to work as a teacher in a state licensed child care center, increasing the supply of skilled professionals and the delivery of high-quality early education.
- 1.26.2. The Contractor must recruit a minimum of eight (8) apprentices for the program.
- 1.26.3. The Contractor must ensure enrollment priority for the ECAP is given to individuals committed to working with infants and/or toddlers in early care/child care programs
- 1.27. The Contractor must coordinate efforts with the Department and document all contact attempts to CCPs to maintain the CCR&R functions in NHCIS including, but not limited to:
 - 1.27.1. Assisting CCPs with populating and updating program specific data and CCP staff demographics in the professional registry.
 - 1.27.2. Collaborating on a bi-annual update survey of all CCP program information to include CCP profiles. Documenting all CCR&R, training, and technical assistance activities.
- 1.28. The Contractor must participate in meetings with the Department on a monthly basis, or as otherwise requested by the Department.
- 1.29. Reporting
 - 1.29.1. The Contractor must submit Quarterly Reports to the Department, with the first quarterly report for the period of July 1, 2026 through September 30, 2026, due by October 15, 2026; and each quarter thereafter. The final quarterly report must be submitted no later than 15 business days prior to the Contract End Date. The Quarterly Reports must include the following aggregate, non-identifiable data:
 - 1.29.1.1. Number of unique individuals assisted with business management practices;

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 1.29.1.2. Number of unique individuals assisted with Scholarship enrollment;
 - 1.29.1.3. Number of CCPs the Contractor assisted with updating profile information in NHCIS;
 - 1.29.1.4. Number of unique individuals provided trainings and/or technical assistance on the following topics:
 - 1.29.1.4.1. Infant and toddler activities; and
 - 1.29.1.4.2. Out-of-School Time activities;
 - 1.29.1.5. Number of unique individuals who received technical assistance for:
 - 1.29.1.5.1. Family child care ongoing support;
 - 1.29.1.5.2. Family child care start up support;
 - 1.29.1.5.3. Professional development Plans; and
 - 1.29.1.5.4. License-exempt providers for health and safety, background checks and monitoring;
 - 1.29.1.6. Number and data collected for new CCPs that declined training(s) in accordance with Section 1.22.11.10., and/or declined technical assistance, in accordance with Section 1.23.6., including the barriers to participation, as well as the Contractor's efforts to engage the the CCPs.
 - 1.29.1.7. Number of families served by CCR&R services.
 - 1.29.1.8. Number of TANF-eligible families that received the above-referenced technical assistance.
 - 1.29.1.9. Documentation verifying a minimum of ten percent (10%) of the funding for each State Fiscal Year is dedicated to and utilized specifically for infant and toddler activities, in accordance with Exhibit C, Payment Terms; Section 3.1.
- 1.30. The Contractor must submit a compilation of quarterly reports into a final Annual Performance Report to the Department by July 15, 2027, for the period of July 1, 2026 through June 30, 2027; and annually thereafter. The final Annual Performance Report must be submitted to the Department no later than 15 business days prior to the Contract End Date.
- 1.31. The Contractor may be required to provide other reports, data and metrics, not collected and stored in NHCIS, to the Department in a format and on a date specified by the Department.
- 1.32. Performance Measures

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

behavior that could endanger individuals served under this Agreement.

1.34. Confidential Data

1.34.1. The Contractor must meet all information security and privacy requirements as set by the Department and in accordance with the Department's Information Security Requirements Exhibit as referenced below.

1.34.2. The Contractor must ensure any individuals involved in delivering services through this Agreement contract sign an attestation agreeing to access, view, store, and discuss Confidential Data in accordance with federal and state laws and regulations and the Department's Information Security Requirements Exhibit. The Contractor must ensure said individuals have a justifiable business need to access confidential data. The Contractor must provide attestations upon Department request.

1.35. Privacy Impact Assessment

1.35.1. Upon request, the Contractor must allow and assist the Department in conducting a Privacy Impact Assessment (PIA) of its system(s)/application(s)/web portal(s)/website(s) or Department system(s)/application(s)/web portal(s)/website(s) hosted by the Contractor, if Personally Identifiable Information (PII) is collected, used, accessed, shared, or stored. To conduct the PIA the Contractor must provide the Department access to applicable systems and documentation sufficient to allow the Department to assess, at minimum, the following:

1.35.1.1. How PII is gathered and stored;

1.35.1.2. Who will have access to PII;

1.35.1.3. How PII will be used in the system;

1.35.1.4. How individual consent will be achieved and revoked; and

1.35.1.5. Privacy practices.

1.35.2. The Department may conduct follow-up PIAs in the event there are either significant process changes or new technologies impacting the collection, processing or storage of PII.

1.36. Department Owned Devices, Systems and Network Usage

1.36.1. If Contractor End Users, defined in the Department's Information Security Requirements Exhibit that is incorporated into this Agreement, are authorized by the Department's Information Security Office to use a Department issued device (e.g. computer, tablet, mobile telephone) or

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

access the Department network in the fulfilment of this Agreement, each End User must:

- 1.36.1.1. Sign and abide by applicable Department and New Hampshire Department of Information Technology (NH DoIT) use agreements, policies, standards, procedures and guidelines, and complete applicable trainings as required;
- 1.36.1.2. Use the information that they have permission to access solely for conducting official Department business and agree that all other use or access is strictly forbidden including, but not limited, to personal or other private and non-Department use, and that at no time shall they access or attempt to access information without having the express authority of the Department to do so;
- 1.36.1.3. Not access or attempt to access information in a manner inconsistent with the approved policies, procedures, and/or agreement relating to system entry/access;
- 1.36.1.4. Not copy, share, distribute, sub-license, modify, reverse engineer, rent, or sell software licensed, developed, or being evaluated by the Department, and at all times must use utmost care to protect and keep such software strictly confidential in accordance with the license or any other agreement executed by the Department;
- 1.36.1.5. Only use equipment, software, or subscription(s) authorized by the Department's Information Security Office or designee;
- 1.36.1.6. Not install non-standard software on any Department equipment unless authorized by the Department's Information Security Office or designee;
- 1.36.1.7. Agree that email and other electronic communication messages created, sent, and received on a Department-issued email system are the property of the Department of New Hampshire and to be used for business purposes only. Email is defined as "internal email systems" or "Department-funded email systems."
- 1.36.1.8. Agree that use of email must follow Department and NH DoIT policies, standards, and/or guidelines; and
- 1.36.1.9. Agree when utilizing the Department's email system:
 - 1.36.1.9.1. To only use a Department email address assigned to them with a "@" affiliate.DHHS.NH.Gov".

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT B

- 1.36.1.9.2. Include in the signature lines information identifying the End User as a non-Department workforce member; and
- 1.36.1.9.3. Ensure the following confidentiality notice is embedded underneath the signature line:
- 1.36.1.9.4. CONFIDENTIALITY NOTICE: "This message may contain information that is privileged and confidential and is intended only for the use of the individual(s) to whom it is addressed. If you receive this message in error, please notify the sender immediately and delete this electronic message and any attachments from your system. Thank you for your cooperation."
- 1.36.1.10. Contractor End Users with a Department issued email, access or potential access to Confidential Data, and/or a workspace in a Department building/facility, must:
 - 1.36.1.10.1. Complete the Department's Annual Information Security & Compliance Awareness Training prior to accessing, viewing, handling, hearing, or transmitting Department Data or Confidential Data.
 - 1.36.1.10.2. Sign the Department's Business Use and Confidentiality Agreement and Asset Use Agreement, and the NH DoIT Department wide Computer Use Agreement upon execution of the Agreement and annually thereafter.
 - 1.36.1.10.3. Only access the Department's intranet to view the Department's Policies and Procedures and Information Security webpages.
- 1.36.1.11. Contractor agrees, if any End User is found to be in violation of any of the above terms and conditions, said End User may face removal from the Agreement, and/or criminal and/or civil prosecution, if the act constitutes a violation of law.
- 1.36.1.12. Contractor agrees to notify the Department a minimum of three business days prior to any upcoming transfers or terminations of End Users who possess Department credentials and/or badges or who have system privileges. If End Users who possess Department credentials and/or badges or who have system privileges resign or are dismissed without advance notice, the Contractor agrees to notify the

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

Department's Information Security Office or designee immediately.

1.37. Contract End-of-Life Transition Services

1.37.1. General Requirements

- 1.37.1.1. If applicable, upon early termination or expiration of the Agreement the parties agree to cooperate in good faith to effectuate a secure transition of the services ("Transition Services") from the Contractor to the Department and, if applicable, the new Contractor ("Recipient") engaged by the Department to assume the services. Ninety (90) days prior to the end-of the contract or unless otherwise specified by the Department, the Contractor must begin working with the Department and if applicable, the Recipient to develop a Data Transition Plan (DTP). The Department shall provide the DTP template to the Contractor.
- 1.37.1.2. The Contractor must assist the Recipient, in connection with the transition from the performance of Services by the Contractor and its End Users to the performance of such Services. This may include assistance with the secure transfer of records (electronic and hard copy), transition of historical data (electronic and hard copy), the transition of any such Service from the hardware, software, network and telecommunications equipment and internet-related information technology infrastructure ("Internal IT Systems") of Contractor to the Internal IT Systems of the Recipient and cooperation with and assistance to any third-party consultants engaged by Recipient in connection with the Transition Services.
- 1.37.1.3. If a system, database, hardware, software, and/or software licenses (Tools) was purchased or created to manage, track, and/or store Department Data in relationship to this contract said Tools will be inventoried and returned to the Department, along with the inventory document, once transition of Department data is complete.
- 1.37.1.4. The internal planning of the Transition Services by the Contractor and its End Users shall be provided to the Department and if applicable the Recipient in a timely manner. Any such Transition Services shall be deemed to be Services for purposes of this Agreement.
- 1.37.1.5. In the event the data Transition extend beyond the end of the Agreement, the Contractor agrees that the Information

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

Security Requirements, and if applicable, the Department's Business Associate Agreement terms and conditions remain in effect until the Data Transition is accepted as complete by the Department.

1.37.1.6. In the event the Contractor has comingled Department Data and the destruction or Transition of said data is not feasible, the Department and Contractor will jointly evaluate regulatory and professional standards for retention requirements prior to destruction, refer to the terms and conditions of the Department's DHHS Information Security Requirements Exhibit.

1.37.2. Completion of Transition Services

1.37.2.1. Each service or transition phase shall be deemed completed (and the transition process finalized) at the end of fifteen (15) business days after the product, resulting from the Service, is delivered to the Department and/or the Recipient in accordance with the mutually agreed upon Transition plan, unless within said fifteen (15) business day term the Contractor notifies the Department of an issue requiring additional time to complete said product.

1.37.2.2. Once all parties agree the data has been migrated the Contractor will have thirty (30) days to destroy the data per the terms and conditions of the Department's Information Security Requirements Exhibit.

1.37.3. Disagreement over Transition Services Results

1.37.3.1. In the event the Department is not satisfied with the results of the Transition Service, the Department shall notify the Contractor, in writing, stating the reason for the lack of satisfaction within fifteen (15) business days of the final product or at any time during the data Transition process. The Parties shall discuss the actions to be taken to resolve the disagreement or issue. If an agreement is not reached, at any time the Department shall be entitled to initiate actions in accordance with the Agreement.

1.38. Website and Social Media

1.38.1. The Contractor must work with the Department's Communications Bureau to ensure that any social media or website designed, created, or managed on behalf of the Department meets all Department and NH Department of Information Technology (DoIT) website and social media requirements and policies.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

1.38.2. The Contractor may, in accordance with Department's guidelines and with advance approval by the Department, maintain their own social media accounts to promote resource and referral services. Social media posts should promote Department initiatives, including offerings from other vendors and state agencies as appropriate. Social media posts can be a combination of promotional, educational, and fun provided they are professional in nature and reflective of high quality and developmentally appropriate practices and philosophies and monitor responses and posts from the community, bringing to the Department's attention anything impactful. Posts and social media content are subject to Department monitoring and approval.

1.38.3. State of New Hampshire's Website Copyright

1.38.3.1. All right, title and interest in the State WWW site, including copyright to all data and information, shall remain with the State of New Hampshire. The State of New Hampshire shall also retain all right, title and interest in any user interfaces and computer instructions embedded within the WWW pages. All WWW pages and any other data or information shall, where applicable, display the State of New Hampshire's copyright.

2. Exhibits Incorporated

- 2.1. The Contractor must comply with all Exhibit D, Federal Requirements, which are attached hereto and incorporated by reference herein.
- 2.2. The Contractor must manage all confidential data related to this Agreement in accordance with the terms of Exhibit E, DHHS Information Security Requirements.
- 2.3. The Contractor must use and disclose Protected Health Information in compliance with the Standards for Privacy of Individually Identifiable Health Information (Privacy Rule) (45 CFR Parts 160 and 164) under the Health Insurance Portability and Accountability Act (HIPAA) of 1996, and in accordance with the attached Exhibit F, Business Associate Agreement, which has been executed by the parties.

3. Additional Terms

- 3.1. Impacts Resulting from Court Orders or Legislative Changes
 - 3.1.1. The Contractor agrees that, to the extent future state or federal legislation or court orders may have an impact on the Services described herein, the State has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

3.2. Federal Civil Rights Laws Compliance: Culturally and Linguistically Appropriate Programs and Services

3.2.1. The Contractor must submit:

3.2.1.1. A detailed description of the language assistance services, within ten (10) days of the Effective Date of the Agreement, to be provided to ensure meaningful access to programs and/or services to individuals with limited English proficiency; individuals who are deaf or have hearing loss; individuals who are blind or have low vision; and individuals who have speech challenges.

3.2.1.2. A written attestation, within forty-five (45) days of the Effective Date of the Agreement and annually thereafter, that all personnel involved the provision of services to individuals under this Agreement have completed, within the last twelve (12) months, the Contractor Required Training Video on Civil Rights-related Provisions in DHHS Procurement Processes, which is accessible on the Department's website (<https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors>); and

3.2.1.3. The Department's Federal Civil Rights Compliance Checklist within ten (10) days of the Effective Date of the Agreement. The Federal Civil Rights Compliance Checklist must have been completed within the last twelve (12) months and is accessible on the Department's website (<https://www.dhhs.nh.gov/doing-business-dhhs/civil-right-compliance-dhhs-vendors>).

3.3. Credits and Copyright Ownership

3.3.1. All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Agreement must include the following statement, "The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services."

3.3.2. All materials produced or purchased under the Agreement must have prior approval from the Department before printing, production, distribution or use.

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

- 3.3.3. The Department must retain copyright ownership for any and all original materials produced, including, but not limited to reports, protocols, guidelines, brochures, posters, and resource directories.
- 3.3.4. The Contractor must not reproduce any materials produced under the Agreement without prior written approval from the Department.
- 3.4. Operation of Facilities: Compliance with Laws and Regulations
 - 3.4.1. In the operation of any facilities for providing services, the Contractor must comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which must impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit must be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Agreement the facilities must comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and must be in conformance with local building and zoning codes, by-laws and regulations.

