

City of Dover, NH

Substantial Amendments to FY23 and FY24 CDBG Action Plans

8/28/24

Section 1

CDBG Program Description

Substantial Amendment to FY23 and FY24 Action Plans

CDBG PROGRAM DESCRIPTION

The City of Dover is designated as an Entitlement Community by HUD. That means that each year, the City receives funds directly from HUD rather than having to apply to the State for CDBG funds.

These funds may only be used to address one of HUD’s three National Objectives:

1. Benefit low and moderate income persons.
2. Prevent or eliminate blight.
3. Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.

The City of Dover has traditionally used CDBG funding to address the first National Objective listed above.

CONSOLIDATED PLAN

In 2020, the City adopted a 5-year Consolidated Plan as mandated by HUD requirements. The Consolidated Plan serves as a strategic plan for addressing issues such as of homelessness, housing, public services, community and development needs and expanding economic opportunities for very low, low and moderate income persons within the community. The Consolidated Plan includes the Goals provided below. Funded activities must meet one of the Goals.

DOVER CONSOLIDATED PLAN GOALS

- | | |
|-------------------|--|
| Goal #1: | Access to Services |
| Goal Description: | To provide increased opportunities to residents of the City who require education, health, recreation, shelter, transportation and related human services. |
| Goal #2: | Renter and Homeowner Assistance |
| Goal Description: | Weatherization and energy efficiency, Housing unit rehab, security deposit assistance, Lead based paint hazard. |
| Goal #3: | Public Improvements |
| Goal Description: | Development and improvements related to facilities and housing units utilized by qualifying populations and individuals. |
| Goal #4: | Economic Development |
| Goal Description: | Improvements, and the support of efforts, intended to promote economic development and to enhance economic opportunities for qualifying business, populations and individuals. |
| Goal #5: | Accessibility and Transportation |
| Goal Description: | Access to social services and employment and removal of architectural barriers. |

ACTION PLAN

To implement the Consolidated Plan, the community must annually adopt an Action Plan that identifies activities and projects that the community has decided to fund with CDBG funds. The Action Plan serves as a means to assure that the Goal and Objectives of the Consolidated Plan are being addressed. As part of the Action Plan process, citizens must be allowed an opportunity to provide comments on the Plan during the review process and after it has been approved by the City. After approval by the City, and a subsequent 30-day public comment period, the Action Plan must be sent to HUD for their review and approval.

SUBSTANTIAL AMENDMENTS

This document identifies proposed revisions to the existing FY23 and FY24 Actions Plans. Specifically, Dover is proposing to reallocate funds that were allocated to activities in prior Action Plans but were not undertaken. Due to HUD requirements, the funds can not be used for Public Service activities or General Administration of the program. The funds may be used for Public Facilities activities and Economic Development activities.

ELIGIBLE ACTIVITIES

Examples of eligible activities include:

Acquisition: Acquisition of real property for any public purpose.

Activity Delivery Costs (ADC): Separate from general administration and planning activities, these are costs associated with administering specific grant awards. These costs include activities such as contract provision monitoring, Davis Bacon related activities and performing environmental reviews for each recipient.

Barrier Removal: Removal, rearrangement, restructuring, alteration, or addition, of any element or space of a building or facility to make it usable by persons with disabilities.

Clearance and Remediation Activities: Clearance, demolition, and removal of buildings and improvements.

Disposition: Disposition of real property acquired with CDBG funds.

Economic Development: Activities include direct economic development assistance to for-profit entities and job training programs.

Housing Rehabilitation: Single family, multi-family, low income public housing or other publicly owned residential buildings.

Public Facilities and Improvements: Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements.

Section 2

Funding Pool, Funding Categories, Proposed
Funding by Category

Substantial Amendment to FY23 and FY24 Action Plans

**AVAILABLE FUNDING
Overview**

FUNDING POOL

Funding available for reallocation:

1. Available FY23 Entitlement Funding: \$99,800.00
2. Available FY24 Entitlement Funding: \$229,509.00

Total funding pool: **\$329,309.00**

ELIGIBLE FUNDING CATEGORIES

Eligible funding activities fall into one of three categories:

1. Public Facilities
2. Economic Development
3. Activity Administration

FY23 ACTION PLAN: PROPOSED FUNDING BY CATEGORY

Public Facilities: \$95,800.00

- Funding for construction based activities and projects.

Activity Administration: \$4,000.00

- Administrative costs associated with individual Activities. Activity specific costs include contract development & administration, processing requests for reimbursement, site visits, subrecipient monitoring, environmental review and activity close-out.

FY24 ACTION PLAN: PROPOSED FUNDING BY CATEGORY

Public Facilities: \$226,509.00

- Funding for construction based activities and projects.

Activity Administration: \$3,000.00

- Administrative costs associated with individual Activities. Activity specific costs include contract development & administration, processing requests for reimbursement, site visits, subrecipient monitoring, environmental review and activity close-out.

Section 3

Funding Requests – Activity Summary

Substantial Amendment to FY23 and FY24 Action Plans

FUNDING REQUESTS – ACTIVITY SUMMARY

Public Facilities & Activity Administration

Following are the names of applicants with the amount requested and a very brief description of proposed use of funds. See applications from organizations and activities in Section 4 for a description of the program and expanded discussion regarding use of funds.

PUBLIC FACILITIES PROJECTS

1. City of Dover – Removal of Barriers to Access

Amount Requested: \$11,000.00

Planning Board Recommendation: \$11,000.00

Installation of ADA compliant picnic tables in downtown Dover.

2. My Friend’s Place Transitional Shelters – Repairs/Facility Improvements

Amount Requested: \$100,000.00

Planning Board Recommendation: \$36,000.00

Furnace Replacement @ East Concord Street Shelter; Roof replacement, Eave repair, new bulkhead installation and furnace replacement @ Hough Street Shelter.

3. CAP / Covered Bridge Manor – ADA Upgrades

Amount Requested: \$16,400.00

Planning Board Recommendation: \$16,400.00

ADA upgrades to the facility including grab bar handles, replacing mirrors and other upgrades to make the building ADA compliant.

4. CAP / Covered Bridge Manor - Air Source Heat Pump Upgrades

Amount Requested: \$32,400.00

Planning Board Recommendation: \$32,400.00

Mini split heat pump upgrade to the main dining hall and assembly area

5. CAP / Covered Bridge Manor – Roof Replacement

Amount Requested: \$75,000.00

Planning Board Recommendation: \$75,000.00

Roof Replacement

6. CAP / Home for Now - Air Source Heat Pump Upgrades

Amount Requested: \$14,800.00

Planning Board Recommendation: \$14,800.00

New heat pump installation and heat pump upgrades

7. CAP / Transitional Shelter - Air Source Heat Pump Upgrades & Building Repair

Amount Requested: \$136,709.00

Planning Board Recommendation: \$136,709.00

Heat Pump Upgrade and exterior building improvements

ACTIVITY ADMINISTRATION

1. Activity Administration

Amount Requested: \$7,000.00

Planning Board Recommendation: \$7,000.00

Administrative costs associated with individual Activities. Activity specific costs include contract development & administration, processing requests for reimbursement, site visits, subrecipient monitoring, environmental review, project close-out.

| | |
|--|-------------------|
| City of Dover – Removal of Barriers to Access | \$1,000.00 |
| My Friend’s Place Transitional Shelters – Repairs/Facility Improvements | \$1,000.00 |
| CAP / Covered Bridge Manor – ADA Upgrades | \$1,000.00 |
| CAP / Covered Bridge Manor - Air Source Heat Pump Upgrades | \$1,000.00 |
| CAP / Covered Bridge Manor – Roof Replacement | \$1,000.00 |
| CAP / Home for Now - Air Source Heat Pump Upgrades | \$1,000.00 |
| CAP / Transitional Shelter - Air Source Heat Pump Upgrades & Building Repair | <u>\$1,000.00</u> |
| | \$7,000.00 |

Section 4

Funding Sources, Funding Requests, Recommended
Allocations and Applications

FY23 & FY24 Substantial Amendments - Entitlement Funding & Allocations

Funding Pool - Available Entitlement Funds

| | |
|--------------------------------|---------------------|
| FY23 Entitlement Federal Grant | \$99,800.00 |
| FY24 Entitlement Grant | \$229,509.00 |
| Total Funding Pool: | \$329,309.00 |

Activities - FY23 Action Plan

| Public Facilities | Amount Requested | Recommended Allocation |
|--|---------------------|------------------------|
| Removal of Barriers to Access - Dover Downtown | \$11,000.00 | \$11,000.00 |
| Repairs/Facility Improvements - MFP Transitional Homes | \$100,000.00 | \$36,000.00 |
| ADA Upgrades - Covered Bridge Manor | \$16,400.00 | \$16,400.00 |
| Air Source Heat Pump Upgrades - Covered Bridge Manor | \$32,400.00 | \$32,400.00 |
| Total | \$159,800.00 | \$95,800.00 |

| Activity Administration | Amount Requested | Recommended Allocation |
|--|-------------------|------------------------|
| Removal of Barriers to Access - Dover Downtown | \$1,000.00 | \$1,000.00 |
| Repairs/Facility Improvements - MFP Transitional Homes | \$1,000.00 | \$1,000.00 |
| ADA Upgrades - Covered Bridge Manor | \$1,000.00 | \$1,000.00 |
| Air Source Heat Pump Upgrades - Covered Bridge Manor | \$1,000.00 | \$1,000.00 |
| Total | \$4,000.00 | \$4,000.00 |

| | | |
|--------------------|---------------------|--------------------|
| Grand Total | \$163,800.00 | \$99,800.00 |
|--------------------|---------------------|--------------------|

Activities - FY24 Action Plan

| Public Facilities | Amount Requested | Recommended Allocation |
|--|---------------------|------------------------|
| Roof Replacement - Covered Bridge Manor | \$75,000.00 | \$75,000.00 |
| Air Source Heat Pump Upgrades - Home for Now | \$14,800.00 | \$14,800.00 |
| Air Source Heat Pump Upgrades & Building Repair - CAP Transitional Shelter | \$136,709.00 | \$136,709.00 |
| Total | \$226,509.00 | \$226,509.00 |

| Activity Administration | Amount Requested | Recommended Allocation |
|--|-------------------|------------------------|
| Roof Replacement - Covered Bridge Manor | \$1,000.00 | \$1,000.00 |
| Air Source Heat Pump Upgrades - Home for Now | \$1,000.00 | \$1,000.00 |
| Air Source Heat Pump Upgrades & Building Repair - CAP Transitional Shelter | \$1,000.00 | \$1,000.00 |
| Total | \$3,000.00 | \$3,000.00 |

| | | |
|--------------------|---------------------|---------------------|
| Grand Total | \$229,509.00 | \$229,509.00 |
|--------------------|---------------------|---------------------|

City of Dover

Removal of Barriers to Access

Downtown Dover

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|--|
| Organization City of Dover | |
| Name of Activity Barrier removal for outdoor seating in Waldron Court, Fish Ladder Park, and the Dover Transportation Center | |
| Name of Executive Director Christopher Parker | |
| Mailing Address 288 Central Avenue, Dover NH 03820 | |
| Physical Address Waldron Court/Fish Ladder Park (both locations are downtown Dover on Central Avenue) and the Dover Transportation Center located at 33 Chestnut Street | |
| Contact Person Reid Bickley | Phone 603-516-1560 |
| E-Mail r.bickley@dover.nh.gov | Website https://www.dover.nh.gov/ |
| Please Identify the Type of Organization Applying for Funds <i>(Note: More than one may apply)</i> <input type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> For-profit authorized under 570.201(o) <input checked="" type="checkbox"/> Unit of <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Other (Explain): | |
| Tax ID # 02-6000230 | |
| SAM UEI # CJFYYJTK9YE5 | SAM Expiration Date 03/07/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|--|
| Amount of Dover CDBG funds requested for activity: \$ \$11,000 |
| Provide a <u>very brief</u> summary of the <u>activity</u> for which the funds are requested. Keep responses to one or two sentences (i.e. <i>After School Care for K-4th grade students. Repair of homeless shelter roof.</i>) Addition of 10 total ADA accessible picnic tables in Waldron Court, Fish Ladder Park, and the Dover Transportation Center. |

| PROJECT LOCATION |
|--|
| Location(s) where activity will occur. Waldron Court, Fish Ladder Park, and the Dover Transportation Center in downtown Dover NH. |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Disabled Individuals |
| Beneficiaries: For <u>FY 2026</u> (7/1/2025 – 6/30/2026) please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 3,700-5,100 |

| CLIENT POPULATION |
|--|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |
| If yes, are the criteria/protocols in writing?: <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A |

| NARRATIVE – <u>PUBLIC FACILITY</u> ACTIVITY |
|---|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: The proposed activity involves adding four new picnic tables to Waldron Court, three new picnic tables to Fish Ladder Park, and three new picnic tables to the Dover Transportation Center to enhance accessibility and inclusivity by providing ADA-compliant seating options in a public space. This initiative aims to remove barriers for individuals, particularly those with disabilities, seeking to enjoy outdoor public spaces. |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : This project will benefit presumed benefit populations by providing accessible outdoor seating in public areas, promoting social inclusion and community engagement. By ensuring ADA compliance, the activity will cater to the needs of disabled individuals, elderly persons, and other vulnerable groups, enhancing their quality of life and access to public amenities. |
| Proposed activity starting date: January 2025 |
| Proposed activity completion date: June 2025 |
| Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.): The project will commence in January 2025 with the procurement of materials and initial site preparations. By April 15, 2025, at least 7 of the picnic tables will be installed in both Waldron Court and Fish Ladder Park, ensuring 50% completion, and by June 30, 2025, the remaining three tables will be in place at the Dover Transportation Center, achieving 90% completion, with final adjustments and quality checks concluding the project. |
| Provide a total activity cost broken down by major phases of the project: Procurement of Materials and Initial Preparations (January 2025): Picnic Tables (10 tables at \$800 each): \$8,000 Shipping Costs: \$1,000. Total for Initial Phase: \$9,000 Installation of Four Picnic Tables in Waldron Court and Three Picnic Tables in Fish Ladder Park (by April 15, 2025): Installation Labor and Materials: \$0 (performed by Community Services) Total for Waldron Court/Fish Ladder Park Installation: \$0 Installation of Three Picnic Tables at The Dover Transportation Center (by June 30, 2025): Installation Labor and Materials: \$0 (performed by Community Services) Total for Dover Transportation Center: \$0 Contingency: \$2,000 Total Cost: \$11,000 |
| Note: Written estimates for construction, materials, equipment purchase, etc. are to be submitted with this application. Estimates must be from qualified individuals/companies/suppliers. |

| PERFORMANCE OUTCOME MEASURES | |
|--|--|
| Provide the <u>outcomes</u> proposed & the <u>method of measurement</u> . You may list multiple outcomes. | |
| Outcome | Measurement |
| Example 1: Decrease in number of “latch-key kids” Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Remove barriers to access for disabled persons. | Increased access to at least ten disabled persons. |
| | |
| | |

| DESCRIPTION OF ORGANIZATION |
|---|
| <p>Please provide a description for the organization or agency that is undertaking the activity or project. City of Dover- The city is dedicated to fostering a vibrant and inclusive community by promoting economic growth and enhancing public infrastructure. The city works to create opportunities for all residents, with a focus on improving accessibility and inclusivity in public spaces. By undertaking a variety of projects, the City of Dover aims to remove barriers and support the well-being of individuals with disabilities. With a skilled team and a commitment to compliance with all relevant regulations, the city ensures the successful planning and execution of public improvement initiatives that contribute to the overall economic health and quality of life in Dover.</p> |

| AUDIT AND EVALUATION |
|--|
| <p>Does your organization have an annual CPA audit or other financial statement? Yes</p> <p>If yes, please submit most recent audit or financial statements as an attachment to this application. See attached.</p> <p>Is your organization evaluated by outside agencies or programs? Yes</p> <p>If yes, please note the agency/program and how often the evaluation occurs. See audit above.</p> |