4. Records

- 4.1. The Contractor must keep records that include, but are not limited to:
 - 4.1.1. Books, records, documents and other electronic or physical data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor.
 - 4.1.2. All records must be maintained in accordance with accounting procedures and practices, which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 4.1.3. Statistical, enrollment, attendance or visit records for each recipient of services, records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

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**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities
EXHIBIT B**

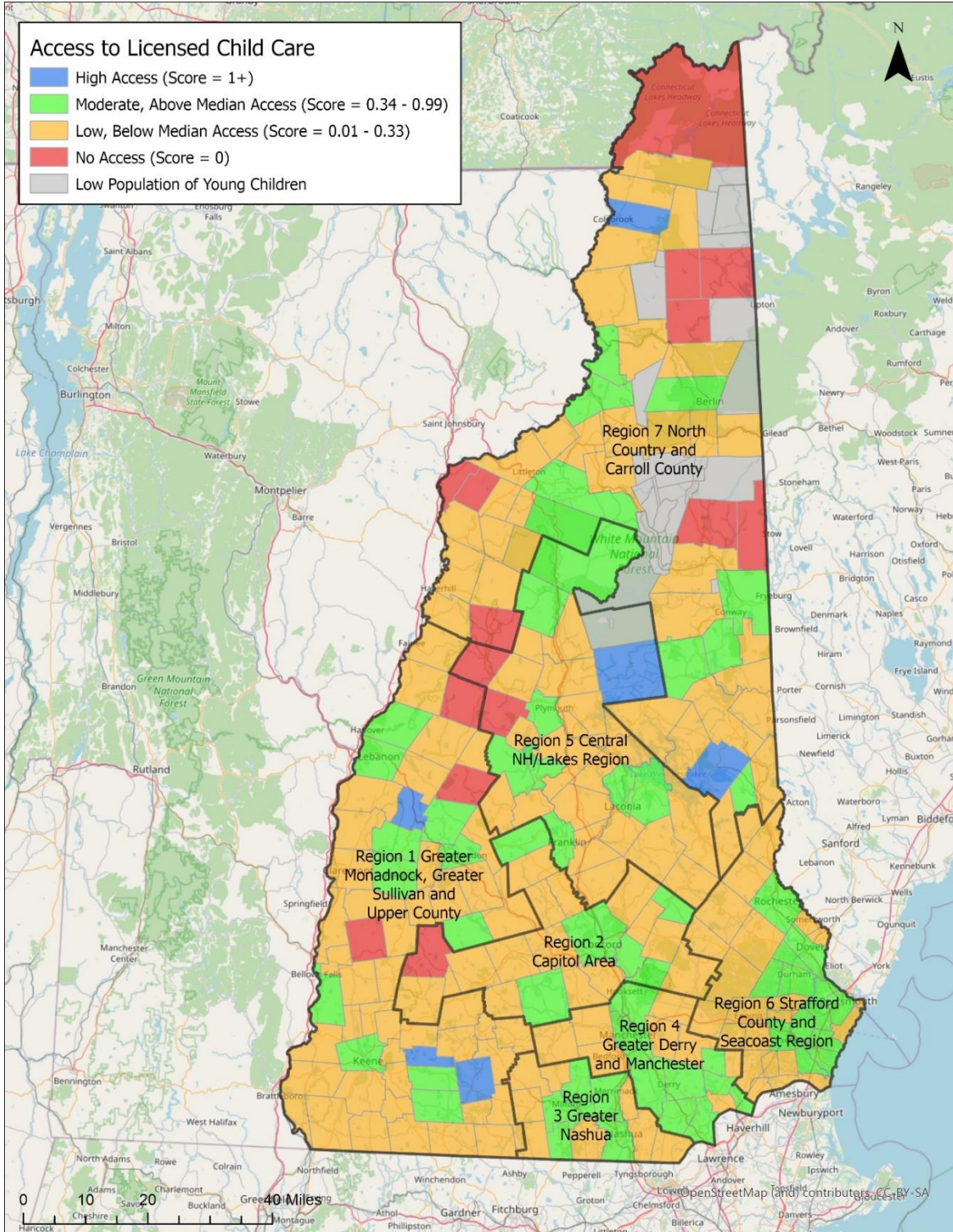
- 4.1.4. Detailed supporting documentation for the required Annual Performance Reports, which must be available to the Department for review upon request and must be retained for up to seven (7) years after the Contract Completion Date.
- 4.2. During the term of this Agreement and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives must have access to all reports and records maintained pursuant to the Agreement for purposes of audit, examination, excerpts and transcripts.
- 4.3. If, upon further review, the Department must disallow any expenses claimed by the Contractor as costs hereunder, the Department retains the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

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New Hampshire Department of Health and Human Services

Resource and Referral for NH Child Care Facilities

Attachment 1 – Child Care Access & Regional Systems Coordination



SS-2027-DES-01-RRNCC-01

Contractor Initials

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Southern New Hampshire Services, Inc.
d/b/a Community Action Partnership
Hillsborough and Rockingham Counties

Date 5/13/2026

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT C

Payment Terms

1. This Agreement is funded by:
 - 1.1. 100% Federal funds, Child Care and Development Fund, as awarded on November 20, 2025, by the U.S. Department of Health and Human Services, Administration for Children and Families, ALN 93.575, FAIN2601NHCCDD.
2. For the purposes of this Agreement the Department has identified:
 - 2.1. The Contractor as a Contractor, based on criteria specified in 2 CFR 200.331.
 - 2.2. The Agreement as NON-R&D, in accordance with 2 CFR §200.332.
 - 2.3. The Indirect Cost Rate for this Agreement in the attached Budget Sheets.
3. Payment shall be on a cost reimbursement basis for actual allowable expenditures incurred under this Agreement, and shall be in accordance with the approved line items, as specified in Exhibit C-1 Budget through Exhibit C-2 Budget.
 - 3.1. The Contractor shall ensure a minimum of ten percent (10%) of the contract funding each State Fiscal Year is dedicated to and utilized specifically for infant and toddler activities.
4. The Contractor shall submit an invoice to the Department no later than the fifteenth (15th) working day of the month following the month in which the services were provided. The Contractor shall ensure each invoice:
 - 4.1. Includes the Contractor's Vendor Number issued upon registering with New Hampshire Department of Administrative Services.
 - 4.2. Is submitted in a format as provided by or otherwise acceptable to the Department.
 - 4.3. Identifies and requests payment in accordance with Section 3, above.
 - 4.4. Includes supporting documentation with each invoice including, but not limited to, proof of expenditures, itemized receipts for purchases, time sheets, and payroll records with position or staff detail, as applicable.
 - 4.5. Is completed, dated and returned to the Department to initiate payment.
 - 4.6. Is assigned an electronic signature and is emailed to dhhs.bcdhsinvoices@dhhs.nh.gov or mailed to:

**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT C

Financial Manager
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301

5. The Department shall make payments to the Contractor within thirty (30) calendar days only upon receipt and approval of the submitted invoice and required supporting documentation.
6. The final invoice and any required supporting documentation shall be due to the Department no later than forty (40) calendar days after the contract completion date specified in Form P-37, General Provisions Block 1.7., Completion Date.
7. Notwithstanding Paragraph 18 of the General Provisions Form P-37, changes limited to adjusting direct and indirect cost amounts within the price limitation between budget class lines, as well as adjusting encumbrances between State Fiscal Years through the Budget Office, may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.
8. Audits
 - 8.1. The Contractor must email an annual audit to dhhs.act@dhhs.nh.gov if any of the following conditions exist:
 - 8.1.1. Condition A - The Contractor is subject to a Single Audit pursuant to 2 CFR 200.501 Audit Requirements.
 - 8.1.2. Condition B - The Contractor is subject to audit pursuant to the requirements of NH RSA 7:28, III-b.
 - 8.1.3. Condition C - The Contractor is a public company and required by Securities and Exchange Commission (SEC) regulations to submit an annual financial audit.
 - 8.2. If Condition A exists, the Contractor shall submit an annual Single Audit performed by an independent Certified Public Accountant (CPA) to dhhs.act@dhhs.nh.gov within 120 days after the close of the Contractor's fiscal year, conducted in accordance with the requirements of 2 CFR Part 200, Subpart F of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards.
 - 8.2.1. The Contractor shall submit a copy of any Single Audit findings and any associated corrective action plans. The Contractor shall submit quarterly progress reports on the status of implementation of the corrective action plan.

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**New Hampshire Department of Health and Human Services
Resource and Referral for NH Child Care Facilities**

EXHIBIT C

- 8.3. If Condition B or Condition C exists, the Contractor shall submit an annual financial audit performed by an independent CPA within 120 days after the close of the Contractor's fiscal year.
- 8.4. The Contractor, regardless of the funding source and/or whether Conditions A, B, or C exist, may be required to submit annual financial audits performed by an independent CPA upon request by the Department.
- 8.5. In addition to, and not in any way in limitation of obligations of the Agreement, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department all payments made under the Agreement to which exception has been taken, or which have been disallowed because of such an exception, within sixty (60) days.

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Exhibit C-1 Budget

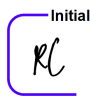
New Hampshire Department of Health and Human Services	
Contractor Name:	Southern New Hampshire Services Inc. d/b/a Community Action Partnership Hillsborough and Rockingham Counties
Budget Request for:	Resource and Referral for NH Child Care Facilities
Budget Period	July 1, 2026 through June 30, 2027 (SFY 27)
Indirect Cost Rate (if applicable)	9.80%
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$752,000
2. Fringe Benefits	\$364,750
3. Consultants*	\$50,000
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$0
5.(a) Supplies - Educational	\$7,500
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$25,500
6. Travel	\$30,000
7. Software	\$0
8. (a) Other - Marketing/ Communications	\$25,000
8. (b) Other - Education and Training	\$47,500
8. (c) Other- Occupancy	\$52,000
8. (d) Other- Mentor Stipends*	\$5,000
8. (e) Other- Licensing/Consultations*	\$7,500
8. (f) Other- Scholarship/Supports*	\$197,185
8. (g) Other- Child Care Provider Events*	\$25,000
8. (h) Other- Infant/Toddler Activities (represents minimum of 10% of total direct costs; excluded from formula)	[\$158,894]
9. Subrecipient Contracts	\$0
Total Direct Costs	\$1,588,935
Total Indirect Costs	\$127,817
TOTAL	\$1,716,752
*Excluded from Indirect Cost Rate.	

Contractor Initials: Initial
RC

Date: 5/13/2026

Exhibit C-2 Budget

New Hampshire Department of Health and Human Services	
Contractor Name:	Southern New Hampshire Services Inc. d/b/a Community Action Partnership Hillsborough and Rockingham Counties
Budget Request for:	Resource and Referral for NH Child Care Facilities
Budget Period	July 1, 2027 through June 30, 2028 (SFY 28)
Indirect Cost Rate (if applicable)	9.80%
Line Item	Program Cost - Funded by DHHS
1. Salary & Wages	\$773,808
2. Fringe Benefits	\$375,328
3. Consultants	\$45,000
4. Equipment Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.	\$0
5.(a) Supplies - Educational	\$7,500
5.(b) Supplies - Lab	\$0
5.(c) Supplies - Pharmacy	\$0
5.(d) Supplies - Medical	\$0
5.(e) Supplies Office	\$23,000
6. Travel	\$30,000
7. Software	\$0
8. (a) Other - Marketing/ Communications	\$25,000
8. (b) Other - Education and Training	\$47,500
8. (c) Other- Occupancy	\$52,000
8. (d) Other- Mentor Stipends*	\$5,000
8. (e) Other- Licensing/Consultations*	\$7,500
8. (f) Other- Scholarship/Supports*	\$169,371
8. (g) Other- Child Care Provider Events*	\$25,000
8. (h) Other- Infant/Toddler Activities (represents minimum of 10% of total direct costs; excluded from formula)	[\$158,894]
9. Subrecipient Contracts	\$0
Total Direct Costs	\$1,586,007
Total Indirect Costs	\$130,745
TOTAL	\$1,716,752
*Excluded from Indirect Cost Rate.	

Initial


Contractor Initials: _____

Date: 5/13/2026

New Hampshire Department of Health and Human Services

Exhibit D – Federal Requirements

SECTION A: CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR CONTRACTORS OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

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

Commissioner
NH Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301-6505

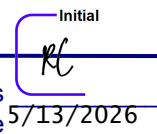
1. The Contractor certifies that it will or will continue to provide a drug-free workplace by:
 - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
 - 1.2.1. The dangers of drug abuse in the workplace;
 - 1.2.2. The Contractor's policy of maintaining a drug-free workplace;
 - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - 1.3. Making it a requirement that each employee to be engaged in the performance of the Agreement be given a copy of the statement required by paragraph (a);
 - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the Agreement, the employee will
 - 1.4.1. Abide by the terms of the statement; and
 - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

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- 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every contract officer on whose contract activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected Agreement;
 - 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted
 - 1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - 1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.
2. The Contractor may insert in the space provided below the site(s) for the performance of work done in connection with the specific Agreement.

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

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

Initial


New Hampshire Department of Health and Human Services

Exhibit D – Federal Requirements

SECTION B: CERTIFICATION REGARDING LOBBYING

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

US DEPARTMENT OF HEALTH AND HUMAN SERVICES – CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

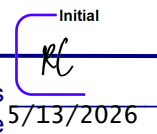
Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, loan, or cooperative agreement (and by specific mention sub-contractor).
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, loan, or cooperative agreement (and by specific mention sub- contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, see <https://omb.report/icr/201009-0348-022/doc/20388401>
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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New Hampshire Department of Health and Human Services

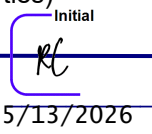
Exhibit D – Federal Requirements

SECTION C: CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 12689 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this Agreement, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this Agreement is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See <https://www.govinfo.gov/app/details/CFR-2004-title45-vol1/CFR-2004-title45-vol1-part76/context>.
6. The prospective primary participant agrees by submitting this Agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties) <https://www.ecfr.gov/current/title-22/chapter-V/part-513>.

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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

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

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (Agreement), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
 - 13.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
 - 13.2. Where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (Agreement).
14. The prospective lower tier participant further agrees by submitting this proposal (Agreement) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

New Hampshire Department of Health and Human Services

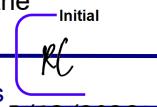
Exhibit D – Federal Requirements

SECTION D: CERTIFICATION OF COMPLIANCE WITH FEDERAL REQUIREMENTS

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

The Contractor will comply, and will require any subcontractors to comply, with any applicable federal requirements, which may include but are not limited to:

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200).
2. The Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;
3. The Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;
4. The Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);
5. The Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;
6. The Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;
7. The Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;
8. The Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;
9. 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;
10. 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.
11. The Clean Air Act (42 U.S.C. 7401-7671q.) which seeks to protect human health and the environment from emissions that pollute ambient, or outdoor, air.

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New Hampshire Department of Health and Human Services Exhibit D – Federal Requirements

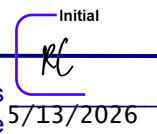
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12. The Clean Water Act (33 U.S.C. 1251-1387) which establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters.
 13. Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) (41 U.S.C. 1908) which establishes administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
 14. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) which establishes that 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 (29 CFR Part 5).
 15. Rights to Inventions Made Under a Contract or Agreement 37 CFR § 401.2 (a) which establishes the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the Agreement. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of Agreements, or government wide suspension or debarment.

In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

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

1. By signing and submitting this Agreement, the Contractor agrees to comply with the provisions indicated above.

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New Hampshire Department of Health and Human Services

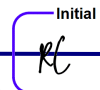
Exhibit D – Federal Requirements

SECTION E: CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

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

1. By signing and submitting this Agreement, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

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New Hampshire Department of Health and Human Services

Exhibit D – Federal Requirements

SECTION F: CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

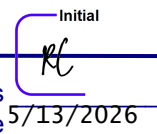
The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$30,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$30,000 or more. If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any sub award or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique Entity Identifier (SAM UEI; DUNS#)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC. Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

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New Hampshire Department of Health and Human Services

Exhibit D – Federal Requirements

FORM A

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

1. The UEI (SAM.gov) number for your entity is: HLNJBCYDGVM3
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?
- NO X YES

If the answer to #2 above is NO, stop here
If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?
- NO X YES

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

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

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Name: _____ Amount: _____

Contractor Name: Community Action Partnership Hillsborough and Rock

5/13/2026
Date: _____

Signed by:
Ryan Clouthier
Name: Ryan Clouthier
Title: Chief Executive Officer

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss

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New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements


or misplacement of hardcopy documents, and misrouting of physical or electronic mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.
12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

2. The Contractor must not disclose any Confidential Information in response to a request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.
3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

8. Open Wireless Networks. End User may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, antihacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

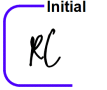
Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent

Contractor Initials 

New Hampshire Department of Health and Human Services

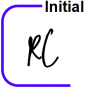
Exhibit E

DHHS Information Security Requirements

future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doi/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

- d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the State's Privacy Officer and Security Officer of any Security Incidents and Breaches immediately, at the email addresses provided in Section VI.

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;

Contractor Initials 

New Hampshire Department of Health and Human Services

Exhibit E

DHHS Information Security Requirements

4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov B.

DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

Contractor Initials 

Date 5/13/2026



New Hampshire Department of Health and Human

Exhibit F

BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement (Form P-37) (“Agreement”), and any of its agents who receive use or have access to protected health information (PHI), as defined herein, shall be referred to as the “Business Associate.” The State of New Hampshire, Department of Health and Human Services, “Department” shall be referred to as the “Covered Entity,” The Contractor and the Department are collectively referred to as “the parties.”

The parties agree, to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191, the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162, and 164 (HIPAA), provisions of the HITECH Act, Title XIII, Subtitle D, Parts 1&2 of the American Recovery and Reinvestment Act of 2009, 42 USC 17934, et sec., applicable to business associates, and as applicable, to be bound by the provisions of the Confidentiality of Substance Use Disorder Patient Records, 42 USC s. 290 dd-2, 42 CFR Part 2, (Part 2), as any of these laws and regulations may be amended from time to time.