| BOARD OF DIRECTORS | |
|--|-------|
| Robert Carrier-Mayor | Dover |
| Dennis Shanahan-Deputy City Mayor | Dover |
| Lindsey Williams- City Councilor, At-Large | Dover |
| Linnea Nemeth- City Councilor, At-Large | Dover |
| April Richer-City Councilor, Ward 1 | Dover |
| Robert Warach-City Councilor, Ward 2 | Dover |
| Anthony Retrosi-City Councilor, Ward 3 | Dover |
| Debra Hackett-City Councilor, Ward 4 | Dover |
| Fergus Cullen-City Councilor, Ward 6 | Dover |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. <u>Public Facilities</u> | | | |
|---|--|--|-----------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | Installation by Dover Community Services | Match as installation to be provided by Community Services | \$0 |
| Other (list) | \$0 | \$0 | \$0 |
| | \$0 | \$0 | \$0 |
| | \$0 | \$0 | \$0 |
| <i>Total Hard Costs</i> | \$0 | \$0 | \$0 |
| Soft Costs | | | |
| Acquisition | Tables \$9,000 | \$0 | \$9,000 |
| Appraisals | \$0 | \$0 | \$0 |
| Design/Engineering | \$0 | \$0 | \$0 |
| Other(list): Contingency | Contingency \$2,000 | \$0 | \$2,000 |
| | | | |
| <i>Total Soft Costs</i> | \$11,000 | \$0 | \$11,000 |
| <i>TOTAL PROPOSED BUDGET:</i> | \$11,000 | \$0 | \$11,000 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | Explanation |
|---|---|--|
| City of Dover | Committed: \$0 Pending: \$0 Proposed: \$0 | Match as installation to be provided by Community Services |
| Total: | \$0 | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used **for this activity**. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|-----|-------------------|-------------|
| Federal: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| State: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Local: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Private: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Portsmouth CDBG: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Rochester CDBG: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Other: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |
| Total: | Committed: | \$0 | \$0 | \$0 |
| | Pending: | \$0 | | |
| | Proposed: | \$0 | | |

BUDGET: ORGANIZATION

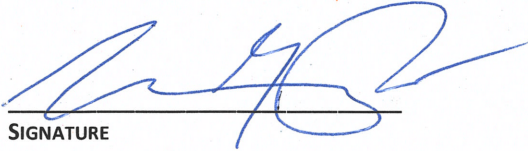
Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from July 1, 2024 to June 30, 2025 See attached: COD FY25 Adopted Budget | Current Year | Next Year (projected) |
|--|--------------|-----------------------|
| REVENUES | | |
| Federal Funds | | |
| State Funds | | |
| Foundations/Private Contributions | | |
| United Way | | |
| Fundraising or other income | | |
| Other (describe) | | |
| Community Dev. Block Grant (include anticipated request) | | |
| TOTAL REVENUE | | |
| EXPENSES | | |
| Salaries | | |
| Fringe Benefits | | |
| Supplies (include printing/copying) | | |
| Travel | | |
| Training | | |
| Communications | | |
| Audit | | |
| Property Maintenance | | |
| Service Contracts | | |
| Construction Supplies/Materials | | |
| Other (describe) | | |
| TOTAL EXPENSES | | |
| NET (Income - Expenses) | | |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CDFA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$0 | \$0 |
| Total Expenditure of Federal Awards | | | | \$0 | \$0 |
| NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$0 | \$0 |
| Local Assistance: | [Agency Name] | | | \$0 | \$0 |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$0 | \$0 |
| Total State and Local Awards | | | | \$0 | \$0 |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$0 | \$0 |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.


SIGNATURE

7/31/24
DATE

CHRISTOPHER G. PARKER

DEPUTY CITY MANAGER

PRINTED NAME

TITLE

My Friend's Place

Repairs/Facility Improvements

Transitional Shelters

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|--|
| Organization My Friend's Place | |
| Name of Activity Roof and Basement Entrance rehab/replacement at Hough Street Location | |
| Name of Executive Director Susan Ford | |
| Mailing Address 368 Washington Street, Dover NH 03820 | |
| Physical Address SAA | |
| Contact Person Susan Ford | Phone 603-749-3017 office 603-534-7528 Cell |
| E-Mail sford@myfriendsplacenh.org | Website www.myfriendsplacenh.org |
| Please Identify the Type of Organization Applying for Funds (<i>Note: More than one may apply</i>) <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Unit of <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Other (Explain): | |
| Tax ID # 02-0407497 | |
| SAM UEI # NHTBK7J56F76 | SAM Expiration Date 2/18/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|---|
| Amount of Dover CDBG funds requested for activity: \$ 100,000 |
| <p>Provide a very brief summary of the <u>activity</u> for which the funds are requested. Keep responses to one or two sentences (i.e. After School Care for K-4th grade students. Repair of homeless shelter roof.) We wish to replace the remove the roof, replace any rotten boards or if there are no plywood boards put plywood base on as well as all new roofing material, asphalt shingles, drip edge, weather guard, etc. We need to replace many of the fascia boards in and around the eaves. We wish to remove and replace the gutters on both sides of the building. We are also looking to install a new stairs bulkhead. Currently there is a "Window" if you will access to the basement of the building that has two swinging door. It is approximately 4 feet wide by 3 feet high with. This allows a lot of water into the basement and has caused flood damage in the past as well as problems with our sewer line. We wish to have a full access set of stairs with door bulkhead installed in the back of the building. This will create an easier way for items to be installed in the building such as washers/dryers and repairs maintenance of the boiler and hot water system etc.</p> |

| PROJECT LOCATION |
|---|
| Location(s) where activity will occur. 21/23 Hough Street, and 25 East Concord Street, Dover, NH 03820 |

BENEFICIARIES

Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) **Two three-bedroom units up to 9 people per unit at Hough Street and Two two-bedroom units at East Concord Street for 18 months to two years.**

Beneficiaries: We currently do not have any Dover residents in Hough Street, and do have one family at East Concord from Dover. We do not select clients based on their town of origin, only on how well they have worked with us at the shelter and their willingness to continue that same work in an apartment. We consider this an extension of the emergency shelter, we get clients in the shelter and assist in correcting the emergency and get them to a point that they are now working on longer term barriers to permanent housing whether that be credit rating, paying off old debts to get their credit score up or just waiting the wait time to be considered for income base housing.

For FY 2026 (7/1/2025 – 6/30/2026) please provide the *estimated* number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 4 to 9

CLIENT POPULATION

Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: **XX Yes** **_____ No**

If yes, are the criteria/protocols in writing?: **_____ Yes** **XX No** **compliance with the shelter program is required**

NARRATIVE – PUBLIC FACILITY ACTIVITY

Please provide the following information for the proposed activity (not the organization):

Describe the nature of the activity: Remove and replace roof and repair/replace boards on eaves at Hough street, Install full bulkhead at Hough street, Replace 20+ year old furnace at Hough Street, Replace Old steam boiler at East Concord (We are told this will not last another year)

Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : Clients that move from the shelter to the apartments enjoy 18 months to 2 years on subsidized rent in order to work on long term barriers.

Proposed activity starting date: As soon as we are awarded funding and contractors are available

Proposed activity completion date: 4 to 6 weeks of project start

Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.): We will make clear when the bids go out that this time line will have to be adhered to.

Provide a total activity cost broken down by major phases of the project: Hough Street Roof and Eave rehab - \$38,000. Hough Street Bulkhead - \$22,00, Hough Street Furnace replacement \$20,000, East Concord Street Furnace Replacement \$20,000.

Note: Written estimates for construction, materials, equipment purchase, etc. are to be submitted with this application. Estimates must be from qualified individuals/companies/suppliers.

| PERFORMANCE OUTCOME MEASURES | |
|--|---|
| Provide the <i>outcomes</i> proposed & the <i>method of measurement</i> . You may list multiple outcomes. | |
| Outcome | Measurement |
| Example 1: Decrease in number of "latch-key kids" Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Roof replaced | Prevention of leaks in the building allowing tenants to stay housed and get the building ready for possible solar panel installation to make more environmentally friendly. |
| Bulkhead installation | Prevention of anyone getting hurt delivery bulky items in the basement such as washer. Prevention of water leakage in the basement, which will also better prevent mold from growing. |
| Replacement of Furnaces at Hough and East Concord | More fuel efficient, heat for tenants in the building |

| DESCRIPTION OF ORGANIZATION |
|---|
| <p>Please provide a description for the <u>organization or agency</u> that is undertaking the activity or project. My Friend's Place Emergency Shelter is located in a quiet neighborhood in Dover and has been serving the county and the City of Dover's most vulnerable for over 30 years. We serve single men, women and families in the shelter. Over 20 years ago we acquired two duplexes in Dover to serve families on a more long-term basis. Many families that come through the shelter are on a very fixed income and are basically filling out applications to income-based housing in the area and waiting for an available unit. Because there are too many people and not enough units these wait lists can take up to two or more years. Others just need to work on their credit, increase their income a bit and pay off old debts, which can take time. If they are willing to continue to work with our case manager and follow all the rules of the transitional living agreement then they get a discount on their rent to pay not more than 30% of their income. We reassess their income quarterly and their commitment to their case management and continued progress to self-sufficiency and permanent housing. IF needed we will tweak the case management as needed to keep the client on track to obtain their goals.</p> |

| AUDIT AND EVALUATION |
|--|
| <p>Does your organization have an annual CPA audit or other financial statement? Yes</p> <p>If yes, please submit most recent audit or financial statements as an attachment to this application.</p> <p>Is your organization evaluated by outside agencies or programs? No</p> <p>If yes, please note the agency/program and how often the evaluation occurs. N/A</p> |

| BOARD OF DIRECTORS | |
|-------------------------------|-----------------------|
| BOARD OF DIRECTORS | |
| Name | Residence (city/town) |
| FX Bruton, Esq., President | Dover, NH |
| Stan Robbins, Vice President | Dover, NH |
| Robert Fuller, CPA, Treasurer | Dover, NH |
| Janet Insolia, Secretary | Dover, NH |

| | |
|-----------------------------|----------------|
| Phyllis LaPointe, Member | Barrington, NH |
| John Lewis, Esq., Member | Durham, NH |
| Vicki Roundy, Esq., Member | Barrington, NH |
| Jacqueline Williams, Member | Dover, NH |
| Brad Gould, Member | Dover, NH |
| Debra Hackett, Member | Dover, NH |
| Erica Johnson, Member | Dover, NH |
| John Doane, Member | Barrington, NH |
| Mark Bowen | Greenland, NH |
| Dan Hickman | Dover, NH |
| Kindsay Hickman | Dover, NH |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. Public Facilities | | | |
|---|-----------------------------------|----------------------|------------------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | 60,000 | | |
| Other (list) | | | |
| | | | |
| <i>Total Hard Costs</i> | | | |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| <i>TOTAL PROPOSED BUDGET:</i> | | | |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|---|--|--|
| N/A | Committed: Pending: Proposed: | | MFP has a small budget for these types of projects and would rely on the community support or insurance claim to complete them. |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used for this activity. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|---|--|------------------------|----------------------|---|
| Federal: | Committed: Pending: Proposed: | \$10,000 | \$10,000 | FEMA/EFSP funding |
| State: | Committed: Pending: Proposed: | \$72,000 \$38,000 | \$110,00 | State Grant in Aid |
| Donations (Corporate, Individual and Private): | Committed: Pending: Proposed: | \$50,000 \$30,000 | \$80,000 | We saw \$77k last year and budgeted for this year, we anticipate an increase |
| Fundraising/Grants: | Committed: Pending: Proposed: | \$220,000 \$35,000 | \$255,000 | 220K in Fundraising, 35K in Grants |
| Portsmouth CDBG: | Committed: Pending: Proposed: | | \$0 | |
| Rochester CDBG: | Committed: Pending: Proposed: | \$10,000 \$30,000 | \$10,000 | We have requested 30K but cannot guarantee anything over 10K |
| Other: | Committed: Pending: Proposed: | | | |
| Total: | Committed: Pending: Proposed: | \$352,000 \$113,000 | \$465,000 | |

BUDGET: ORGANIZATION

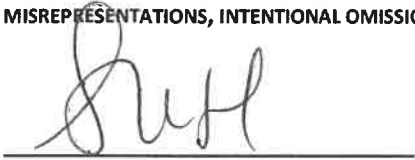
Please provide a breakdown of your *organization's* overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from | to | Current Year | Next Year (projected) |
|--|-----------------------|---------------|-----------------------|
| REVENUES | | | |
| Federal Funds | | \$14,000 | \$10,000 |
| State Funds | | \$112,100 | \$110,000 |
| Foundations/Private Contributions | | \$77,205 | \$80,000 |
| United Way | | \$19,000 | \$10,000 |
| Fundraising or other income | | \$195,200 | \$220,000 |
| Other (describe) Direct Public Grants | | \$20,500 | \$25,000 |
| Community Dev. Block Grant (include anticipated request) | | \$37,000 | \$40,000 |
| | TOTAL REVENUE | 475,005 | \$495,000 |
| EXPENSES | | | |
| Salaries | | \$286,612 | \$293,000 |
| Fringe Benefits | | \$21,287 | \$23,000 |
| Supplies (include printing/copying) | | \$15,300 | \$16,500 |
| Travel | | \$1,050 | \$1,300 |
| Training & Audit | | \$0 | \$0 |
| Communications | | \$6,000 | \$6,500 |
| Utilities (Heat, Elec, Water, Alarm Monitoring, Dumpster etc.) | | \$42,660 | \$45,000 |
| Property Repairs & Maintenance | | \$29,500 | \$33,000 |
| Contract Services | | \$9,420 | \$10,000 |
| Resident Support Services and Volunteer Expenses | | \$1,300 | \$1,400 |
| Insurance (Liability, Workers Comp, D & O | | \$29,619 | \$35,000 |
| Misc Expenses (Bank Service Fees, Association dues, permits, Resident Support Services, Volunteer Expenses, Fundraising expenses, Advertisement) | | \$5,050 | \$6,500 |
| | TOTAL EXPENSES | \$447,798 | \$471,200 |
| NET (Income - Expenses) | | 27,207 | 23,800 |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CDFA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | FEMA | | | \$14,000 | \$14,000 |
| Direct Program | EFSP | | | | |
| Passed Through | United Way | | | \$ | \$ |
| | | | | | |
| Total Expenditure of Federal Awards | | | | \$14,000 | \$14,000 |
| | | | | | |
| NH Dept. of | DHHS | | | \$112,100 | \$112,100 |
| | SGIA | | | | |
| Total State and Local Awards | | | | \$112,100 | \$112,100 |
| | | | | | |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$126,100 | \$126,000 |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.



SIGNATURE

Susan Ford

PRINTED NAME

7/31/24

DATE

Executive Director

TITLE

Community Action Partnership

ADA Upgrades

Covered Bridge Manor

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|---|
| Organization Community Action Partnership of Strafford County | |
| Name of Activity ADA Upgrades | |
| Name of Executive Director Betsey Andrews Parker, CEO | |
| Mailing Address 577 Central Avenue, Suite 10, Dover NH 03820 | |
| Physical Address 577 Central Avenue, Suite 10, Dover, NH 03820 | |
| Contact Person Bob Arnold, Housing Development and Revitalization Director | Phone 603-435-2500 Ext 2350 |
| E-Mail barnold@straffordcap.org | Website www.straffordcap.org |
| Please Identify the Type of Organization Applying for Funds <i>(Note: More than one may apply)</i> <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Unit of <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Other (Explain): | |
| Tax ID # 02-0268636 | |
| SAM UEI # Z3KKLWND4993 | SAM Expiration Date 02/27/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|---|
| Amount of Dover CDBG funds requested for activity: \$ 16,400.00 |
| Provide a very brief summary of the activity for which the funds are requested. Keep responses to one or two sentences (<i>i.e. After School Care for K-4th grade students. Repair of homeless shelter roof.</i>) ADA upgrades |

| PROJECT LOCATION |
|--|
| Location(s) where activity will occur. 280 County Farm Road, Dover NH |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Low-income individuals 62 years and older |
| Beneficiaries: For FY 2026 (7/1/2025 – 6/30/2026) please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 26 |