(1) **Definitions**

- a. The following terms shall have the same meaning as defined in HIPAA, the HITECH Act, and Part 2, as they may be amended from time to time:
 - “Breach,” “Designated Record Set,” “Data Aggregation,” Designated Record Set,” “Health Care Operations,” “HITECH Act,” “Individual,” “Privacy Rule,” “Required by law,” “Security Rule,” and “Secretary.”
- b. Business Associate Agreement, (BAA) means the Business Associate Agreement that includes privacy and confidentiality requirements of the Business Associate working with PHI and as applicable, Part 2 record(s) on behalf of the Covered Entity under the Agreement.
- c. “Constructively Identifiable,” means there is a reasonable basis to believe that the information could be used, alone or in combination with other reasonably available information, by an anticipated recipient to identify an individual who is a subject of the information.
- d. “Protected Health Information” (“PHI”) as used in the Agreement and the BAA, means protected health information defined in HIPAA 45 CFR 160.103, limited to the information created, received, or used by Business Associate from or on behalf of Covered Entity, and includes any Part 2 records, if applicable, as defined below.
- e. “Part 2 record” means any patient “Record,” relating to a “Patient,” and “Patient Identifying Information,” as defined in 42 CFR Part 2.11.
- f. “Unsecured Protected Health Information” means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

(2) **Business Associate Use and Disclosure of Protected Health Information**

- a. Business Associate shall not use, disclose, maintain, store, or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under the Agreement. Further, Business Associate, including but not

Exhibit F

Contractor Initials

RC

Date 5/13/2026



New Hampshire Department of Health and Human

Exhibit F

limited to all its directors, officers, employees, and agents, shall protect any PHI as required by HIPAA and 42 CFR Part 2, and not use, disclose, maintain, store, or transmit PHI in any manner that would constitute a violation of HIPAA or 42 CFR Part 2.

- b. Business Associate may use or disclose PHI, as applicable:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, according to the terms set forth in paragraph c. and d. below;
 - III. According to the HIPAA minimum necessary standard;
 - IV. For data aggregation purposes for the health care operations of the Covered Entity; and
 - V. Data that is de-identified or aggregated and remains constructively identifiable may not be used for any purpose outside the performance of the Agreement.
- c. To the extent Business Associate is permitted under the BAA or the Agreement to disclose PHI to any third party or subcontractor prior to making any disclosure, the Business Associate must obtain, a business associate agreement or other agreement with the third party or subcontractor, that complies with HIPAA and ensures that all requirements and restrictions placed on the Business Associate as part of this BAA with the Covered Entity, are included in those business associate agreements with the third party or subcontractor.
- d. The Business Associate shall not, disclose any PHI in response to a request or demand for disclosure, such as by a subpoena or court order, on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity can determine how to best protect the PHI. If Covered Entity objects to the disclosure, the Business Associate agrees to refrain from disclosing the PHI and shall cooperate with the Covered Entity in any effort the Covered Entity undertakes to contest the request for disclosure, subpoena, or other legal process. If applicable relating to Part 2 records, the Business Associate shall resist any efforts to access part 2 records in any judicial proceeding.

(3) Obligations and Activities of Business Associate

- a. Business Associate shall implement appropriate safeguards to prevent unauthorized use or disclosure of all PHI in accordance with HIPAA Privacy Rule and Security Rule with regard to electronic PHI, and Part 2, as applicable.
- b. The Business Associate shall immediately notify the Covered Entity's Privacy Officer at the following email address, DHHSPrivacyOfficer@dhhs.nh.gov after the Business Associate has determined that any use or disclosure not provided for by its contract, including any known or suspected privacy or security incident or breach has occurred potentially exposing or compromising the PHI. This includes inadvertent or accidental uses or disclosures or breaches of unsecured protected health information.
- c. In the event of a breach, the Business Associate shall comply with the terms of this Business Associate Agreement, all applicable state and federal laws and regulations and any additional requirements of the Agreement.
- d. The Business Associate shall perform a risk assessment, based on the information available at the time it becomes aware of any known or suspected privacy or

Exhibit F

Business Associate Agreement
Page 2 of 5

V 2.0

Contractor Initials

RC

Date 5/13/2026



New Hampshire Department of Health and Human

Exhibit F

security breach as described above and communicate the risk assessment to the Covered Entity. The risk assessment shall include, but not be limited to:

- I. The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - II. The unauthorized person who accessed, used, disclosed, or received the protected health information;
 - III. Whether the protected health information was actually acquired or viewed; and
 - IV. How the risk of loss of confidentiality to the protected health information has been mitigated.
- e. The Business Associate shall complete a risk assessment report at the conclusion of its incident or breach investigation and provide the findings in a written report to the Covered Entity as soon as practicable after the conclusion of the Business Associate’s investigation.
 - f. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the US Secretary of Health and Human Services for purposes of determining the Business Associate’s and the Covered Entity’s compliance with HIPAA and the Privacy and Security Rule, and Part 2, if applicable.
 - g. Business Associate shall require all of its business associates that receive, use or have access to PHI under the BAA to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein.
 - h. Within ten (10) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate’s compliance with the terms of the BAA and the Agreement.
 - i. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
 - j. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
 - k. Business Associate shall document any disclosures of PHI and information related to any disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
 - l. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in

Exhibit F

Contractor Initials

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New Hampshire Department of Health and Human

Exhibit F

accordance with 45 CFR Section 164.528.

- m. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within five (5) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- n. Within thirty (30) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-ups of such PHI in any form or platform.
- VI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, or if retention is governed by state or federal law, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for as long as the Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall post a current version of the Notice of the Privacy Practices on the Covered Entity's website:

<https://www.dhhs.nh.gov/oos/hipaa/publications.htm> in accordance with 45 CFR Section 164.520.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this BAA, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination of Agreement for Cause

- a. In addition to the General Provisions (P-37) of the Agreement, the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of the Business Associate Agreement. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity.

(6) Miscellaneous

- a. Definitions, Laws, and Regulatory References. All laws and regulations ^{Initial} used,

Exhibit F

Business Associate Agreement

Page 4 of 5

V 2.0

Contractor Initials

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5/13/2026

Date



New Hampshire Department of Health and Human

Exhibit F

herein, shall refer to those laws and regulations as amended from time to time. A reference in the Agreement, as amended to include this Business Associate Agreement, to a Section in HIPAA or 42 Part 2, means the Section as in effect or as amended.

- b. Change in law - Covered Entity and Business Associate agree to take such action as is necessary from time to time for the Covered Entity and/or Business Associate to comply with the changes in the requirements of HIPAA, 42 CFR Part 2 other applicable federal and state law.
c. Data Ownership - The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
d. Interpretation - The parties agree that any ambiguity in the BAA and the Agreement shall be resolved to permit Covered Entity and the Business Associate to comply with HIPAA and 42 CFR Part 2.
e. Segregation - If any term or condition of this BAA or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this BAA are declared severable.
f. Survival - Provisions in this BAA regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the BAA in section (3) g. and (3) n.l., and the defense and indemnification provisions of the General Provisions (P-37) of the Agreement, shall survive the termination of the BAA.

IN WITNESS WHEREOF, the parties hereto have duly executed this Business Associate Agreement.

Department of Health and Human Services

Community Action Partnership Hillsborough and Rockingham Counties

The State

Name of the Contractor

Signed by: Morissa Henn
3A2BFCDD620432...

Signed by: Ryan Clouthier
084A28C0DE4B4D0...

Signature of Authorized Representative

Signature of Authorized Representative

Morissa Henn

Ryan Clouthier

Name of Authorized Representative

Name of Authorized Representative

Morissa Henn, Deputy Commissioner

Chief Executive Officer

Title of Authorized Representative

Title of Authorized Representative

5/13/2026

5/13/2026

Date

Date

Exhibit F

Contractor Initials RC

State of New Hampshire

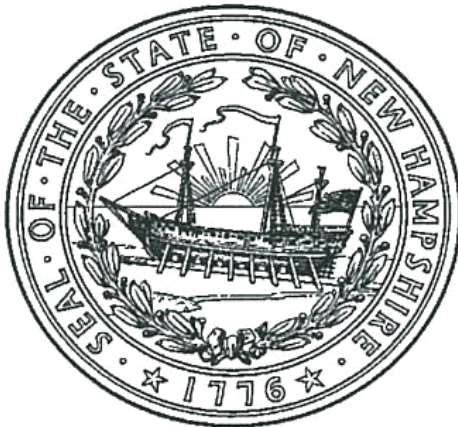
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that SOUTHERN NEW HAMPSHIRE SERVICES INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 28, 1965. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **65506**

Certificate Number: **0007901388**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 7th day of April A.D. 2026.

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

David M. Scanlan
Secretary of State

State of New Hampshire

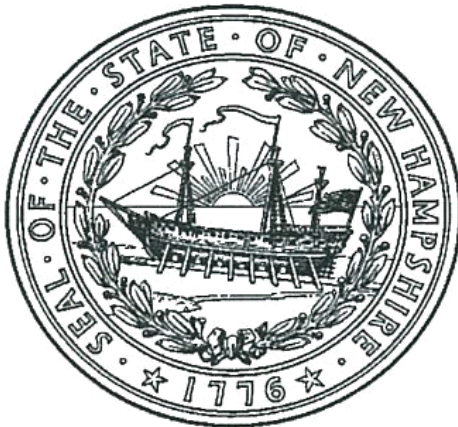
Department of State

CERTIFICATE

I, David M. Scanlan, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY ACTION PARTNERSHIP HILLSBOROUGH AND ROCKINGHAM COUNTIES is a New Hampshire Trade Name registered to transact business in New Hampshire on June 28, 2024. 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: **966212**

Certificate Number: **0007906386**



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of April A.D. 2026.

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

David M. Scanlan
Secretary of State

CERTIFICATE OF AUTHORITY

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

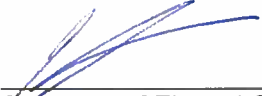
1. I am a duly elected Clerk/Secretary/Officer of Southern New Hampshire Services, Inc. dba Community Action Partnership Hillsborough and Rockingham Counties.
(Corporation/LLC Name)

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 February 25, 2026, at which a quorum of the Directors/shareholders were present and voting.

VOTED: That Ryan Clouthier, CEO, Sarah Vanderhoof, COO; James Chaisson, CFO, and Cara Aliberti, Senior Accountant (may list more than one person)is duly authorized on behalf of Southern New Hampshire Services, 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 **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: 4/24/26



Signature of Elected Officer
Name: Orville Kerr
Title: Secretary



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/17/2026

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 Cross Insurance-Manchester 1100 Elm Street Manchester NH 03101	CONTACT NAME: Stephanie Peffer PHONE (A/C, No, Ext): (603) 669-3218 FAX (A/C, No): (603) 645-4331 E-MAIL ADDRESS: manch.certs@crossagency.com
INSURER(S) AFFORDING COVERAGE	
INSURED	INSURER A: Philadelphia Indemnity Ins Co NAIC # 18058
Southern New Hampshire Services, Inc. dba Community Action Partnership Hillsborough and Rockingham Counties SNHS Management Corporation PO Box 5040 Manchester NH 03108-5040	INSURER B: The North River Insurance Company NAIC # 21105
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES **CERTIFICATE NUMBER:** 26-27 All lines w/prof **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2670953-005	04/01/2026	04/01/2027	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 \$
	<input checked="" type="checkbox"/> 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			PHPK2670952-005	04/01/2026	04/01/2027	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			PHUB905859-005	04/01/2026	04/01/2027	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	R02587HCHS2026-01 (3a.) NH	01/01/2026	01/01/2027	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2670953-005	04/01/2026	04/01/2027	Each Prof Incident \$1,000,000 Aggregate \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Refer to policy for exclusionary endorsements and special provisions.

CERTIFICATE HOLDER

CANCELLATION

State of NH Department of Health and Human Services 129 Pleasant Street Concord NH 03301-3857	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
---	---

NONPROFIT COVER SHEET

A. Entity Name: Southern New Hampshire Services, Inc. dba Community Action Partnership Hillsborough and Rockingham Counties

B. Entity's Contact Information:

For Records Requests (e.g., resumes of key personnel; audited financial statements):

Name / Phone / Email: Deb Stohrer, 603-668-8010, dstohrer@caphr.org

Person responsible for Accuracy and Completeness of information provided:

Name: Ryan Clouthier Title: CEO

Signature: 

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)	
Commissioner Toni Pappas	Public
Kathleen Mackin	Representative of low income
Thomas Mullins	Public
Orville Kerr	Representative of low income
Carrie Marshall Gross	Private
German Ortiz	Private
Deborah Gosselin O'Shea	Private
Wanda Kennerson	Private
Speaker Sherm Packard	Public
Commissioner Kevin Burgess	Public
Anna Hamel	Representative of low income
Carrie Santos	Representative of low income
Joy Barrett	Representative of low income
AnneMarie Penner	Representative of low income

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>
Ryan Clouthier	CEO	\$200,000	\$0.00
Sarah Vanderhoof	COO	\$145,200	\$0.00
James Chaisson	CFO	\$175,011	\$0.00

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>

1830	Southern NH Services, Inc.	PO Box 5040	Manchester	NH	03108	G	6/15/2026
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FINANCIAL DISCLOSURES

G. Check one the following:

- [X] The organization hired an outside firm 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) **OR**
- [] 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>	\$		



**Community Action Partnership
Hillsborough Rockingham Counties
Mission Statement**

We dedicate ourselves to addressing poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training; the opportunity for work; and the opportunity to live in decency and dignity.

SOUTHERN NEW HAMPSHIRE SERVICES, INC.
AND AFFILIATE

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JULY 31, 2025 AND 2024
AND
INDEPENDENT AUDITORS' REPORT AND
REPORTS ON COMPLIANCE AND INTERNAL CONTROL**

*Leone,
McDonnell
& Roberts*
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Combined Statements of Financial Position	4
Combined Statements of Activities	5
Combined Statements of Functional Expenses	6 - 9
Combined Statements of Cash Flows	10
Notes to Combined Financial Statements	11 - 23
Supplementary Information:	
Combining Information:	
Schedule A – Combining Schedule of Financial Position	24
Schedule B – Combining Schedule of Activities	25
Supplementary Information Required by New Hampshire Housing:	
Whispering Pines II	26 - 32
J.B. Milette Manor	33 - 38
Sherburne Woods	39 - 45
Schedule of Expenditures of Federal Awards	46 - 47
Notes to Schedule of Expenditures of Federal Awards	48
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	49 - 50
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	51 - 53
Schedule of Findings and Questioned Costs	54
Summary Schedule of Prior Audit Findings	55

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Southern New Hampshire Services, Inc. and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Southern New Hampshire Services, Inc. and Affiliate (a nonprofit organization), which comprise the combined statements of financial position as of July 31, 2025 and 2024, and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the years then and the related notes to the financial statements.

In our opinion, the combined financial statements present fairly, in all material respects, the financial position of Southern New Hampshire Services, Inc. and Affiliate as of July 31, 2025 and 2024, 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 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 the Southern New Hampshire Services, Inc. and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 these combined 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 combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southern New Hampshire Services, Inc. and Affiliate's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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, misrepresentation, 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 combined financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the combined 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 combined 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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations (CFR) 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 combined financial statements. Additionally, the combining schedules of financial position and combining schedules of activities are presented for additional analysis and are not a required part of the combined financial statements. Additionally, the supplementary information as required by New Hampshire Housing is presented for additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the 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 March 23, 2026, on our consideration of Southern New Hampshire Services, Inc. and Affiliate's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Southern New Hampshire Services, Inc. and Affiliate's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Southern New Hampshire Services, Inc. and Affiliate's internal control over financial reporting and compliance.

Leone McDonnell & Roberts
Professional Association

Dover, New Hampshire
March 23, 2026

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENTS OF FINANCIAL POSITION
JULY 31, 2025 AND 2024**

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,788,423	\$ 9,539,517
Investments	10,118,567	9,456,835
Grants receivable	4,277,936	4,269,703
Accounts receivable	980,306	836,027
Prepaid expenses	<u>274,926</u>	<u>189,485</u>
Total current assets	<u>24,440,158</u>	<u>24,291,567</u>
PROPERTY		
Land	4,376,194	4,166,475
Buildings and improvements	18,621,916	18,071,076
Vehicles and equipment	<u>1,779,212</u>	<u>1,644,351</u>
Total property	<u>24,777,322</u>	<u>23,881,902</u>
Less: accumulated depreciation	<u>7,759,636</u>	<u>6,907,196</u>
Property, net	<u>17,017,686</u>	<u>16,974,706</u>
OTHER ASSETS		
Restricted cash	<u>471,315</u>	<u>530,820</u>
TOTAL ASSETS	<u>\$ 41,929,159</u>	<u>\$ 41,797,093</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Current portion of long term debt	\$ 96,174	\$ 91,766
Accounts payable	1,006,520	1,291,035
Accrued payroll and related expenses	1,970,618	2,310,624
Accrued compensated absences	413,814	405,259
Other liabilities	143,129	299,675
Refundable advances	708,902	1,056,760
Tenant security deposits	<u>80,628</u>	<u>80,712</u>
Total current liabilities	4,419,785	5,535,831
LONG TERM LIABILITIES		
Long term debt, less current portion shown above	<u>1,225,238</u>	<u>1,309,061</u>
Total liabilities	5,645,023	6,844,892
NET ASSETS		
Without donor restrictions	<u>36,284,136</u>	<u>34,952,201</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 41,929,159</u>	<u>\$ 41,797,093</u>

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
REVENUES, GAINS AND OTHER SUPPORT		
Grant revenue	\$ 37,574,837	\$ 40,037,178
Program service fees	1,086,681	754,401
Local funding	194,933	277,042
Rental income	959,707	930,124
Gifts and other contributions	283,674	297,407
Interest and dividend income	193,915	293,616
Realized gain (loss) on investments	159,363	(109,036)
Unrealized gain on investments	411,975	895,857
Miscellaneous	73,747	262,632
In-kind contributions	3,162,772	3,634,310
Gain (loss) on disposal of property	<u>500</u>	<u>(42,374)</u>
Total revenues, gains and other support	<u>44,102,104</u>	<u>47,231,157</u>
EXPENSES		
Program services		
Child development	12,868,340	13,361,608
Community services	1,743,233	1,719,902
Economic and workforce development	2,787,181	4,159,088
Energy	15,565,347	15,983,329
Language and literacy	179,550	202,317
Housing and homeless	354,639	1,089,085
Nutrition and health	2,154,873	2,078,468
Special projects	2,415,054	2,008,413
Volunteer services	130,446	130,692
SNHS Management Corporation	<u>2,458,677</u>	<u>2,135,197</u>
Total program services	40,657,340	42,868,099
Supporting activities		
Management and general expense	<u>2,112,829</u>	<u>2,038,841</u>
Total expenses	<u>42,770,169</u>	<u>44,906,940</u>
CHANGE IN NET ASSETS	1,331,935	2,324,217
NET ASSETS, BEGINNING OF YEAR	<u>34,952,201</u>	<u>32,627,984</u>
NET ASSETS, END OF YEAR	<u>\$ 36,284,136</u>	<u>\$ 34,952,201</u>

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2025**

	Program Services						Nutrition and Health
	Child Development	Community Services	Economic and Workforce Development	Energy	Language and Literacy	Housing and Homeless	
EXPENSES							
Payroll	\$ 5,624,995	\$ 697,501	\$ 1,258,860	\$ 2,307,486	\$ 148,754	\$ 148,846	\$ 913,020
Payroll taxes	423,664	52,768	94,273	176,007	9,921	11,325	68,367
Fringe benefits	1,100,467	100,615	216,727	464,151	8,372	22,310	143,980
Workers compensation insurance	75,116	4,973	1,800	11,443	2,009	827	15,627
Unemployment	12,097	1,426	2,966	5,054	290	339	2,151
Retirement benefits	388,835	62,783	97,276	149,370	3,391	5,531	52,083
Consultant and contractual	180,788	232,751	9,345	997,184	658	786	11,390
Travel and transportation	102,342	11,483	49,470	60,053	220	3,255	54,016
Conferences and meetings	75	40,902	497	12,369	82	-	2,388
Occupancy	633,469	199,580	356,025	154,182	9,051	12,111	76,697
Advertising	107,271	3,582	6,153	859	178	-	50,887
Supplies	316,684	24,328	10,508	83,131	9,050	2,101	349,837
Equipment rentals and maintenance	10,535	566	1,770	64,559	1,013	106	2,371
Insurance	41,900	59,902	1,912	41,675	68	373	10,393
Telephone	85,823	21,925	28,513	46,636	4,517	3,530	74,088
Postage	262	10	342	35,036	10	31	1,728
Printing and publications	8,063	6,125	-	-	-	-	267
Subscriptions	-	55	-	914	-	-	-
Program support	-	130,523	-	83,507	-	-	-
Interest	5,425	-	-	-	-	-	-
Depreciation	282,670	144,783	459	6,145	1,968	7,949	11,039
Assistance to clients	200,238	-	604,431	10,965,830	-	197,129	389,632
Other expense	207,170	8,733	21,954	31,840	623	-	5,953
Miscellaneous	15,411	5,571	35,220	2,416	-	451	1,276
In-kind expenses	3,162,772	-	-	-	-	-	-
SUBTOTAL	12,986,072	1,810,885	2,798,501	15,699,847	200,175	417,000	2,237,190
Eliminations	(117,732)	(67,652)	(11,320)	(134,500)	(20,625)	(62,361)	(82,317)
TOTAL EXPENSES	\$ 12,868,340	\$ 1,743,233	\$ 2,787,181	\$ 15,565,347	\$ 179,550	\$ 354,639	\$ 2,154,873

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
FOR THE YEAR ENDED JULY 31, 2025**

	Program Services			Total Program Services	Support Services		2025 Total
	Special Projects	Volunteer Services	SNHS Management Corporation		Management and General	General	
EXPENSES	\$	\$	\$	\$	\$	\$	\$
Payroll	51,933	89,680	586,755	11,827,830	1,338,746	13,166,576	
Payroll taxes	3,938	5,965	44,502	890,730	95,685	986,415	
Fringe benefits	3,072	23,267	77,650	2,160,611	136,296	2,296,907	
Workers compensation insurance	232	132	6,596	118,755	3,417	122,172	
Unemployment	106	192	1,049	25,670	2,863	28,533	
Retirement benefits	4,636	4,959	44,099	812,963	131,427	944,390	
Consultant and contractual	2,137,472	402	101,625	3,672,401	255,394	3,927,795	
Travel and transportation	4,470	6,015	49,325	340,649	6,152	346,801	
Conferences and meetings	6,333	-	34,088	96,734	1,324	98,058	
Occupancy	12,000	-	769,562	2,222,677	63,648	2,286,325	
Advertising	-	950	10,680	180,560	-	180,560	
Supplies	55	5,132	36,717	837,543	33,255	870,798	
Equipment rentals and maintenance	4,480	-	17,016	102,416	8,510	110,926	
Insurance	2,267	1,554	71,450	231,494	5,085	236,579	
Telephone	4,063	3,075	35,516	307,686	13,770	321,456	
Postage	-	623	875	38,917	11,722	50,639	
Printing and publications	-	-	-	14,455	-	14,455	
Subscriptions	-	600	1,057	2,626	129	2,755	
Program support	148,359	-	146,310	508,699	-	508,699	
Interest	-	-	39,307	44,732	-	44,732	
Depreciation	55,703	-	512,173	1,022,889	3,441	1,026,330	
Assistance to clients	811	-	1,796	12,359,867	-	12,359,867	
Other expense	-	102	30,112	306,487	1,254	307,741	
Miscellaneous	998	2,933	82,318	146,594	711	147,305	
In-kind expenses	-	-	-	3,162,772	-	3,162,772	
SUBTOTAL	2,440,928	145,581	2,700,578	41,436,757	2,112,829	43,549,586	
Eliminations	(25,874)	(15,135)	(241,901)	(779,417)	-	(779,417)	
TOTAL EXPENSES	\$ 2,415,054	\$ 130,446	\$ 2,458,677	\$ 40,657,340	\$ 2,112,829	\$ 42,770,169	

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JULY 31, 2024**

	Program Services						
	Child Development	Community Services	Economic and Workforce Development	Energy	Language and Literacy	Housing and Homeless	Nutrition and Health
EXPENSES							
Payroll	\$ 5,682,528	\$ 663,139	\$ 1,359,974	\$ 2,225,179	\$ 153,860	\$ 305,367	\$ 828,916
Payroll taxes	427,885	50,321	102,144	168,885	9,928	23,053	62,652
Fringe benefits	1,269,938	97,327	249,982	545,182	7,603	61,141	167,626
Workers compensation insurance	56,257	3,503	1,496	8,364	2,135	356	12,306
Unemployment	28,411	3,316	6,800	11,163	769	1,517	4,146
Retirement benefits	377,365	63,800	104,471	126,947	1,281	17,244	45,474
Consultant and contractual	61,596	408,393	215,830	1,384,552	597	49,282	10,820
Travel and transportation	90,475	10,773	28,630	65,243	213	1,275	47,720
Conferences and meetings	-	23,627	1,931	8,323	-	-	1,415
Occupancy	689,746	150,334	479,230	144,818	7,350	12,782	68,364
Advertising	65,249	10,262	7,153	1,386	-	-	-
Supplies	249,114	18,692	5,061	103,346	11,688	6,435	307,630
Equipment rentals and maintenance	28,833	9,837	1,399	59,413	828	204	1,099
Insurance	28,953	72,643	3,303	36,203	-	5,928	5,580
Telephone	71,022	20,988	31,413	40,115	3,896	17,200	85,266
Postage	898	-	141	38,986	-	16	2,321
Printing and publications	2,600	6,877	-	-	-	-	-
Subscriptions	-	178,285	-	45,429	-	5,404	-
Program support	-	-	-	-	-	-	-
Interest	6,265	-	-	-	-	-	-
Depreciation	295,012	122,305	26,241	6,143	1,968	7,947	4,238
Assistance to clients	250,501	16,809	1,488,432	10,952,537	-	586,715	427,197
Other expense	194,395	10,855	54,383	80,360	168	569	4,181
Miscellaneous	11,777	1,433	3,604	2,556	53	304	5,209
In-kind expenses	3,634,310	-	-	-	-	-	-
SUBTOTAL	13,483,130	1,943,519	4,171,618	16,055,130	202,317	1,102,739	2,092,160
Eliminations	(121,522)	(223,617)	(12,530)	(71,801)	-	(13,654)	(13,692)
TOTAL EXPENSES	\$ 13,361,608	\$ 1,719,902	\$ 4,159,088	\$ 15,983,329	\$ 202,317	\$ 1,089,085	\$ 2,078,468

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES (Continued)
FOR THE YEAR ENDED JULY 31, 2024**

	Program Services			SNHS Management Contribution	Total Program Services		Support Services Management and General	2024 Total
	Special Projects	Volunteer Services						
EXPENSES	\$	\$	\$	\$	\$	\$	\$	\$
Payroll	87,778	79,798	539,999	539,999	11,926,538	1,335,532	13,262,070	
Payroll taxes	6,714	5,476	42,730	42,730	899,788	96,963	996,741	
Fringe benefits	1,871	22,982	85,311	85,311	2,508,963	157,340	2,666,303	
Workers compensation insurance	286	88	4,248	4,248	89,051	2,602	91,653	
Unemployment	439	399	2,403	2,403	59,363	6,700	66,063	
Retirement benefits	7,463	5,696	45,140	45,140	794,881	129,116	923,997	
Consultant and contractual	1,808,222	343	90,132	90,132	4,029,767	172,124	4,201,891	
Travel and transportation	6,147	7,756	43,609	43,609	301,841	5,190	307,031	
Conferences and meetings	7,412	-	28,078	28,078	70,786	849	71,635	
Occupancy	12,000	-	596,010	596,010	2,160,634	57,121	2,217,755	
Advertising	-	-	1,845	1,845	85,895	-	85,895	
Supplies	518	1,824	46,796	46,796	751,084	33,209	784,293	
Equipment rentals and maintenance	2,239	-	19,527	19,527	123,379	8,148	131,527	
Insurance	2,664	1,762	55,324	55,324	212,360	4,288	216,648	
Telephone	3,360	3,027	28,769	28,769	305,056	15,246	320,302	
Postage	-	465	826	826	43,653	11,675	55,328	
Printing and publications	-	-	-	-	9,477	-	9,477	
Subscriptions	-	600	875	875	1,475	89	1,564	
Program support	148,174	-	99,388	99,388	476,680	-	476,680	
Interest	-	-	42,841	42,841	49,106	-	49,106	
Depreciation	59,352	-	389,618	389,618	872,824	3,579	876,403	
Assistance to clients	1,255	-	3,546	3,546	13,726,992	-	13,726,992	
Other expense	249	-	6,950	6,950	352,110	1,405	353,515	
Miscellaneous	432	476	60,709	60,709	86,553	829	87,382	
In-kind expenses	-	-	-	-	3,634,310	-	3,634,310	
SUBTOTAL	2,156,587	130,692	2,234,674	2,234,674	43,572,566	2,041,995	45,614,561	
Eliminations	(148,174)	-	(99,477)	(99,477)	(704,467)	(3,154)	(707,621)	
TOTAL EXPENSES	\$ 2,008,413	\$ 130,692	\$ 2,135,197	\$ 2,135,197	\$ 42,868,099	\$ 2,038,841	\$ 44,906,940	

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,331,935	\$ 2,324,217
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	1,026,330	876,403
Loss (gain) on disposal of property	(500)	42,374
Unrealized gain on investments	(411,975)	(895,857)
Realized loss (gain) on investments	(159,363)	109,036
Decrease (increase) in assets:		
Grants receivable	(8,233)	388,242
Accounts receivable	(144,279)	239,061
Prepaid expenses	(85,441)	122,498
Increase (decrease) in liabilities:		
Accounts payable	(3,925)	(722,847)
Accrued payroll and related expenses	(340,006)	358,037
Accrued compensated absences	8,555	(16,447)
Other liabilities	(24,143)	(107,650)
Refundable advances	(347,858)	(1,152,858)
Tenant security deposits	(84)	(1,295)
	<u>841,013</u>	<u>1,562,914</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property	(1,482,303)	(3,720,006)
Proceeds from disposal of equipment	500	-
Proceeds from sale of investment	9,822,425	1,700,000
Purchase of investments, cash	(9,730,789)	-
Purchase of investments, reinvested dividends and capital gains	(182,030)	(280,096)
	<u>(1,572,197)</u>	<u>(2,300,102)</u>
NET CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term debt	(79,415)	(76,000)
	<u>(79,415)</u>	<u>(76,000)</u>
NET CASH USED IN FINANCING ACTIVITIES		
NET DECREASE IN CASH AND RESTRICTED CASH	(810,599)	(813,188)
CASH AND RESTRICTED CASH, BEGINNING OF YEAR	<u>10,070,337</u>	<u>10,883,525</u>
CASH AND RESTRICTED CASH, END OF YEAR	<u>\$ 9,259,738</u>	<u>\$ 10,070,337</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid during the year for interest	<u>\$ 44,732</u>	<u>\$ 49,106</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH FINANCING ACTIVITIES		
Building Improvements in the current year in other liabilities	<u>\$ 39,870</u>	<u>\$ 172,273</u>
Building Improvements in the current year in accounts payable	<u>\$ 247,063</u>	<u>\$ 527,653</u>
Building Improvements in the prior year in accounts payable, paid in the current year	<u>\$ (527,653)</u>	<u>\$ (567,478)</u>
Building Improvements in the prior year in other liabilities, paid in the current year	<u>\$ (172,273)</u>	<u>\$ -</u>
CASH AND RESTRICTED CASH		
Cash and cash equivalents	\$ 8,788,423	\$ 9,539,517
Restricted cash	<u>471,315</u>	<u>530,820</u>
Total cash and restricted cash	<u>\$ 9,259,738</u>	<u>\$ 10,070,337</u>

See Notes to Combined Financial Statements

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Southern New Hampshire Services, Inc. (SNHS, Inc.) and affiliate (collectively the Organization) is a nonprofit umbrella corporation that offers an array of services to the elderly, disabled, and low-income households in New Hampshire's Hillsborough County and Rockingham County. The Organization's programs provide assistance in the areas of education, child development, employment, energy and its conservation, housing, and homelessness prevention. The Organization is committed to providing respectful support services and assisting individuals and families in achieving self-sufficiency by helping them overcome the causes of poverty. The primary source of revenues is derived from governmental contracts. Services are provided through Southern New Hampshire Services, Inc., and SNHS Management Corporation.

Basis of Accounting

The Organization prepares its combined financial statements utilizing the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The combined 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 management and the Board of Directors.

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

Donor restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

As of July 31, 2025 and 2024, the Organization had no net assets with donor restrictions.

Combined Financial Statements

The combined financial statements include the accounts of SNHS Management Corporation because Southern New Hampshire Services, Inc. controls more than 50% of the voting power. All significant intercompany items and transactions have been eliminated from the basic combined financial statements.

Southern New Hampshire Services, Inc. and SNHS Management Corporation are governed by separate boards of directors and each Organization files its own form 990 with the IRS. See combining schedules on pages 24 and 25 of these financial statements.

Estimates

The preparation of combined financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these amounts.