| CLIENT POPULATION |
|---|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, are the criteria/protocols in writing?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| NARRATIVE – PUBLIC FACILITY ACTIVITY |
|---|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: This project involves ADA upgrades to the facility including grab handles, replacing mirrors and other upgrades to make the building ADA compliant. |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : The property provides senior housing to Dover Residents. As part of CAPSC’s long-term investment in this project we are committed to ensuring the building is code compliant, meets minimum energy code standards and provides safe, carbon monoxide-free shelter to area residents. Improvements to this portion of Dover’s housing stock will benefit current residents who require ADA accommodations. |
| Proposed activity starting date: 01/15/2025 |
| Proposed activity completion date: 03/15/2025 |
| Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.): A formal RFP will be issued in late 2024 with a submittal deadline of December 15 th , 2024. A work order and contract will be awarded by January 5 th , 2025 with a construction schedule outlined by CAPSC. The target completion date will be April 15 th , 2025 |
| Provide a total activity cost broken down by major phases of the project: Grab Handles: 26 apartments will need grab handles installed in the bathrooms and main egress. Cost is estimated to be \$6000.00 and is based on a \$230.76 cost-per-unit. Mirror replacement: 26 apartment bathrooms require mirror replacement with ADA fixed tilt mirrors. Cost is estimated at \$400 per unit or a total of \$10,400.00 |

| PERFORMANCE OUTCOME MEASURES | |
|--|--|
| Provide the <u>outcomes</u> proposed & the <u>method of measurement</u> . You may list multiple outcomes. | |
| Outcome | Measurement |
| Example 1: Decrease in number of "latch-key kids" Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Decreased number of falls | Fire rescue calls related to falls |
| Decreased instances of neck strain | Reduced medical attention and costs |
| ADA Compliance Requirements | ADA Compliance Inspections |
| | |

| DESCRIPTION OF ORGANIZATION |
|---|
| <p>Please provide a description for the <u>organization or agency</u> that is undertaking the activity or project.</p> <p>At Community Action Partnership of Strafford County (CAPSC), we strongly believe no one should go without having their basic needs met. As the leading anti-poverty agency in Strafford County, we strive to empower individuals and families to achieve self-sufficiency by opening the doors to resources and opportunities that offer a hand up, not a handout. When we achieve this goal, we reduce the impact of poverty and build a stronger community. Our mission at CAPSC is to reduce barriers to help clients improve their economic stability and well-being through education, advocacy, and partnerships. In accordance with its mission, CAPSC offers over 60+ coordinated programs designed to have a measurable impact on poverty and health status among our community's most vulnerable residents, specifically children under the age of six, people with disabilities, seniors and those experiencing low incomes. Programs include nutrition, housing, fuel and electric assistance, weatherization, parent and child education, childcare, and transportation, all of which are locally defined, planned and managed in partnership with other community agencies. All programs</p> |

are designed to increase self-sufficiency and help clients become socially and financially independent. CAPSC's goal is to interrupt the cycle of poverty and empower children, working families and seniors to live more secure, stable and healthier lives.

CAPSC is governed by a volunteer Board of Directors, one-third of whom are consumers of services. We have nearly 150 employees and a nearly \$20 million operating budget which includes federal, state, and local funds in addition to foundation and United Way grants, fees for service, and individual and corporate donations.

CAPSC helps individuals to meet basic needs like housing, heat, food, transportation, childcare, and more. In 2022-2023, CAPSC served over 18,000 households and provided over \$33 million in goods and services to Strafford County residents, thereby reducing the burden on other County and community services and changing countless lives for the better. Some of what the programs at CAPSC were able to accomplish includes:

- Paying nearly \$20 million in emergency rental assistance to landlords and utility companies to help 5,332 households avoid eviction and utility disconnections.
- Providing 2,265 safe, accessible rides for seniors
- Providing 5,699 households with fuel assistance, valued at over \$4.5 million.
- Providing 33,359 free summer meals to children experiencing food insecurity.
- Weatherizing 349 homes.
- Providing 289 children and their families with services through our Early Childhood Education programs.

Together, these programs provide a holistic approach to self-sufficiency, and offer clients the resources needed to move out of poverty.

AUDIT AND EVALUATION

Does your organization have an annual CPA audit or other financial statement? Yes

If yes, please submit most recent audit or financial statements as an attachment to this application.

Is your organization evaluated by outside agencies or programs? Yes

If yes, please note the agency/program and how often the evaluation occurs.

CAPSC is evaluated by the Region One Office of Head Start; Department of Health and Human Services; NH Office of Strategic Initiatives (OSI); Eversource; Unitil; and the United Way for program and financial performance. Evaluations occur annually at minimum. The Weatherization Program is evaluated annually to ensure the program is following all federal guidelines. Each Weatherization job is audited to ensure all Weatherization measures are done correctly. The most recent Weatherization audit occurred in June, 2024.

BOARD OF DIRECTORS

| Name | Residence (city/town) |
|--------------------|-----------------------|
| Terry Jarvis | New Durham, NH |
| Jean Miccolo | Rochester, NH |
| Steve Trozinski | Dover, NH |
| Alan Brown | Rochester, NH |
| Anthony Carr | Dover, NH |
| Leah Crouser | Dover, NH |
| Heather Blumenfeld | Dover, NH |
| Maureen Staples | Dover, NH |

| | |
|---------------------|----------------|
| Brandi McKay-Berry | Barrington, NH |
| Mark Toussaint | Rochester, NH |
| Robert Harrington | Dover, NH |
| Robert Warach | Dover, NH |
| Ian Oneail | Raymond, NH |
| Sarah Kuhl | Dover, NH |
| Christine McCluskey | Farmington, NH |
| Katrin Kasper | Lee, NH |
| James Rathbun | Farmington, NH |
| Nicki Gearwar | Dover, NH |
| | |
| | |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. Public Facilities | | | |
|---|-----------------------------------|----------------------|------------------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <i>Note:</i> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | \$16,400.00 | | \$16,400.00 |
| Other (list) | | | |
| | | | |
| <i>Total Hard Costs</i> | \$16,400.00 | | \$16,400.00 |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| TOTAL PROPOSED BUDGET: | \$16,400 | | \$16,400.00 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|---|--|-------------|
| | Committed: | | |
| | Pending: | | |
| | Proposed: | | |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used ***for this activity***. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|--|-------------------|-------------|
| Federal: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| State: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Local: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Private: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Portsmouth CDBG: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Rochester CDBG: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

| | | | | |
|--------|------------|--|--|--|
| Other: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Total: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

BUDGET: ORGANIZATION

Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from Jan 1 to Dec 31 | Current Year | Next Year (projected) |
|---|------------------------|------------------------|
| REVENUES | | |
| Federal Funds | \$17,601,251.62 | \$14,076,457.56 |
| State Funds | | |
| Foundations/Private Contributions | Included w/Fundraising | Included w/Fundraising |
| United Way | \$30,000.00 | \$30,000.00 |
| Fundraising or other income | \$435,785.50 | \$602,700.43 |
| Other (describe) | \$1,512,256.68 | \$2,314,291.94 |
| Community Dev. Block Grant (include anticipated request) | \$25,000.00 | \$25,000.00 |
| TOTAL REVENUE | \$19,604,293.80 | \$17,048,449.93 |
| EXPENSES | | |
| Salaries | \$5,156,666.76 | \$6,700,568.50 |
| Payroll Taxes | \$398,090.94 | \$278,786.24 |
| Employee Benefits | \$472,712.70 | \$557,254.33 |
| Retirement | \$49,344.58 | \$43,272.66 |
| Direct Client Assistance | \$9,048,739.76 | \$5,340,627.09 |