Cash and Cash Equivalents

For the purpose of the combined statements of cash flows, the Organization considers all unrestricted highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. During the year ended July 31, 2025 cash equivalents totaled \$84,049. During the year ended July 31, 2024 the Organization had no cash equivalents.

Current Vulnerabilities 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.

Concentration of Credit Risk

The Organization maintains its cash balances at several financial institutions located in New Hampshire. The balances are insured by the Federal Deposit Insurance Organization (FDIC) up to \$250,000 per financial institution. In addition, on October 2, 2008, the Organization entered into an agreement with its principal banking partner to collateralize deposits in excess of the FDIC insurance limit on some accounts. The balances, at times, may exceed amounts covered by the FDIC and collateralization agreements. It is the opinion of management that there is no significant risk with respect to these deposits at either July 31, 2025 and 2024.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

Accounts and Grants Receivable

All accounts and grants receivable are stated at the amount management expects to collect from balances outstanding at year-end. The Organization uses historical loss information based on the aging of receivables as the basis to determine expected credit losses from receivables and believes that the composition of receivables at year-end is consistent with historical conditions as credit terms and practices and the client base has not changed significantly. Management determined that no allowance for uncollectible accounts was deemed necessary for either year ended July 31, 2025 or 2024.

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

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

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

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. Federal and state grant revenue comprised approximately 85% of total revenue in each of the fiscal years ended July 31, 2025 and 2024.

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 Organization expects to be entitled to in exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Refundable Advances

Refundable advances result from unexpended balances from these conditional contributions and will be subsequently recognized as contribution revenue when donor conditions are met.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

In-Kind Donations

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. In-kind revenues and expenses for the years ended July 31, 2025 and 2024 are \$3,162,772 and \$3,634,310, respectively (See **Note 11**).

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying combined statements of activities.

Property

Property acquired by the Organization is capitalized at cost if purchased or fair value if donated. Effective October 2024, it is the Organization's policy to capitalize expenditures for these items in excess of \$10,000 (\$5,000 prior to October 2024). Major additions and renewals are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, which range from three to forty years. Depreciation expense for the years ended July 31, 2025 and 2024 was \$1,026,330 and \$876,403, respectively.

Property purchased with grant funds are owned by the Organization while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the fixed assets purchased with grant funds. The disposition of property, as well as the ownership of any proceeds is subject to funding source regulations.

Advertising

The Organization uses advertising to promote programs among the people it serves. The production costs of advertising are expensed as incurred.

Income Taxes

Southern New Hampshire Services, Inc. and SNHS 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.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2025 AND 2024

Functional Allocation of Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support services are allocated directly according to their natural expenditure classification. Other expenses, that are common to several functions, are allocated by management based on effort. Supporting services are those related to operating and managing the Organization and its programs on a day-to-day basis. Supporting services have been subclassified as follows:

Management and General – Includes all activities related to the Organization’s internal management.

NOTE 2.

RESTRICTED CASH

The Organization, as stipulated in many of the loan agreements associated with the housing projects included in SNHS Management Corporation, is required to maintain separate accounts, and make monthly deposits into certain restricted reserves for the replacement of property and other expenditures. In addition, the Organization is required to maintain separate accounts for tenant security deposits and any surplus cash that may result from annual operations. These accounts are also not available for operating purposes and generally need additional approval from oversight agencies before withdrawal and use of these funds can occur.

NOTE 3.

FAIR VALUE MEASUREMENT

ASC Topic No. 825-10, 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 FASB ASC 820, 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, FASB ASC 820 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 FASB ASC 820 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.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

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 following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at July 31, 2025 and 2024.

Mutual Funds: Valued at the net asset value of shares held on the last trading day of the fiscal year, which is the basis for transactions at that date.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of July 31:

	<u>2025</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Total mutual funds at fair value	<u>\$10,118,567</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$10,118,567</u>

	<u>2024</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Total mutual funds at fair value	<u>\$ 9,456,835</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,456,835</u>

NOTE 4. INVESTMENTS

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of July 31:

	<u>2025</u>		<u>2024</u>	
	<u>Market Value</u>	<u>Cost</u>	<u>Market Value</u>	<u>Cost</u>
Mutual funds	<u>\$ 10,118,567</u>	<u>\$ 9,150,044</u>	<u>\$ 9,456,835</u>	<u>\$ 8,165,348</u>

The Organization had unrealized gains on investments of \$411,975 and \$895,857 at July 31, 2025 and 2024, respectively.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

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

	<u>2025</u>	<u>2024</u>
Fair value – beginning of year	\$ 9,456,835	\$ 10,089,918
Dividends and capital gains, reinvested	182,030	280,096
Withdrawals	-	(1,700,000)
Investment fees	(7,587)	-
Realized gain (loss)	159,363	(109,036)
Unrealized gain	<u>411,975</u>	<u>895,857</u>
Total investment balance	10,202,616	9,456,835
Less cash equivalents included in cash	<u>(84,049)</u>	<u>-</u>
Fair value – end of year	<u>\$ 10,118,567</u>	<u>\$ 9,456,835</u>

NOTE 5. LIQUIDITY AND AVAILABILITY

The Organization's financial assets available for expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date comprise the following as of July 31:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 8,788,423	\$ 9,539,517
Reserve funds	471,315	530,820
Investments	10,118,567	9,456,835
Grants receivable	4,277,936	4,269,703
Accounts receivable	<u>980,306</u>	<u>836,027</u>
Total financial assets	<u>24,636,547</u>	<u>24,632,902</u>
Less amounts not available to be used within one year:		
Reserve funds	<u>471,315</u>	<u>530,820</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 24,165,232</u>	<u>\$ 24,102,082</u>

The Organization maintains several reserve funds for property taxes, insurance expenses, and repair and replacement or emergency needs which are required by financing authorities. These funds may be withdrawn only with the approval of the financing authority and are not considered by the Organization to have donor restrictions.

The Organization manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures in meeting its liabilities and other obligations as they become due.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

NOTE 6. LONG TERM DEBT

The long term debt at July 31, 2025 and 2024 consisted of the following:

	<u>2025</u>	<u>2024</u>
<u>SNHS, Inc.</u>		
Mortgage payable to bank, secured by real estate located on Temple St., Nashua, NH, payable in monthly installments of \$2,182 plus interest through 2030. Interest is at 4.00% at July 31, 2025 and 2024.	\$ 121,934	\$ 142,695
<u>SNHS Management Corporation</u>		
Mortgage payable to City of Manchester, secured by real estate located in Manchester, NH. A balloon payment of \$11,275 was due on June 30, 2010. Interest is at 0.00%. SNHS, Inc. is currently negotiating with the City of Manchester to obtain forgiveness.	11,275	11,275
Mortgage payable to New Hampshire Housing secured by real estate located on Pleasant St., Epping, NH, payable in monthly installments of \$1,084 including interest through 2042. Interest is at 3.50% at July 31, 2025 and 2024.	160,530	167,790
Mortgage payable to MH Parsons and Sons Lumber, secured by real estate located on Crystal Ave., Derry, NH, payable in monthly installments of \$3,715 including interest through 2031. Interest is at 5.50% at July 31, 2025 and 2024.	236,975	266,628
Mortgage payable to New Hampshire Housing secured by real estate located in Deerfield, NH, payable in monthly installments of \$3,327 including interest through 2033. Interest is at 7.00% at July 31, 2025 and 2024.	247,773	269,514

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Mortgage payable to New Hampshire Housing secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.00%.	392,925	392,925
Mortgage payable to New Hampshire Housing secured by real estate located in Deerfield, NH with annual principal repayments equal to 25% of cash surplus due through 2032. Interest is at 0.00%.	<u>150,000</u>	<u>150,000</u>
	1,321,412	1,400,827
Less: current portion due within one year	<u>96,174</u>	<u>91,766</u>
	<u>\$ 1,225,238</u>	<u>\$ 1,309,061</u>

The schedule of maturities of long term debt at July 31, 2025 is as follows:

<u>Year Ending</u> <u>July 31,</u>	<u>Amount</u>
2026	\$ 96,174
2027	89,564
2028	94,498
2029	99,719
2030	105,244
Thereafter	<u>836,213</u>
Total	<u>\$ 1,321,412</u>

NOTE 7. ACCRUED COMPENSATED BALANCES

At July 31, 2025 and 2024 the Organization accrued a liability for future annual leave time that its employees had earned in the amount of \$413,814 and \$405,259, respectively. Any hours not used by the end of the calendar year are forfeited.

NOTE 8. RETIREMENT BENEFITS

The Organization has an Employer-Sponsored 403(b) plan offering participation to all employees working over 20 hours per week. Participating employees contributing any percentage of their wages of 1% or more, after one year of service, will receive a contribution equal to 10% of their wages from the Organization. The retirement benefit expense for the years ended July 31, 2025 and 2024 was \$944,390 and \$923,997, respectively.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

NOTE 9. OPERATING LEASES

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, Leases (Topic 842), to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the statement of financial position and disclosing key information about leasing arrangements for lessees and lessors. The standard applies a right of use model that requires, all leases with a lease term of more than 12 months, to recognize an asset representing its right to use the underlying asset for the lease term and liability to make lease payments to be recorded. The adoption of ASU 2016-02 did not have a material impact on the Organization's results of operations and cash flows. There were no material amounts to be recognized as operating right of use asset or operating lease liability at July 31, 2025 and 2024, due to limited leases having a term greater than 12 months.

The Organization leases various facilities under several operating leases. Total lease payments for the years ended July 31, 2025 and 2024 equaled \$426,024 and \$526,222, respectively. The leases expire at various times. Some of the leases contain renewal options that are contingent upon federal funding, and some contain renewal options subject to renegotiation of lease terms.

The schedule of future minimum lease payments at July 31, 2025 for the operating leases is as follows:

<u>Year Ending July 31</u>	<u>Amount</u>
2026	\$ 106,863
2027	42,018
2028	8,235
2029	<u>6,000</u>
Total	<u>\$ 163,116</u>

NOTE 10. RISKS AND UNCERTAINTIES

Cotton Mill Square

In 2015, SNHS Management Corporation entered into a contract as part of the Community Development Investment Tax Credit Program with the Community Development Finance Authority (CDFA) and was awarded \$1,000,000 to provide funding for the development and adaptive reuse of an abandoned historic cotton mill in downtown Nashua, New Hampshire. Under this program, the Project (Cotton Mill Square) created 109 units of housing and was required to reserve 55 of these units for low to moderate income households.

As stipulated by the contract and after a 20% program fee retained by the CDFa, SNHS Management Corporation entered into a subrecipient agreement with the owners of the Project (Cotton Mill Square LLC) to provide a promissory note and mortgage of the remaining award amount of \$800,000. The 20 year note to Cotton Mill Square LLC is non-interest bearing and the principal is forgivable at a rate of

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

5% each year if the Project maintains the required minimum of 55 low to moderate income household units.

The Cotton Mill Square Project was awarded the certificate of occupancy on August 22, 2014 and remains in full compliance with the required regulations as of July 31, 2025 and 2024. SNHS Management Corporation feels that it is extremely unlikely that the Project will fall into noncompliance in future periods. Therefore, SNHS Management Corporation has not recorded any contingent receivable or liability related to this transaction. The note repayment is accelerated if the units fall out of compliance.

In October of 2017, the subrecipient agreement with Cotton Mill Square LLC was amended to cease the annual 5% debt forgiveness. This modification effectively holds the promissory note balance at \$720,000 which will now be forgiven in full at the end of the agreement as long as the Project maintains compliance with the original terms of the agreement. This modification did not change the contingent receivable or liability with SNHS Management Corporation.

NOTE 11 IN-KIND CONTRIBUTIONS/SERVICES

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

The fair value of gifts in kind included with contributions in the financial statements and the corresponding program expenses for the year ended July 31, 2025 and 2024, is as follows:

	<u>2024</u>	<u>2023</u>
Volunteer hours:		
Head start and early head start	<u>\$ 3,162,772</u>	<u>\$ 3,634,310</u>

NOTE 12. RELATED PARTY TRANSACTIONS

During the years ended July 31, 2025 and 2024, the Organization served as the management agent for several low income elderly housing properties. Management fees charged by the Organization totaled \$822,902 and \$769,868, for the years ended July 31, 2025 and 2024, respectively. The Organization was reimbursed for salaries and benefits for shared employees in the amount of \$7,473,100 and \$7,285,898 for the years ended July 31, 2025 and 2024, respectively. The services performed by the Organization included, marketing, accounting, tenant selection (for the HUD properties), HUD compliance (for the HUD properties), and maintenance of properties. The amount due from properties to the Organization was \$980,306 and \$836,027 for the years ended July 31, 2025 and 2024, respectively.

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

Additionally, the Organization has advanced the housing properties funds for cash flow purposes over several years.

NOTE 13. SELF-FUNDED HEALTH INSURANCE PLAN

The Organization provides health insurance benefits to eligible employees through a self-funded health insurance plan. Under this agreement, the Organization assumes the financial risk for paying claims, rather than purchasing traditional group insurance. The plan is administered by a third party administrator (Anthem Blue Cross Blue Shield), who processes claims, provides plan reporting, and manages other administrative functions.

To limit the Organization's exposure to large or unforeseen medical claims, stop-loss insurance coverage has been obtained. The stop-loss policy provides specific coverage for individual claims exceeding \$170,000.

The Organization funds claim payments and administrative costs directly from operating cash flows. Employees also contribute to the cost of coverage through payroll deductions, based on the selected coverage tier. All employee and employer contributions are used to fund claims, administrative fees, and stop-loss premiums.

As of July 31, 2025 and 2024, the Organization recorded a liability of \$1,193,427 and \$1,517,017, respectively, for potential claims to be incurred. This liability is covered by a designated cash balance which totaled \$1,194,184 and \$1,517,312 for the years ended July 31, 2025 and 2024, respectively. This estimate is based on historical claims experience, claims lag reports provided by Anthem Blue Cross Blue Shield, and actuarial data, where applicable. Management believes the estimate reasonably reflects the obligations of the plan as of year end; however, actual results may differ due to the inherent uncertainty in healthcare claims trends.

Total expenses under the plan for the years ended July 31, 2025 and 2024 amounted to \$2,115,740 and \$2,492,461, respectively, and is included in fringe benefits expense on the statement of functional expenses.

NOTE 14. RECLASSIFICATIONS

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

NOTE 15. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 23, 2026, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

(See Independent Auditors' Report)

COMBINING SCHEDULE OF FINANCIAL POSITION
JULY 31, 2025

	<u>SNHS, Inc.</u>	<u>SNHS Management Corporation</u>	<u>Sub-Total</u>	<u>Elimination</u>	<u>Total</u>
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	\$ 97,634	\$ 8,690,789	\$ 8,788,423	\$ -	\$ 8,788,423
Investments	-	10,118,567	10,118,567	-	10,118,567
Grants receivable	4,167,166	110,770	4,277,936	-	4,277,936
Accounts receivable	-	980,306	980,306	-	980,306
Prepaid expenses	109,101	165,825	274,926	-	274,926
Due from related parties	<u>6,639,037</u>	<u>(3,348,864)</u>	<u>3,290,173</u>	<u>(3,290,173)</u>	<u>-</u>
Total current assets	<u>11,012,938</u>	<u>16,717,393</u>	<u>27,730,331</u>	<u>(3,290,173)</u>	<u>24,440,158</u>
PROPERTY					
Land	680,097	3,696,097	4,376,194	-	4,376,194
Buildings and improvements	4,848,897	13,773,019	18,621,916	-	18,621,916
Vehicles and equipment	<u>1,410,699</u>	<u>368,513</u>	<u>1,779,212</u>	<u>-</u>	<u>1,779,212</u>
Total property	6,939,693	17,837,629	24,777,322	-	24,777,322
Less: accumulated depreciation	<u>2,503,688</u>	<u>5,255,948</u>	<u>7,759,636</u>	<u>-</u>	<u>7,759,636</u>
Total property, net	<u>4,436,005</u>	<u>12,581,681</u>	<u>17,017,686</u>	<u>-</u>	<u>17,017,686</u>
OTHER ASSETS					
Restricted cash	<u>26,460</u>	<u>444,855</u>	<u>471,315</u>	<u>-</u>	<u>471,315</u>
TOTAL ASSETS	<u>\$ 15,475,403</u>	<u>\$ 29,743,929</u>	<u>\$ 45,219,332</u>	<u>\$ (3,290,173)</u>	<u>\$ 41,929,159</u>
<u>LIABILITIES AND NET ASSETS</u>					
CURRENT LIABILITIES					
Current portion of long term debt	\$ 21,626	\$ 74,548	\$ 96,174	\$ -	\$ 96,174
Accounts payable	679,184	327,336	1,006,520	-	1,006,520
Accrued payroll and related expenses	454,442	1,516,176	1,970,618	-	1,970,618
Accrued compensated absences	-	413,814	413,814	-	413,814
Other liabilities	103,259	39,870	143,129	-	143,129
Refundable advances	194,148	514,754	708,902	-	708,902
Tenant security deposits	26,460	54,168	80,628	-	80,628
Due to related parties	<u>3,348,862</u>	<u>(58,689)</u>	<u>3,290,173</u>	<u>(3,290,173)</u>	<u>-</u>
Total current liabilities	4,827,981	2,881,977	7,709,958	(3,290,173)	4,419,785
LONG TERM LIABILITIES					
Long term debt, less current portion shown above	<u>100,308</u>	<u>1,124,930</u>	<u>1,225,238</u>	<u>-</u>	<u>1,225,238</u>
Total liabilities	4,928,289	4,006,907	8,935,196	(3,290,173)	5,645,023
NET ASSETS					
Without donor restrictions	<u>10,547,114</u>	<u>25,737,022</u>	<u>36,284,136</u>	<u>-</u>	<u>36,284,136</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,475,403</u>	<u>\$ 29,743,929</u>	<u>\$ 45,219,332</u>	<u>\$ (3,290,173)</u>	<u>\$ 41,929,159</u>

**COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED JULY 31, 2025**

	<u>SNHS, Inc.</u>	<u>SNHS Management Corporation</u>	<u>Sub-Total</u>	<u>Elimination</u>	<u>Total</u>
REVENUES, GAINS AND OTHER SUPPORT					
Grant revenue	\$ 37,486,773	\$ 88,064	\$ 37,574,837	\$ -	\$ 37,574,837
Program service fees	678,853	916,571	1,595,424	(508,743)	1,086,681
Local funding	-	194,933	194,933	-	194,933
Rental income	-	1,230,381	1,230,381	(270,674)	959,707
Gifts and other contributions	233,162	50,512	283,674	-	283,674
Interest and dividend income	83	193,832	193,915	-	193,915
Realized Gain on investments	-	159,363	159,363	-	159,363
Unrealized gain on investments	-	411,975	411,975	-	411,975
Miscellaneous	34,978	38,769	73,747	-	73,747
In-kind contributions	3,162,772	-	3,162,772	-	3,162,772
Gain on disposal of property	-	500	500	-	500
	<u>41,596,621</u>	<u>3,284,900</u>	<u>44,881,521</u>	<u>(779,417)</u>	<u>44,102,104</u>
Total revenues, gains and other support					
EXPENSES					
Program services					
Child development	12,986,072	-	12,986,072	(117,732)	12,868,340
Community services	1,810,885	-	1,810,885	(67,652)	1,743,233
Economic and workforce development	2,798,501	-	2,798,501	(11,320)	2,787,181
Energy	15,699,847	-	15,699,847	(134,500)	15,565,347
Language and literacy	200,175	-	200,175	(20,625)	179,550
Housing and homeless	417,000	-	417,000	(62,361)	354,639
Nutrition and health	2,237,190	-	2,237,190	(82,317)	2,154,873
Special projects	2,440,928	-	2,440,928	(25,874)	2,415,054
Volunteer services	145,581	-	145,581	(15,135)	130,446
SNHS Management Corporation	-	2,700,578	2,700,578	(241,901)	2,458,677
	<u>38,736,179</u>	<u>2,700,578</u>	<u>41,436,757</u>	<u>(779,417)</u>	<u>40,657,340</u>
Total program services					
Supporting activities					
Management and general expense	<u>2,112,829</u>	-	<u>2,112,829</u>	-	<u>2,112,829</u>
	<u>40,849,008</u>	<u>2,700,578</u>	<u>43,549,586</u>	<u>(779,417)</u>	<u>42,770,169</u>
Total expenses					
CHANGE IN NET ASSETS	747,613	584,322	1,331,935	-	1,331,935
NET ASSETS, BEGINNING OF YEAR	<u>9,799,501</u>	<u>25,152,700</u>	<u>34,952,201</u>	-	<u>34,952,201</u>
NET ASSETS, END OF YEAR	<u>\$ 10,547,114</u>	<u>\$ 25,737,022</u>	<u>\$ 36,284,136</u>	<u>\$ -</u>	<u>\$ 36,284,136</u>

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

STATEMENTS OF FINANCIAL POSITION
JULY 31, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash	\$ 18,281	\$ 18,637
Prepaid expenses	<u>11,144</u>	<u>10,048</u>
Total current assets	<u>29,425</u>	<u>28,685</u>
RESTRICTED CASH		
Insurance escrow	2,002	3,212
Tax escrow	10,296	5,757
Replacement reserves	50,972	49,837
Operating reserve	<u>58,589</u>	<u>57,112</u>
Total restricted cash	<u>121,859</u>	<u>115,918</u>
PROPERTY		
Land	166,600	166,600
Buildings and improvements	<u>598,178</u>	<u>598,178</u>
Total property	764,778	764,778
Less accumulated depreciation	<u>146,002</u>	<u>128,407</u>
Property, net	<u>618,776</u>	<u>636,371</u>
OTHER ASSETS		
Tenant security deposits	<u>13,580</u>	<u>14,349</u>
TOTAL ASSETS	<u>\$ 783,640</u>	<u>\$ 795,323</u>
	<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES		
Current portion of mortgage note payable	\$ 7,518	\$ 7,259
Accounts payable	1,654	5,077
Accrued expenses	<u>533</u>	<u>110</u>
Total current liabilities	<u>9,705</u>	<u>12,446</u>
LONG TERM LIABILITIES		
Due to affiliate	86,642	64,392
Mortgage note payable, less current portion as shown above	153,012	160,531
Tenant security deposits	<u>13,580</u>	<u>14,349</u>
Total long term liabilities	<u>253,234</u>	<u>239,272</u>
Total liabilities	262,939	251,718
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>520,701</u>	<u>543,605</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 783,640</u>	<u>\$ 795,323</u>

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

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
INCOME		
Rental income	\$ 185,508	\$ 180,587
Interest income	9	8
Interest income restricted	3,160	3,416
Other income	<u>4,127</u>	<u>4,295</u>
Total income	<u>192,804</u>	<u>188,306</u>
OPERATING EXPENSES		
Administrative	42,462	44,130
Utilities	58,628	49,814
Maintenance	61,211	50,232
General	<u>30,055</u>	<u>34,914</u>
Total operating expenses	<u>192,356</u>	<u>179,090</u>
INTEREST EXPENSE	<u>5,757</u>	<u>6,006</u>
INCOME (LOSS) BEFORE DEPRECIATION	(5,309)	3,210
Depreciation	<u>17,595</u>	<u>17,595</u>
CHANGE IN NET ASSETS	(22,904)	(14,385)
NET ASSETS, BEGINNING OF YEAR	<u>543,605</u>	<u>557,990</u>
NET ASSETS, END OF YEAR	<u>\$ 520,701</u>	<u>\$ 543,605</u>

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

SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ADMINISTRATIVE EXPENSES		
Management fee	\$ 14,400	\$ 14,400
Salaries and wages	14,349	16,239
Fringe benefits	3,936	4,332
Legal	-	123
Telephone	176	240
Other administrative expenses	<u>9,601</u>	<u>8,796</u>
Total administrative expenses	<u>42,462</u>	<u>44,130</u>
UTILITIES		
Electricity	21,143	19,515
Fuel	15,270	15,938
Water and sewer	<u>22,215</u>	<u>14,361</u>
Total utility expenses	<u>58,628</u>	<u>49,814</u>
MAINTENANCE		
Trash removal	2,892	2,792
Snow removal	13,416	9,276
Elevator repairs and contract	3,507	3,707
Custodial supplies	39	43
Repairs, materials	38,859	25,716
Repairs, contract	<u>2,498</u>	<u>8,698</u>
Total maintenance expense	<u>61,211</u>	<u>50,232</u>
INTEREST, NHH MORTGAGE NOTE	<u>5,757</u>	<u>6,006</u>
DEPRECIATION	<u>17,595</u>	<u>17,595</u>
GENERAL EXPENSE		
Real estate taxes	18,019	23,071
Payroll taxes	1,097	1,241
Retirement benefits	116	1,138
Workman's compensation	597	485
Insurance	<u>10,226</u>	<u>8,979</u>
Total general expense	<u>30,055</u>	<u>34,914</u>
TOTAL RENTAL OPERATIONS EXPENSES	<u>\$ 215,708</u>	<u>\$ 202,691</u>

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

SCHEDULES OF RECEIPTS AND DISBURSEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
SOURCES OF FUNDS:		
Rental operations		
INCOME		
Tenant paid rent	\$ 169,562	\$ 166,485
HAP rent subsidy	<u>15,946</u>	<u>14,102</u>
Total rental receipts	185,508	180,587
Interest income	3,169	3,424
Service income	2,635	2,900
Other income	<u>1,492</u>	<u>1,395</u>
Total rental operations receipts	<u>192,804</u>	<u>188,306</u>
EXPENSES		
Administrative	42,731	43,934
Utilities	62,962	48,926
Maintenance	59,932	50,351
General	30,827	35,940
Interest	<u>5,757</u>	<u>6,006</u>
Total rental operations disbursements	<u>202,209</u>	<u>185,157</u>
CASH PROVIDED BY (USED IN) RENTAL OPERATIONS BEFORE AMORTIZATION OF MORTGAGE	(9,405)	3,149
AMORTIZATION OF MORTGAGE	<u>(7,260)</u>	<u>(7,010)</u>
CASH USED IN RENTAL OPERATIONS AFTER DEBT SERVICE	(16,665)	(3,861)
OTHER DISBURSEMENTS		
Net receipts from management agent	22,250	16,695
Net deposits from reserve accounts	<u>(5,941)</u>	<u>(12,311)</u>
NET INCREASE (DECREASE) IN CASH	(356)	523
CASH, BEGINNING OF YEAR	<u>18,637</u>	<u>18,114</u>
CASH, END OF YEAR	<u>\$ 18,281</u>	<u>\$ 18,637</u>

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

SCHEDULES OF RESTRICTED CASH RESERVES AND ESCROWS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

<u>DESCRIPTION OF FUND:</u>		<u>Deposits</u>		<u>Withdrawals</u>	
<u>Restricted Accounts:</u>	<u>Balance</u>	<u>Funding of</u>	<u>Interest</u>	<u>Expenditures</u>	<u>Balance</u>
	<u>Beginning of</u>	<u>Reserves</u>	<u>Earned</u>		<u>End of</u>
	<u>Year</u>				<u>Year</u>
<u>For the Year Ended July 31, 2025</u>					
Operating reserve	\$ 57,112	\$ -	\$ 1,477	\$ -	\$ 58,589
Insurance escrow	3,212	10,255	157	(11,622)	2,002
Tax escrow	5,757	21,750	216	(17,427)	10,296
Replacement reserves	<u>49,837</u>	<u>13,870</u>	<u>1,310</u>	<u>(14,045)</u>	<u>50,972</u>
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	<u>\$ 115,918</u>	<u>\$ 45,875</u>	<u>\$ 3,160</u>	<u>\$ (43,094)</u>	<u>\$ 121,859</u>
<u>For the Year Ended July 31, 2024</u>					
Operating reserve	\$ 55,427	\$ -	\$ 1,685	\$ -	\$ 57,112
Insurance escrow	1,074	10,169	121	(8,152)	3,212
Tax escrow	4,767	24,022	188	(23,220)	5,757
Replacement reserves	<u>42,339</u>	<u>13,800</u>	<u>1,422</u>	<u>(7,724)</u>	<u>49,837</u>
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	<u>\$ 103,607</u>	<u>\$ 47,991</u>	<u>\$ 3,416</u>	<u>\$ (39,096)</u>	<u>\$ 115,918</u>

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

SCHEDULES OF SURPLUS CASH
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Net loss	\$ (22,904)	\$ (14,385)
<u>Add:</u>		
Depreciation	17,595	17,595
Expenditures from reserve accounts not capitalized	14,045	7,724
<u>Deduct:</u>		
Interest income from reserve accounts	(3,160)	(3,416)
Required principal payments	(7,260)	(7,010)
Required payments to replacement reserves	<u>(13,870)</u>	<u>(13,800)</u>
Cash deficit	<u>\$ (15,554)</u>	<u>\$ (13,292)</u>

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

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

<u>Year</u>	<u>Maximum Allowable Distribution</u>	<u>Distributions Received</u>	<u>Balance</u>
12/31/2001	\$ 243,855	\$ -	\$ 243,855
12/31/2002	243,855	-	487,710
12/31/2003	243,855	5,895	725,670
12/31/2004	243,855	7,200	962,325
12/31/2005	243,855	-	1,206,180
12/31/2006	243,855	6,120	1,443,915
12/31/2007	243,855	-	1,687,770
12/31/2008	243,855	-	1,931,625
12/31/2009	243,855	-	2,175,480
12/31/2010	243,855	-	2,419,335
12/31/2011	243,855	-	2,663,190
12/31/2012	243,855	-	2,907,045
12/31/2013	243,855	7,200	3,143,700
12/31/2014	243,855	-	3,387,555
12/31/2015	243,855	-	3,631,410
7/31/2016	142,249	-	3,773,659
7/31/2017	243,855	-	4,017,514
7/31/2018	243,855	-	4,261,369
7/31/2019	243,855	-	4,505,224
7/31/2020	243,855	-	4,749,079
7/31/2021	243,855	-	4,992,934
7/31/2022	243,855	-	5,236,789
7/31/2023	243,855	-	5,480,644
7/31/2024	243,855	-	5,724,499
7/31/2025	243,855	-	5,968,354

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

STATEMENTS OF FINANCIAL POSITION
JULY 31, 2025 AND 2024

ASSETS

	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash	\$ 18,729	\$ 23,178
Prepaid expenses	<u>15,155</u>	<u>17,094</u>
Total current assets	<u>33,884</u>	<u>40,272</u>
RESTRICTED CASH		
Replacement reserves	<u>45,995</u>	<u>59,916</u>
Total restricted cash	<u>45,995</u>	<u>59,916</u>
PROPERTY		
Land	176,000	176,000
Buildings and improvements	<u>1,208,015</u>	<u>1,191,515</u>
Total property	1,384,015	1,367,515
Less accumulated depreciation	<u>291,690</u>	<u>255,279</u>
Property, net	<u>1,092,325</u>	<u>1,112,236</u>
OTHER ASSETS		
Tenant security deposits	<u>20,020</u>	<u>19,173</u>
TOTAL ASSETS	<u>\$ 1,192,224</u>	<u>\$ 1,231,597</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 2,709	\$ 5,784
Deferred revenue	13,576	13,576
Accrued expenses	<u>1,717</u>	<u>1,687</u>
Total current liabilities	<u>18,002</u>	<u>21,047</u>
LONG TERM LIABILITIES		
Due to affiliate	149,722	119,831
Tenant security deposits	<u>19,280</u>	<u>19,173</u>
Total long term liabilities	<u>169,002</u>	<u>139,004</u>
Total liabilities	187,004	160,051
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>1,005,220</u>	<u>1,071,546</u>
TOTAL LIABILITITES AND NET ASSETS	<u>\$ 1,192,224</u>	<u>\$ 1,231,597</u>

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

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
INCOME		
Rental income	\$ 229,163	\$ 213,637
Interest income	11	11
Interest income restricted	27	28
Other income	<u>1,931</u>	<u>1,807</u>
Total income	<u>231,132</u>	<u>215,483</u>
OPERATING EXPENSES		
Administrative	83,614	80,805
Utilities	66,273	68,719
Maintenance	60,303	65,285
General	<u>50,857</u>	<u>44,262</u>
Total operating expenses	<u>261,047</u>	<u>259,071</u>
LOSS BEFORE DEPRECIATION	(29,915)	(43,588)
Depreciation	<u>(36,411)</u>	<u>(35,174)</u>
CHANGE IN NET ASSETS	(66,326)	(78,762)
NET ASSETS, BEGINNING OF YEAR	<u>1,071,546</u>	<u>1,150,308</u>
NET ASSETS, END OF YEAR	<u>\$ 1,005,220</u>	<u>\$ 1,071,546</u>