| | | |
|--------------------------------|------------------------|------------------------|
| In-Kind | \$1,337,886.68 | \$1,600,761.33 |
| Professional Fees | \$500,549.13 | \$254,186.76 |
| Supplies | \$426,647.77 | \$838,078.22 |
| Occupancy | \$824,035.08 | \$365,250.08 |
| Repairs and Maintenance | \$23,945.69 | \$99,689.75 |
| Insurance | \$84,324.80 | \$104,002.72 |
| Training and Conferences | \$114,122.01 | \$215,315.40 |
| Depreciation | \$180,000.00 | \$244,140.00 |
| Travel and Transportation | \$74,400.42 | \$66,388.25 |
| Printing and Postage | \$16,265.00 | \$20,166.00 |
| Equipment | \$51,379.00 | \$29,711.00 |
| Interest Expense | \$23,318.59 | \$18,835.90 |
| Other Program Support | \$816,931.88 | \$261,441.89 |
| TOTAL EXPENSES | \$19,599,360.79 | \$17,038,476.11 |
| NET (Income - Expenses) | \$4,933.01 | \$9,973.82 |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---------------------|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|-----------------------------------|---------------------------------|
| U.S. Department of Agriculture | | | | |
| Child and Adult Care Food Program | 10,558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10,559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10,555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | 42,223 |
| | | | | 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10,569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10,569 | Belknap-Merrimack Community Action Partnership | None | 457,049 |
| | | | | 458,049 |
| Total U.S. Department of Agriculture | | | | \$ 721,711 |
| U.S. Department of Housing and Urban Development | | | | |
| Supportive Housing for the Elderly | 14,157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Rochester, New Hampshire | City of Rochester | 97,897 |
| | | | | 145,328 |
| CV - Emergency Solutions Grant Program | | | | |
| Emergency Solutions Grant Program | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 87,098 |
| | | | | 221,461 |
| Continuum of Care | | | | |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | 232,573 |
| | | | | 574,014 |
| Supportive Housing Program | 14,235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | 22,915 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 995,151 |
| U.S. Department of Homeland Security | | | | |
| Emergency Food and Shelter National Program | 97,024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | \$ 4,600 |
| U.S. Department of Energy | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XX0000-074-60 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | 177,515 |
| | | | | \$ 549,149 |
| Total U.S. Department of Energy | | | | \$ 549,149 |
| U.S. Department of the Treasury | | | | |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | HSS | 183,044 |
| | | | | \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21,027 | State of New Hampshire, NHHFA | | 2,518,503 |
| Total U.S. Department of the Treasury | | | | \$ 4,285,620 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|--|---------------------------------|
| U.S. Department of Health & Human Services | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93,044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93,870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93,658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93,556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93,558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93,499 | State of New Hampshire Governor's Office of Energy & Planning | 02-62-62-62010-19880000-600587 | 66,413 |
| Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93,569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93,575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93,600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93,600 | Direct Funding | 01CH01149601 C3, 01HE00051501 C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93,243 | Hope on Haven Hill | H79T084759 | 40,136 |
| Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services | 93,043 | National Council on Aging | 90HRC008 | 3,774 |
| Social Services Research and Demonstration | 93,647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EAD0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93,994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93,645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93,667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29650000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ 9,563,701 |
| TOTAL | | | | \$ 16,099,932 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY AND AFFILIATE

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Action Partnership of Strafford County and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County and Affiliate as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy Street Family Housing, LLC a wholly owned subsidiary, for the year ended December 31, 2023, which statements reflect total assets constituting 8.45 percent of consolidated total assets at December 31, 2023, and total revenues constituting 0.31 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Academy Street Family Housing, LLC, is based solely on the report of the other auditors.

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 Community Action Partnership of Strafford County and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County 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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leon, McDonnell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 30,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Inventory | 413,604 | 501,752 |
| Prepaid expenses | <u>11,972</u> | <u>52,046</u> |
| Total current assets | <u>4,647,175</u> | <u>4,495,758</u> |
| NONCURRENT ASSETS | | |
| Restricted cash | 36,215 | 29,455 |
| Contributions receivable | - | 20,000 |
| Security deposits | 8,375 | 8,427 |
| Property, net of accumulated depreciation | 6,374,340 | 5,804,619 |
| Other noncurrent assets | 25,503 | 25,503 |
| Right of use asset | <u>81,312</u> | <u>146,825</u> |
| Total noncurrent assets | <u>6,525,745</u> | <u>6,034,829</u> |
| TOTAL ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Current portion of long term debt | \$ 99,121 | \$ 95,690 |
| Accounts payable | 1,295,505 | 445,958 |
| Accrued payroll and related taxes | 128,546 | 129,018 |
| Accrued compensated absences | 193,093 | 205,528 |
| Refundable advances | 849,145 | 1,581,774 |
| Other current liabilities | 36,309 | 73,462 |
| Current portion of right of use liability | <u>36,264</u> | <u>65,513</u> |
| Total current liabilities | <u>2,637,983</u> | <u>2,596,943</u> |
| NONCURRENT LIABILITIES | | |
| Long term debt, less current portion shown above | 3,057,976 | 2,908,484 |
| Security deposits | 2,853 | 3,201 |
| Right of use liability, less current portion shown above | <u>45,048</u> | <u>81,312</u> |
| Total noncurrent liabilities | <u>3,105,877</u> | <u>2,992,997</u> |
| Total liabilities | <u>5,743,860</u> | <u>5,589,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 5,253,075 | 4,634,862 |
| With donor restrictions | <u>175,985</u> | <u>305,785</u> |
| Total net assets | <u>5,429,060</u> | <u>4,940,647</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | 65,397 | - | 65,397 |
| Public support | 329,618 | 31,514 | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 1,089 | - | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | 21,161,226 | 31,514 | 21,192,740 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | <u>161,314</u> | <u>(161,314)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>21,322,540</u> | <u>(129,800)</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,475,141 | - | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,704,560 | - | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,424,841</u> | <u>-</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | | | |
| | (102,301) | (129,800) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | | | |
| | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | | | |
| | 618,213 | (129,800) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | | | |
| | <u>4,634,862</u> | <u>305,785</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | | | |
| | <u>\$ 5,253,075</u> | <u>\$ 175,985</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 42,329,510 | \$ - | \$ 42,329,510 |
| Fees for service | 1,976,344 | - | 1,976,344 |
| Rent revenue | 58,600 | - | 58,600 |
| Public support | 514,628 | 113,717 | 628,345 |
| In-kind donations | 988,080 | - | 988,080 |
| Interest | 402 | - | 402 |
| Fundraising | 167,764 | - | 167,764 |
| Other revenue | 1,216 | - | 1,216 |
| Gain on disposal of property | 27,491 | - | 27,491 |
| | <u>46,064,035</u> | <u>113,717</u> | <u>46,177,752</u> |
| Total revenues and other support | | | |
| | 46,064,035 | 113,717 | 46,177,752 |
| NET ASSETS RELEASED FROM RESTRICTIONS | <u>166,561</u> | <u>(166,561)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>46,230,596</u> | <u>(52,844)</u> | <u>46,177,752</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,120,775 | - | 5,120,775 |
| Community services | 2,123,402 | - | 2,123,402 |
| Energy assistance | 4,158,324 | - | 4,158,324 |
| Housing | 31,536,296 | - | 31,536,296 |
| Weatherization | 1,791,979 | - | 1,791,979 |
| | <u>44,730,776</u> | <u>-</u> | <u>44,730,776</u> |
| Total program services | | | |
| | 44,730,776 | - | 44,730,776 |
| Supporting activities | | | |
| Management and general | 1,179,649 | - | 1,179,649 |
| Fundraising | 219,246 | - | 219,246 |
| | <u>46,129,671</u> | <u>-</u> | <u>46,129,671</u> |
| Total expenses | | | |
| | 46,129,671 | - | 46,129,671 |
| CHANGE IN NET ASSETS | 100,925 | (52,844) | 48,081 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,533,937</u> | <u>358,629</u> | <u>4,892,566</u> |
| NET ASSETS, END OF YEAR | <u>\$ 4,634,862</u> | <u>\$ 305,785</u> | <u>\$ 4,940,647</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|---------------------------|-------------------------------|------------------------------|---------------------|-----------------------|-----------------------------------|--|---------------------------------------|--------------------|----------------------|
| Payroll | \$ 3,562,846 | \$ 276,618 | \$ 503,425 | \$ 628,100 | \$ 220,327 | \$ 5,191,316 | \$ 24,927 | \$ 854,406 | \$ 79,711 | \$ 6,150,360 |
| Payroll taxes | 293,123 | 23,014 | 41,585 | 51,302 | 17,595 | 426,619 | 2,305 | 40,988 | 6,452 | 476,364 |
| Fringe benefits | 233,618 | 18,544 | 42,466 | 49,182 | 23,018 | 366,828 | - | 63,255 | 5,369 | 435,452 |
| Retirement | 16,331 | 1,769 | 2,362 | 5,463 | 1,837 | 27,762 | 274 | 4,914 | 291 | 33,241 |
| Weatherization material, fuel and client assistance | 29,635 | 32,082 | 3,413,724 | 4,394,593 | 2,977,588 | 10,847,622 | - | - | - | 10,847,622 |
| In-kind expenses | 167,453 | 565,933 | - | 19,827 | 500 | 753,713 | - | - | 13,511 | 767,224 |
| Consultants and contract labor | 58,298 | 6,383 | 151 | 41,791 | 336 | 106,959 | 77,946 | 167,622 | 19,414 | 371,941 |
| Consumable supplies | 223,160 | 154,240 | 5,563 | 39,621 | 4,738 | 427,322 | 51,654 | 18,436 | 4,875 | 502,287 |
| Occupancy | 700,964 | 46,498 | 55,377 | 130,160 | 21,160 | 954,159 | (621,635) | 84,260 | 11,291 | 428,075 |
| Repairs and maintenance | 52,295 | 9,782 | 5,971 | 17,494 | 1,133 | 86,675 | 400,030 | 5,810 | 1,675 | 494,190 |
| Insurance | 33,359 | 3,256 | 1,325 | 8,559 | 955 | 47,454 | 15,170 | 56,416 | 185 | 119,225 |
| Training and conferences | 86,945 | 12,467 | 5,012 | 21,405 | 19,194 | 145,023 | 62 | 66,709 | 41,212 | 253,006 |
| Depreciation | 76,962 | 42,021 | 391 | 37,528 | 4,328 | 161,230 | - | 87,399 | - | 248,629 |
| Travel and transportation | 44,974 | 4,203 | 224 | 16,382 | 6,491 | 72,274 | (12,307) | 6,983 | 894 | 67,844 |
| Printing and postage | 1,074 | 3,098 | 2,051 | 60 | 19 | 6,302 | - | 6,091 | 10,295 | 22,688 |
| Equipment and computer | 6,952 | 728 | - | 2,525 | 6,628 | 16,833 | 16,357 | 3,458 | 60 | 36,708 |
| Interest expense | 17,629 | 6,819 | 9,144 | 11,149 | 3,256 | 47,997 | 2,834 | 42,163 | 1,280 | 94,274 |
| Other program support | 12,896 | 5,576 | - | - | - | 18,472 | 42,383 | 13,902 | 954 | 75,711 |
| Total expenses | \$ 5,618,514 | \$ 1,213,031 | \$ 4,088,771 | \$ 5,475,141 | \$ 3,309,103 | \$ 19,704,560 | \$ - | \$ 1,522,812 | \$ 197,469 | \$ 21,424,841 |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------|------------------------------|--|---|--|---------------------------|-----------------------------|
| Payroll | \$ 2,951,365 | \$ 644,816 | \$ 388,986 | \$ 920,193 | \$ 164,650 | \$ 5,070,010 | \$ 73,067 | \$ 681,722 | \$ 121,545 | \$ 5,946,344 |
| Payroll taxes | 247,208 | 57,069 | 32,974 | 75,584 | 12,672 | 425,507 | 6,311 | 63,162 | 9,833 | 504,813 |
| Fringe benefits | 205,921 | 34,528 | 30,366 | 72,552 | 19,799 | 363,166 | 82 | 37,953 | 5,220 | 406,421 |
| Retirement | 14,995 | 2,162 | 1,569 | 6,445 | 761 | 25,932 | 752 | 5,767 | 75 | 32,526 |
| Weatherization material, fuel and client assistance | 119,381 | 20,588 | 3,606,402 | 29,909,257 | 1,514,988 | 35,170,616 | - | - | - | 35,170,616 |
| In-kind expenses | 14,772 | 968,268 | - | - | - | 983,040 | - | - | 5,040 | 988,080 |
| Consultants and contract labor | 166,829 | 14,565 | 2,692 | 212,431 | 1,597 | 398,114 | 99,599 | 139,998 | 12,755 | 650,466 |
| Consumable supplies | 206,399 | 205,366 | 9,582 | 35,892 | 8,549 | 465,788 | 42,120 | 18,091 | 3,958 | 529,957 |
| Occupancy | 704,886 | 70,467 | 41,243 | 141,580 | 18,043 | 976,219 | (670,668) | 69,769 | 6,201 | 381,521 |
| Repairs and maintenance | 39,766 | 23,938 | 7,541 | 10,406 | 2,763 | 84,414 | 440,423 | 660 | 2,194 | 527,691 |
| Insurance | 71,667 | 11,150 | 1,610 | 22,841 | 2,431 | 109,699 | 25,811 | 52,785 | 259 | 188,554 |
| Training and conferences | 80,246 | 5,551 | 2,526 | 7,834 | 17,205 | 113,362 | 119 | 26,440 | 41,454 | 181,375 |
| Depreciation | 80,133 | 34,099 | 391 | 34,641 | 4,328 | 153,592 | - | 85,443 | - | 239,035 |
| Travel and transportation | 42,327 | 4,808 | 89 | 11,836 | 6,722 | 65,782 | (12,356) | 4,699 | 769 | 58,894 |
| Printing and postage | 3,723 | 55 | 10,850 | 348 | 96 | 15,072 | - | 11,043 | 5,576 | 31,691 |
| Equipment and computer | - | - | 6,588 | 24,285 | 10,544 | 41,417 | 29,326 | - | 1,310 | 72,053 |
| Interest expense | - | 10,658 | 10,141 | 12,037 | 3,070 | 35,906 | 5,982 | 81,815 | 1,438 | 125,141 |
| Indirect | 105,441 | - | - | - | - | 105,441 | - | (105,441) | - | - |
| Other program support | 65,716 | 15,314 | 4,774 | 38,134 | 3,761 | 127,699 | (40,568) | 5,743 | 1,619 | 94,493 |
| Total expenses | <u>\$ 5,120,775</u> | <u>\$ 2,123,402</u> | <u>\$ 4,158,324</u> | <u>\$ 31,536,296</u> | <u>\$ 1,791,979</u> | <u>\$ 44,730,776</u> | <u>\$ -</u> | <u>\$ 1,179,649</u> | <u>\$ 219,246</u> | <u>\$ 46,129,671</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 488,413 | \$ 48,081 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 248,629 | 239,035 |
| Amortization of debt issuance costs | 3,376 | 3,376 |
| Acquisition of property and land | (945,514) | - |
| Acquisition of long term debt | 225,000 | - |
| Transfer of property to Gafney Home, L.P. | 129,397 | - |
| Loss (gain) on disposal of property | 79,338 | (27,491) |
| Decrease (increase) in assets: | | |
| Accounts receivable | 681,516 | (426,641) |
| Contributions receivable | 30,000 | (37,400) |
| Due from Gafney Home, L.P. | (519,890) | - |
| Inventory | 88,148 | 9,780 |
| Prepaid expenses | 40,074 | (15,380) |
| Other noncurrent assets | - | 1,334 |
| Security deposits | 52 | 42 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 849,547 | (475,081) |
| Accrued payroll and related taxes | (472) | (7,229) |
| Accrued compensated absences | (12,435) | 60,294 |
| Refundable advances | (732,629) | 630,909 |
| Other current liabilities | (37,153) | 73,462 |
| Security deposits | (348) | - |
| | <u>615,049</u> | <u>77,091</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property | (100,594) | (506,141) |
| Proceeds on sale of property | 19,023 | 600,000 |
| | <u>(81,571)</u> | <u>93,859</u> |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments made on long term debt | (75,453) | (355,915) |
| | <u>(75,453)</u> | <u>(355,915)</u> |
| NET CASH USED IN FINANCING ACTIVITIES | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 458,025 | (184,965) |
| CASH AND RESTRICTED CASH, BEGINNING OF YEAR | <u>1,384,563</u> | <u>1,569,528</u> |
| CASH AND RESTRICTED CASH, END OF YEAR | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| CASH AND RESTRICTED CASH | | |
| Cash | \$ 1,806,373 | \$ 1,355,108 |
| Restricted cash: | | |
| Insurance escrow | 13,477 | 9,193 |
| Tax escrow | 5,931 | 5,952 |
| Replacement reserves | 6,580 | 4,363 |
| Operating reserve | 10,227 | 9,947 |
| | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | <u>\$ 90,898</u> | <u>\$ 121,765</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES | | |
| Acquired property and land | <u>\$ 945,514</u> | <u>\$ -</u> |
| Acquired long term debt | <u>\$ 225,000</u> | <u>\$ -</u> |

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Principles of Consolidation

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

Academy Street Family Housing, LLC (Academy Street) is a limited liability company which is consolidated because the Agency is the sole member of Academy Street. All significant intercompany items and transactions have been eliminated from the consolidated financial statements.