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

SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ADMINISTRATIVE EXPENSES		
Management fee	\$ 17,688	\$ 17,688
Salaries and wages	50,761	47,944
Fringe benefits	5,420	4,486
Legal	165	2,355
Telephone	91	120
Other administrative expenses	<u>9,489</u>	<u>8,212</u>
Total administrative expenses	<u>83,614</u>	<u>80,805</u>
UTILITIES		
Electricity	27,688	26,887
Fuel	21,878	28,718
Water and sewer	<u>16,707</u>	<u>13,114</u>
Total utility expenses	<u>66,273</u>	<u>68,719</u>
MAINTENANCE		
Trash removal	2,892	2,792
Snow removal	16,033	9,838
Elevator repairs and contract	6,868	7,055
Custodial supplies	918	1,415
Repairs, materials	30,193	38,314
Repairs, contract	<u>3,399</u>	<u>5,871</u>
Total maintenance expense	<u>60,303</u>	<u>65,285</u>
DEPRECIATION	<u>36,411</u>	<u>35,174</u>
GENERAL EXPENSE		
Real estate taxes	21,497	19,703
Payroll taxes	3,858	3,652
Retirement benefits	4,507	3,686
Workman's compensation	1,390	1,024
Insurance	<u>19,605</u>	<u>16,197</u>
Total general expense	<u>50,857</u>	<u>44,262</u>
TOTAL RENTAL OPERATIONS EXPENSES	<u>\$ 297,458</u>	<u>\$ 294,245</u>

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

SCHEDULES OF RECEIPTS AND DISBURSEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
SOURCES OF FUNDS:		
Rental operations		
INCOME		
Tenant paid rent	\$ 216,700	\$ 199,922
HAP rent subsidy	<u>12,463</u>	<u>13,715</u>
Total rental receipts	229,163	213,637
Interest income	38	39
Service income	1,931	1,807
Other	<u>-</u>	<u>13,576</u>
Total rental operations receipts	<u>231,132</u>	<u>229,059</u>
EXPENSES		
Administrative	83,298	80,965
Utilities	66,268	70,864
Maintenance	64,409	62,028
General	<u>48,918</u>	<u>48,662</u>
Total rental operations disbursements	<u>262,893</u>	<u>262,519</u>
CASH USED IN RENTAL OPERATIONS	(31,761)	(33,460)
OTHER DISBURSEMENTS		
Net receipts from management agent	29,891	404
Net withdrawals from reserve accounts	13,921	37,606
Purchase of property	<u>(16,500)</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	(4,449)	4,550
CASH, BEGINNING OF YEAR	<u>23,178</u>	<u>18,628</u>
CASH, END OF YEAR	<u>\$ 18,729</u>	<u>\$ 23,178</u>

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

SCHEDULES OF RESTRICTED CASH RESERVES AND ESCROWS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

<u>DESCRIPTION OF FUND:</u>		<u>Deposits</u>		<u>Withdrawals</u>	
	Balance				Balance
<u>Restricted Accounts:</u>	Beginning of	Funding of	Interest	Expenditures	End of
	<u>Year</u>	<u>Reserves</u>	<u>Earned</u>		<u>Year</u>
<u>For the Year Ended July 31, 2025</u>					
Replacement reserves	\$ 59,916	\$ 15,600	\$ 27	\$ (29,548)	\$ 45,995
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	\$ 59,916	\$ 15,600	\$ 27	\$ (29,548)	\$ 45,995
 <u>For the Year Ended July 31, 2024</u>					
Replacement reserves	\$ 97,522	\$ 15,600	\$ 28	\$ (53,234)	\$ 59,916
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	\$ 97,522	\$ 15,600	\$ 28	\$ (53,234)	\$ 59,916

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

SCHEDULES OF SURPLUS CASH
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Net loss	\$ (66,326)	\$ (78,762)
<u>Add:</u>		
Depreciation	36,411	35,174
Reserve for replacement withdrawals not capitalized	13,048	53,234
<u>Deduct:</u>		
Interest income from reserve accounts	(27)	(28)
Required payments to replacement reserves	<u>(15,600)</u>	<u>(15,600)</u>
Cash deficit	<u>\$ (32,494)</u>	<u>\$ (5,982)</u>

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

STATEMENTS OF FINANCIAL POSITION
JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 28,376	\$ 38,195
Prepaid expenses	<u>13,372</u>	<u>12,596</u>
Total current assets	<u>41,748</u>	<u>50,791</u>
RESTRICTED CASH		
Insurance escrow	3,922	2,863
Tax escrow	7,040	7,513
Replacement reserves	164,388	232,035
Operating reserves	<u>73,509</u>	<u>71,656</u>
Total restricted cash	<u>248,859</u>	<u>314,067</u>
PROPERTY		
Land	211,000	211,000
Buildings and improvements	<u>1,039,875</u>	<u>932,700</u>
Total property	1,250,875	1,143,700
Less accumulated depreciation	<u>177,511</u>	<u>149,225</u>
Property, net	<u>1,073,364</u>	<u>994,475</u>
OTHER ASSETS		
Tenant security deposits	<u>16,396</u>	<u>15,580</u>
TOTAL ASSETS	<u>\$ 1,380,367</u>	<u>\$ 1,374,913</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Current portion of mortgage note payable	\$ 23,312	\$ 21,741
Accounts payable	8,675	2,707
Accrued expenses	<u>1,521</u>	<u>802</u>
Total current liabilities	<u>33,508</u>	<u>25,250</u>
LONG TERM LIABILITIES		
Due to affiliate	106,282	69,444
Mortgage note payable, less current portion as shown above	767,386	790,698
Tenant security deposits	<u>16,396</u>	<u>15,580</u>
Total long term liabilities	<u>890,064</u>	<u>875,722</u>
Total liabilities	923,572	900,972
NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>456,795</u>	<u>473,941</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,380,367</u>	<u>\$ 1,374,913</u>

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

STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
INCOME		
Rental income	\$ 262,652	\$ 261,344
Interest income	17	28
Interest income restricted	7,357	9,206
Other income	<u>4,112</u>	<u>4,259</u>
Total income	<u>274,138</u>	<u>274,837</u>
OPERATING EXPENSES		
Administrative	51,044	46,304
Utilities	49,159	37,608
Maintenance	97,754	94,193
General	<u>46,864</u>	<u>41,055</u>
Total operating expenses	<u>244,821</u>	<u>219,160</u>
INTEREST EXPENSE	<u>18,177</u>	<u>19,643</u>
INCOME BEFORE DEPRECIATION	11,140	36,034
Depreciation	<u>28,286</u>	<u>24,855</u>
CHANGE IN NET ASSETS	(17,146)	11,179
NET ASSETS, BEGINNING OF YEAR	<u>473,941</u>	<u>462,762</u>
NET ASSETS, END OF YEAR	<u>\$ 456,795</u>	<u>\$ 473,941</u>

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

SCHEDULES OF RENTAL OPERATIONS EXPENSES
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ADMINISTRATIVE EXPENSES		
Advertising	\$ 38	\$ 90
Management fee	18,000	18,000
Salaries and wages	23,183	18,851
Fringe benefits	248	553
Telephone	268	239
Other administrative expenses	<u>9,307</u>	<u>8,571</u>
Total administrative expenses	<u>51,044</u>	<u>46,304</u>
UTILITIES		
Electricity	23,467	19,811
Fuel	10,455	11,087
Water and sewer	<u>15,237</u>	<u>6,710</u>
Total utility expenses	<u>49,159</u>	<u>37,608</u>
MAINTENANCE		
Trash removal	2,892	3,053
Snow removal	39,311	24,097
Custodial supplies	163	-
Repairs, materials	44,691	51,162
Repairs, contract	<u>10,697</u>	<u>15,881</u>
Total maintenance expense	<u>97,754</u>	<u>94,193</u>
INTEREST	<u>18,177</u>	<u>19,643</u>
DEPRECIATION	<u>28,286</u>	<u>24,855</u>
GENERAL EXPENSE		
Real estate taxes	30,316	27,918
Payroll taxes	1,773	1,441
Retirement benefits	1,530	1,885
Workman's compensation	961	563
Insurance	<u>12,284</u>	<u>9,248</u>
Total general expense	<u>46,864</u>	<u>41,055</u>
TOTAL RENTAL OPERATIONS EXPENSES	<u>\$ 291,284</u>	<u>\$ 263,658</u>

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

SCHEDULES OF RECEIPTS AND DISBURSEMENTS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
SOURCES OF FUNDS:		
Rental operations		
INCOME		
Tenant paid rent	\$ 153,926	\$ 144,920
HAP rent subsidy	<u>108,726</u>	<u>116,424</u>
Total rental receipts	262,652	261,344
Interest income	7,374	9,234
Service income	2,815	2,715
Other income	<u>1,297</u>	<u>1,544</u>
Total rental operations receipts	<u>274,138</u>	<u>274,837</u>
EXPENSES		
Administrative	50,379	45,980
Utilities	50,390	36,664
Maintenance	91,408	93,475
General	46,733	44,273
Interest	<u>18,177</u>	<u>19,643</u>
Total rental operations disbursements	<u>257,087</u>	<u>240,035</u>
CASH PROVIDED BY RENTAL OPERATIONS BEFORE AMORTIZATION OF MORTGAGE	17,051	34,802
AMORTIZATION OF MORTGAGE	<u>(21,741)</u>	<u>(20,275)</u>
CASH PROVIDED BY (USED IN) RENTAL OPERATIONS AFTER DEBT SERVICE	(4,690)	14,527
OTHER DISBURSEMENTS		
Purchase of property	(107,175)	-
Net receipts (payments) from management agent	36,838	(4,288)
Net withdrawals (deposits) from reserve accounts	<u>65,208</u>	<u>(24,163)</u>
NET DECREASE IN CASH	(9,819)	(13,924)
CASH, BEGINNING OF YEAR	<u>38,195</u>	<u>52,119</u>
CASH, END OF YEAR	<u>\$ 28,376</u>	<u>\$ 38,195</u>

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

**SCHEDULES OF RESTRICTED CASH RESERVES AND ESCROWS
FOR THE YEARS ENDED JULY 31, 2025 AND 2024**

<u>DESCRIPTION OF FUND:</u>		<u>Deposits</u>		<u>Withdrawals</u>	
	<u>Balance</u>				<u>Balance</u>
<u>Restricted Accounts:</u>	<u>Beginning of</u>	<u>Funding of</u>	<u>Interest</u>	<u>Expenditures</u>	<u>End of</u>
	<u>Year</u>	<u>Reserves</u>	<u>Earned</u>		<u>Year</u>
<u>For the Year Ended July 31, 2025</u>					
Operating reserves	\$ 71,656	\$ -	\$ 1,853	\$ -	\$ 73,509
Insurance escrow	2,863	13,305	130	(12,376)	3,922
Tax escrow	7,513	30,914	235	(31,622)	7,040
Replacement reserves	<u>232,035</u>	<u>27,000</u>	<u>5,139</u>	<u>(99,786)</u>	<u>164,388</u>
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	<u>\$ 314,067</u>	<u>\$ 71,219</u>	<u>\$ 7,357</u>	<u>\$ (143,784)</u>	<u>\$ 248,859</u>
<u>For the Year Ended July 31, 2024</u>					
Operating reserves	\$ 69,541	\$ -	\$ 2,115	\$ -	\$ 71,656
Insurance escrow	950	8,822	106	(7,015)	2,863
Tax escrow	5,728	30,717	223	(29,155)	7,513
Replacement reserves	<u>213,685</u>	<u>27,000</u>	<u>6,762</u>	<u>(15,412)</u>	<u>232,035</u>
TOTAL RESTRICTED CASH RESERVES AND ESCROWS	<u>\$ 289,904</u>	<u>\$ 66,539</u>	<u>\$ 9,206</u>	<u>\$ (51,582)</u>	<u>\$ 314,067</u>

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

SCHEDULES OF SURPLUS CASH
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
Net income (loss)	\$ (17,146)	\$ 11,179
<u>Add:</u>		
Depreciation	28,286	24,855
Expenditures from reserve accounts not capitalized	6,386	15,412
<u>Deduct:</u>		
Interest income from reserve accounts	(7,357)	(9,206)
Required principal payments	(21,741)	(20,275)
Required payments to replacement reserves	<u>(27,000)</u>	<u>(27,000)</u>
 Cash deficit	 <u>\$ (38,572)</u>	 <u>\$ (5,035)</u>

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

YEAR-TO-DATE COMPILATION OF OWNERS' FEE/DISTRIBUTION
FOR THE YEARS ENDED JULY 31, 2025 AND 2024

<u>Year</u>	<u>Maximum Allowable Distribution</u>	<u>Distributions Received</u>	<u>Balance</u>
12/31/2003	\$ 113,850	\$ -	\$ 113,850
12/31/2004	113,850	-	227,700
12/31/2005	113,850	-	341,550
12/31/2006	113,850	-	455,400
12/31/2007	113,850	-	569,250
12/31/2008	113,850	-	683,100
12/31/2009	113,850	-	796,950
12/31/2010	113,850	-	910,800
12/31/2011	113,850	-	1,024,650
12/31/2012	113,850	-	1,138,500
12/31/2013	113,850	-	1,252,350
12/31/2014	113,850	-	1,366,200
12/31/2015	113,850	-	1,480,050
12/31/2016	113,850	-	1,593,900
12/31/2017	113,850	-	1,707,750
7/31/2018	66,413	-	1,774,163
7/31/2019	113,850	-	1,888,013
7/31/2020	113,850	-	2,001,863
7/31/2021	113,850	-	2,115,713
7/31/2022	113,850	-	2,229,563
7/31/2023	113,850	-	2,343,413
7/31/2024	113,850	-	2,457,263
7/31/2025	113,850	-	2,571,113

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JULY 31, 2025**

<u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u>	<u>ASSISTANCE LISTING NUMBER</u>	<u>PASS-THROUGH GRANTOR'S NAME</u>	<u>GRANTOR'S NUMBER</u>	<u>FEDERAL EXPENDITURE</u>
U.S. Department of Agriculture Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) WIC - Breastfeeding Peer Counselor Program Women, Infants, and Children (WIC)	10.557 10.557 10.557	State of NH, Department of Health & Human Services State of NH, Department of Health & Human Services State of NH, Department of Health & Human Services	234NH703W1003 234NH743W5003 234NH703W1003	\$ 1,129,667 90,825 136,336 <u>1,356,828</u>
Child and Adult Care Food Program	10.558	State of NH, Department of Education		803,458
Food Distribution Cluster Commodity Supplemental Food Program	10.565	Community Action Program Belknap-Merrimack Counties	202220Y800544	30,189
Child Nutrition Cluster Summer Food Service Program for Children Total U.S. Department of Agriculture	10.559	State of NH, Department of Education		<u>112,269</u> \$ 2,302,744
U.S. Department of Housing and Urban Development Emergency Solutions Grant Program Continuum of Care	14.231 14.267	State of NH, DHHS, Bureau of Homeless & Housing State of NH, DHHS, Bureau of Homeless & Housing	E-21-DC-33-0001 NH0096L1T002207	\$ 79,238 54,788
Housing Voucher Cluster Section 8 Housing Choice Voucher Program	14.871			108,726
Section 8 Project-Based Cluster Section 8 Moderate Rehabilitation Single Room Occupancy Total U.S. Department of Housing and Urban Development	14.249			<u>150,816</u> \$ 393,568
U.S. Department of Labor WIOA Cluster WIOA Adult Program Total U.S. Department of Labor	17.258	State of NH, Dept of Resources and Economic Development	02-6000618	1,751,057 \$ 1,751,057
U.S. Department of Education Adult Education - Basic Grants to States Total U.S. Department of Education	84.002	State of NH, Department of Education	67011-ABE Manchester	<u>53,506</u> \$ 53,506
U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Fund (ARPA) Total U.S. Department of Treasury	21.027	State of New Hampshire	SLFRP0145	<u>88,064</u> \$ 88,064

See Notes to Schedule of Expenditures of Federal Awards

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JULY 31, 2025**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH GRANTOR'S NAME	GRANTOR'S NUMBER	FEDERAL EXPENDITURE
<u>Corporation for National and Community Services</u> AmeriCorps Seniors Retired and Senior Volunteer Program (RSVP)	94.002		23SRFNH001	\$ 136,561
Total Corporation for National and Community Services				<u>\$ 136,561</u>
<u>U.S. Department of Energy</u> Weatherization Assistance for Low-Income Persons	81.042	State of NH, Office of Energy & Planning	DE-EE0008916	1,463,307
Total U.S. Department of Energy				<u>\$ 1,463,307</u>
<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	2501NHOASS	\$ 14,714
Temporary Assistance for Needy Families - Strengthening Citizens and Businesses for Economic Mobility	93.558	State of NH, Department of Health & Human Services	22NHTANF	\$ 940,234
Temporary Assistance for Needy Families - Strengthening Citizens and Businesses for Economic Mobility	93.558	State of NH, Department of Health & Human Services	22NHTANF	<u>84,151</u>
Low Income Home Energy Assistance (Fuel Assistance)	93.568	State of NH, Office of Energy & Planning	2401NHLIEA	12,946,389
Low Income Home Energy Assistance (BWP)	93.568	State of NH, Office of Energy & Planning	2401NHLIEA	<u>504,843</u>
Community Services Block Grant	93.569	State of NH, Department of Health & Human Services	2301NHCO5R	13,451,232
Community Services Block Grant - Discretionary	93.570	State of NH, Department of Health & Human Services	2301NHCO5R	1,717,354
Low Income Household Water Assistance Program (LIHWAP)	93.499	State of NH, Office of Energy & Planning	2101NHLWC5/6	84,089
<u>Head Start Cluster</u> Head Start/Early Head Start	93.600	State of NH, Office of Energy & Planning	01CH01231502	(3,679)
<u>CCDF Cluster</u> Child Care and Development Block Grants (CCDBG)	93.575	State of NH, Department of Health & Human Services	2501NHCCDD	1,525,477
CCDBG - Granite Steps for Quality	93.575	State of NH, Department of Health & Human Services		159,395
Child Care Mandatory Matching Funds	93.596	State of NH, Department of Health & Human Services	2501NHCCDF	<u>1,473,968</u>
Total U.S. Department of Health & Human Services				<u>\$ 27,207,840</u>
TOTAL				<u>\$ 33,396,647</u>

See Notes to Schedule of Expenditures of Federal Awards

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JULY 31, 2025**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Southern New Hampshire Services, Inc. and Affiliate under programs of the federal government for the year ended July 31, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Southern New Hampshire Services, Inc. and Affiliate, it is not intended to and does not present the financial position, changes in net assets, or cash flows of 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. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

Southern New Hampshire Services, Inc. and Affiliate has elected not to use the fifteen percent de minimis indirect cost rate (April 2024 revision) or the ten percent de minimis indirect cost rate (October 2023 revision) allowed under the Uniform Guidance.

NOTE 4 SUBRECIPIENTS

Southern New Hampshire Services, Inc. had no subrecipients for the year ended July 31, 2025.

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
Southern New Hampshire Services, Inc. and Affiliate

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the combined financial statements of Southern New Hampshire Services, Inc. and Affiliate (a New Hampshire nonprofit organization), which comprise the statements of financial position as of July 31, 2025 and 2024 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated March 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered Southern New Hampshire Services, Inc. and Affiliate's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Southern New Hampshire Services, Inc. and Affiliate's internal control. Accordingly, we do not express an opinion on the effectiveness of Southern New Hampshire Services, Inc. and Affiliate'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Southern New Hampshire Services, Inc. and Affiliate's combined financial statements are free from 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Leone McDonnell & Roberts
Professional Association

Dover, New Hampshire
March 23, 2026

**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
Southern New Hampshire Services, Inc. and Affiliate

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Southern New Hampshire Services, Inc. and Affiliate's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Southern New Hampshire Services, Inc. and Affiliate's major federal programs for the year ended July 31, 2025. Southern New Hampshire Services, Inc. and Affiliate'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, Southern New Hampshire Services, Inc. and Affiliate complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended July 31, 2025.

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 Southern New Hampshire Services, Inc. and Affiliate 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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 Southern New Hampshire Services, Inc. and Affiliate'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 a 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 McDonnell & Roberts
Professional Association*

Dover, New Hampshire
March 23, 2026

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JULY 31, 2025

SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the combined financial statements of Southern New Hampshire Services, Inc. and Affiliate were prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the combined 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 combined financial statements of Southern New Hampshire Services, Inc. and Affiliate, 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 Southern New Hampshire Services, Inc. and Affiliate expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major programs were: U.S. Department of Health and Human Services; Community Services Block Grant, ALN 93.569; Head Start Cluster – Head Start/Early Head Start, ALN 93.600, and U.S. Department of Agriculture; Child and Adult Care Food Program, ALN 10.558.
8. The threshold for distinguishing Type A and B programs was \$1,001,899.
9. Southern New Hampshire Services, Inc. and Affiliate was determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

SOUTHERN NEW HAMPSHIRE SERVICES, INC. AND AFFILIATE

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JULY 31, 2025**

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 July 31, 2024.

RYAN CLOUTHIER, CCAP

www.caphr.org

SUMMARY

Highly experienced and dedicated Certified Community Action Professional (CCAP) with extensive expertise in managing and directing operations within non-profit organizations. Proven track record of enhancing program efficiency and community impact through strategic leadership and innovative solutions.

WORK EXPERIENCE

Chief Executive Officer (CEO) - Southern New Hampshire Services, Inc. now dba Community Action Partnership Hillsborough and Rockingham Counties
2026-Present

- Develop and oversight of Community Action Partnership serving NH's two largest counties, Hillsborough and Rockingham.
- Cooperation and engagement with local, state and federal agencies and organizations on issues and programs that intersect with the Community Action Mission.
- Work to fundamentally enhance the delivery of service to targeted community to wrap services around clients and streamline the application process aby implementing the Whole Family Approach.

Chief Operating Officer (COO) - Southern New Hampshire Services, Inc. now dba Community Action Partnership Hillsborough and Rockingham Counties
2018-2026

- Oversee the daily operations and strategic initiatives of the organization to ensure alignment with the mission and goals.
- Lead and manage multiple departments to drive performance and program outcomes.
- Co-host monthly program budget meetings with Chief Fiscal Officer.
- Develop and implement policies and procedures that enhance operational efficiency and effectiveness.
- Collaborate with community stakeholders, partners, and funders to strengthen resources and support for the organization.

Operations Director, Energy and Housing Programs - *Southern New Hampshire Services, Inc.*
2016-2018

- Directed and managed the energy and housing programs, ensuring compliance with federal and state regulations.
- Streamlined program operations to improve service delivery and client satisfaction.
- Secured funding and resources to expand program reach and impact.

Energy Director- *Southern New Hampshire Services, Inc.*
2013-2016

- Developed and implemented energy programs aimed at reducing energy costs for low-income households.
- Collaborated with utility companies and government agencies to leverage resources and support.
- Monitored program performance and outcomes, making adjustments as needed to achieve goals.

Weatherization Director- Southern New Hampshire Services, Inc.
2006-2013

- Oversaw the weatherization program, improving energy efficiency for low-income homes.
- Managed a team of technicians and contractors to ensure high-quality service delivery.
- Conducted outreach and education efforts to inform the community about the benefits of weatherization.

Energy Auditor- Southern New Hampshire Services, Inc.
2004-2006

- Conduct field energy audits for low-income residential properties.
- Record data in both written and computerized formats to assess the cost-effectiveness of conservation measures.
- Generate work order specifications for contractors.
- Ensure quality installations and client satisfaction through proper follow-through and field inspection.

PROFESSIONAL HIGHLIGHTS

- NH Business Review 2024 Top 200 Influential Business Leader
- Numerous press articles related to Weatherization, including visits from the Assistant Secretary of Energy Efficiency from the Department of Energy and Vice President Joe Biden
- Member of the City of Nashua Healthy Homes Strategic Planning Committee
- Member of the City of Manchester Healthy Homes Strategic Planning Committee
- Class 2019 Leadership Greater Manchester
- Union Leader 2015 Class of 40 Under Forty
- Vice President of the Neighbor Helping Neighbor Board
- Member of the Energy Efficiency and Sustainable Energy Board
- Member of the Residential Ratepayers Advisory Board

EDUCATION

NH Community Technical College

CERTIFICATION

Certified Community Action Professional (CCAP)

SKILLS

- Leadership, Management and Supervision
- Budget Oversight, Forecasting, Analysis, Financial Management
- Program Development Implementation
- Stakeholder Engagement
- Grant Writing and Fundraising
- Compliance and Regulatory Affairs
- Operational Efficiency
- Community Engagement

Sarah T. Vanderhoof, RD, LD**EDUCATION:**

Graduate Certificate in HR Management Southern New Hampshire University	May 2023
Masters of Science in Management Health Care Administration Southern New Hampshire University	October 2015
Dietetic Internship Keene State College, Keene, NH	August 2007
Bachelor of Science in Health Science Option: Nutrition Keene State College, Keene, NH	May 2005 Summa Cum Laude
Bachelor of Arts in Science of Health Wheaton College, Norton, MA	February 2004

WORK EXPERIENCE:**SNHS, Inc. dba CAPHR**— Hillsborough & Rockingham Counties, NH (January 2026 - Present)

- Chief Operating Officer: Oversee the daily operations and initiatives of the organization. Develop a performance culture to ensure effective management of a comprehensive array of over sixty programs. Communicate and promote the mission of Community Action.

SNHS, Inc. dba CAPHR— **Child Development and Nutrition Programs** Hillsborough & Rockingham Counties, NH (January 2023 – January 2026)

- Child Development and Nutrition Services Director: Oversee programs of Head Start, Early Head Start, Child Care, Child Care Resource & Referral, T.E.A.C.H. NH Early Childhood scholarship program, Department of Labor Early Childhood Apprenticeship, Statewide sponsorship of the USDA Child and Adult Care Food Program, Summer Food Service Program, Farmers Market, Community Gardens, Commodity Supplemental Food Program, The Emergency Food Assistance Program.

SNHS, Inc. – Child Development Program Hillsborough & Rockingham Counties, NH (February 2018 – December 2022)

- Child Development Director: Oversee programs of Head Start, Early Head Start, Child Care, Child Care Resource & Referral, T.E.A.C.H. NH Early Childhood scholarship program, Department of Labor Early Childhood Apprenticeship and Sponsorship of the USDA Child and Adult Care Food Program.

SNHS, Inc.-Child Dev. Program—**Head Start/Early Head Start** Hillsborough & Rockingham Counties, NH (July 2006-February 2018)

- Health & Nutrition Services Specialist: Oversee the health and nutrition content for the program which includes; nutrition assessments on the children and counseling with the families; review of child health forms; menu writing and accommodations for special diets; writing and/or reviewing of health plans for children with special conditions; supervision of classroom nutrition and health lessons; family night health and nutrition presentations; maintenance of the Health Services Advisory Committee; monitoring of health, nutrition, and safety for the program; writing of health, nutrition, and safety articles for the parent newsletter; USDA CACFP sponsor lead for SNHS; collaboration with community partners; participation in the SNHS, Inc. agency's safety committee; participation in SNHS, Inc. emerging leaders program.

Nutrition In Motion, LLC, Bedford, NH (January 2009- 2011)

- Consulting Dietitian

CERTIFICATIONS:

Licensed Dietitian, State of New Hampshire January 2009

Registered Dietitian December 2008

CERTIFICATES:

Allergy Diploma, AllergyUK, The School of Health & Social Care of University of Greenwich, October 2010

ADA Child and Adolescent Weight Management November 2007

First Aid & CPR 2025

COMMUNITY INVOLVEMENT:

Varsity Coach: Wilton-Lyndeborough Cross Country/ Track and Field (Fall 2022, 2023/Spring 2023, 2024)

NH Head Start Directors Association, Chair (February 2025 – February 2026)

NH Head Start Directors Association, Secretary (February 2018- January 2025)

NH WIC Directors Association, Secretary (February 2023-February 2026)

NH Health & Equity Partnership (January 2015 – 2019); Workgroup Co-chair; Representative Evaluation Committee

NH COPD State Plan Initiative (April 2014 – 2016);

- Preventing COPD: Community Mobilization, Advocacy, and Public Policy workgroup member.

A Child's Nature (May 2014- March 2018); Board of Directors, trustee

Let's Grow! New Hampshire (March 2011- February 2014); Consulting member (February 2014-2015)

Child Care Advisory Committee-Safety & Health Subgroup (2011 – 2012); NH Pediatric Health Assessment Form Development

Oral Health Advisory Committee, NH (October 2009 – 2012)

Stay'NHealthy-Growing Strong- Nashua Youth Overweight Collaborative, Nashua, NH (May 2008 & Sept 2008)

- Participated in two presentations to the Nashua area pediatric offices participating in the collaborative.

Nashua Lead Action Committee (2007 – 2009); community partner member

COMMITTEES MAINTAINED:

SNHS, Inc. CAPHR Head Start Policy Council (February 2018 – Present)

- Facilitate monthly meetings composed of parents and community members with a focus on program policy development and direction of the program.

SNHS Health Services Advisory Committee (July 2006 – February 2018)

- Recruit and facilitate meetings that look at community relevant health, oral health, mental health, and nutrition issues affecting the children and families who participate in the SNHS Child Development Program. Encourage participation of community members, families, and staff.

JAMES M. CHAISSON

SUMMARY

Dedicated accounting professional with 8 years of non-profit experience and over 20 years of broad experience in manufacturing, distribution, reorganizations, mergers and acquisitions, sales/operations planning/forecasting and establishing & monitoring performance metrics in a manufacturing environment. Experienced in private and public corporations, including 8 years in a private equity environment with a strong focus on equity sponsor communication and liquidity management. Complete knowledge of P&L, balance sheet, cash flow and cost accounting. Proven skills at staff leadership, training and development in a team environment. Professional Experience:

- Fiscal Officer in nonprofit organization
 - Controller in MFG & Distribution
 - Treasury and Cash Flow Management
 - Financial & Capital Budgeting, Reporting & Control
 - Cost Accounting Manager
 - General Accounting Manager
 - Business Performance Metric Establishment and Measurement
-

PROFESSIONAL EXPERIENCE

Southern New Hampshire Services, Manchester, NH

5/2009-Present

Southern New Hampshire Services (SNHS) is a non-profit entity dedicated to helping people help themselves. SNHS accomplishes this through a variety of programs offered at centers, offices, clinics, and intake sites located throughout Rockingham and Hillsborough counties. The agency also oversees 29 housing facilities with approximately 1000 tenants. SNHS receives and administers \$36 million in program funds annually with over 450 employees.

Chief Fiscal Officer

1/2017 to Present

- Oversee financial and accounting compliance, maintaining controls and managing potential business risks
- Manage the annual budget process and analysis activities
- Prepare presentation for Board of Directors meetings presenting the organization's financial results
- Develop and maintain banking relationships
- Manage the Annual Audit process

Senior Accountant

5/2009-1/2017

Assisted Fiscal Director in overseeing all fiscal and financial activities including compliance with federal, state, and funding source requirements as well as accordance with GAAP

- Developed and implemented indirect cost calculation and interfaced with General Ledger
- Monitored and prepared monthly budget vs actual reporting; recommended adjustments and forecast spending
- Created specialized reports for the individual grant's reporting requirements
- Designed allocation methods for properly billing shared items to individual grants and programs
- Prepared monthly agency program reviews for Fiscal Director's Board of Directors review

James M. Chaisson

WOOD STRUCTURES, INC. Biddeford, ME

2001-4/2009

WSI, is a highly leveraged business owned by Roark Capital, a private equity fund, headquartered in Atlanta, GA. WSI is a \$70 million manufacturer of roof and floor trusses, wall panels and a distributor of engineered wood products. The company's products are sold into the residential and light commercial construction markets

Controller

2006-4/2009

Managed all aspects of accounting and reporting in a truss manufacturing plant as well as an engineered wood products distribution location that included 2 locations in Maine and 1 in Massachusetts.

- Calculated and assisted in the management of the company's covenants
- Worked closely with senior management during the sale process from the seller (Harbour Group) and buyer (Roark Capital)
- Identified cost drivers and implemented process changes to reduce the monthly closing cycle from 18 to 5 days
- Conducted monthly reviews with the managers on financial results and measurement
- Oversaw the payroll function of 160+ employees

Accounting Manager

2001-2006

Recruited to company to restore financial controls and establish best practices concerning both general ledger and cost accounting processes. Responsible for overseeing the accounting of 2 locations in Maine and 1 in Alabama.

- Established the reporting protocols of the company used by both equity sponsors
- Educated, motivated and developed a staff of 3 to succeed in their rolls of financial responsibility
- Identified and implemented processes and procedures for all intercompany sales, transfers, consolidation and eliminations
- Streamlined the payroll process that included transferring to an external supplier (ADP), which reduced cost by 40%
- Conducted physical inventories and defined their policies and procedure at all locations.

VISHAY SPRAGUE, Sanford, ME

1978-2001

Vishay Sprague is a division of Vishay Intertechnology Inc. (NYSEL VSH) a global manufacturer of discrete semiconductors and passive electronic components. The Sprague Division manufactures solid tantalum capacitors with annual sales of \$200 million and 1,400 employees.

Plant Cost Accounting Manager

1997-2001

Division General Accounting Manager

1995-1997

Division Operation Accountant

1989-1995

Division Fixed Asset Accountant

1987-1989

Master Engineering Technician

1984-1987

Lead Production Technician

1978-1984

EDUCATION

NASSON COLLEGE Springvale, ME

B.S. in Business Administration