In addition to the Agency's administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency 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 increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2023 and 2022, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Unless otherwise indicated, fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Inventory

Inventory materials are fixtures for installation and recorded at cost or net realizable value or if donated, at approximate fair value at date of donation, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

| | |
|------------------------------------|---------------|
| Buildings and improvements | 15 - 40 years |
| Furniture, equipment and machinery | 3 - 10 years |
| Vehicles | 5 - 7 years |

Depreciation expense aggregated \$248,629 and \$239,035 for the years ended December 31, 2023 and 2022, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$193,093 and \$205,528 at December 31, 2023 and 2022, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

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

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition Policy

The Agency derives revenue from grants, fees for services, donations, public support, and fundraising. Revenues are recognized when control of these services are transferred to customers, in an amount that reflects the consideration the Agency expects to be entitled to in exchange for those services. Cost incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Academy Street derives revenue 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. Control of the leased units is transferred to the lessee in an exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2023 and 2022 amounted to \$10,426 and \$72,759, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense for the years ended December 31, 2023 and 2022 amounted to \$3,376 and has been included with interest expense in the consolidated statement of activities for each year. The unamortized deferred financing costs have been included as a reduction of the long term debt (see Note 10).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying consolidated financial statements. The estimated fair value of the donation was determined to be \$103,356 and \$14,772 for the years ended December 31, 2023 and 2022, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$457,049 and \$116,368, respectively, for the year ended December 31, 2023. For the year ended December 31, 2022, the estimated fair value of these food commodities and goods was determined to be \$968,268 and \$5,040, respectively.

The Agency also receives contributed professional services and volunteer time that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$90,451 for the year ended December 31, 2023. There were no contributed professional services for the year ended December 31, 2022.

Functional Allocation of Expenses

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

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of allocation</u> |
|-----------------------|------------------------------------|
| Salaries and benefits | Time and effort |
| Occupancy | Square footage/revenues |
| Depreciation | Square footage |
| All other expenses | Approved indirect rate |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

New Accounting Pronouncement

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Agency adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Agency’s financial statements.

NOTE 2. PROPERTY

As of December 31, 2023 and 2022, property consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|----------------------------|----------------------------|
| Land, buildings and improvements | \$ 6,900,857 | \$ 6,181,672 |
| Furniture, equipment and machinery | 418,949 | 398,645 |
| Vehicles | <u>315,682</u> | <u>350,136</u> |
| Total | 7,635,488 | 6,930,453 |
| Less accumulated depreciation | <u>1,261,148</u> | <u>1,125,834</u> |
| Net property | <u>\$ 6,374,340</u> | <u>\$ 5,804,619</u> |

NOTE 3. RESTRICTED CASH BALANCES

Certain cash accounts have been established and are being funded in accordance with a regulatory agreement entered into between Academy Street and New Hampshire Housing as discussed below. All reserves are required to be held in qualified New Hampshire financial institutions that are insured by the FDIC.

Operating Reserve

Under the regulatory agreement, Academy Street is required to establish an operating reserve. The operating reserve was funded properly during the years ended December 31, 2023 and 2022.

Replacement Reserve

Under the regulatory agreement, Academy Street is required to set aside amounts for the replacement of property and other expenditures approved by New Hampshire Housing. Additionally, Academy Street is required to make monthly payments to the reserve. The reserve was properly funded during 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Insurance and Real Estate Tax Escrows

Academy Street is required to establish a reserve to fund tax and insurance payments in the project. Amounts are to be deposited on a monthly basis to accrue a sufficient balance to pay future tax and insurance bills of the project. As of December 31, 2023 and 2022, the balance in the reserves for tax and insurance escrows was properly funded.

NOTE 4. LIQUIDITY AND AVAILABILITY

The following represents the Agency's financial assets as of December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------------|----------------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 50,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Restricted cash | <u>36,215</u> | <u>29,455</u> |
| Total financial assets | 4,254,814 | 3,991,415 |
| Less amounts not available to be used within one year: | | |
| Restricted cash | 36,215 | 29,455 |
| Board designated funds | <u>-</u> | <u>307,315</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 4,221,599</u> | <u>\$ 3,654,645</u> |

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Agency uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

The allowance for uncollectible accounts was estimated to be zero at December 31, 2023 and 2022. The Agency has no policy for charging interest on overdue accounts.

NOTE 6. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|----------------------|------------------|------------------|
| Within one year | \$ 20,000 | \$ 30,000 |
| In two to five years | <u>-</u> | <u>20,000</u> |
| | <u>\$ 20,000</u> | <u>\$ 50,000</u> |

NOTE 7. DUE FROM GAFNEY HOME, L.P.

Gafney Home, L.P. (Gafney) is a low-income housing tax credit property. The general partner (0.01%) of Gafney is 100% owned by the Agency. The \$519,890 included in due from Gafney Home, L.P. on the consolidated statement of financial position for the year ended December 31, 2023 represents amounts that the Agency has paid on behalf of Gafney for the construction that is underway.

NOTE 8. PLEDGED ASSETS

As described in **Note 9**, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in **Note 10**, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 9. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$750,000. Prior to November 2023, \$250,000 was the amount available on the revolving line of credit. The note is payable upon demand. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 9.50% at December 31, 2023 and 8.50% at December 31, 2022. The note is collateralized by all the assets of the Agency. There was no outstanding balance on the demand note payable as of December 31, 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 10. LONG TERM DEBT

The long term debt at December 31, 2023 and 2022 consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| Mortgage payable to Kennebunk Savings Bank which had interest only payments for 36 months followed by principal and interest payments for 264 months. During the year ended December 31, 2022 the note was refinanced to a fixed interest rate of 4.25% for the first ten years resulting in monthly principal and interest payments of \$11,170. On April 26, 2032, and on that date every year thereafter, principal and interest payments will adjust to 1.50% above the highest U.S Prime Rate as published in the Wall Street Journal on the applicable change date, with a floor rate of 4%. The note matures in 2043. The mortgage payable is secured by real estate. | \$ 1,790,164 | \$ 1,846,509 |
| 5.00% notes payable to the New Hampshire Community Loan Fund with monthly principal and interest payments of \$3,251, maturing October 2037. The notes are secured by real estate. | 387,745 | 406,854 |
| Note payable to New Hampshire Housing Finance Authority. The note is not subject to interest or principal amortization and will be forgiven in 2028 provided that the property is used for transitional housing. The note is secured by real estate. | 225,000 | - |
| Non-interest bearing note payable to New Hampshire Housing deferred until April 21, 2060 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | 785,889 | 785,889 |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Non-interest bearing note payable to New Hampshire Housing deferred until July 1, 2051 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | <u>25,755</u> | <u>25,755</u> |
| Total long term debt before current portion of long term debt and unamortized debt issuance costs | 3,214,553 | 3,065,007 |
| Current portion of long term debt | (99,121) | (95,690) |
| Unamortized debt issuance costs | <u>(57,457)</u> | <u>(60,833)</u> |
| Total long term debt | <u>\$ 3,057,975</u> | <u>\$ 2,908,484</u> |

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

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------------|
| 2024 | \$ 99,121 |
| 2025 | 82,809 |
| 2026 | 86,562 |
| 2027 | 90,488 |
| 2028 | 319,591 |
| Thereafter | <u>2,535,982</u> |
| Total | <u>\$ 3,214,553</u> |

NOTE 11. NET ASSETS

At December 31, 2023 and 2022, net assets with donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|-----------------|--------------------------|--------------------------|
| Whole family | \$ 39,286 | \$ 42,755 |
| COVID related | - | 120,546 |
| Fuel assistance | <u>136,699</u> | <u>142,484</u> |
| Total | <u>\$ 175,985</u> | <u>\$ 305,785</u> |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

At December 31, 2023 and 2022, net assets without donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Undesignated | \$ 5,253,075 | \$ 4,327,547 |
| Board designated | <u>-</u> | <u>307,315</u> |
| Total net assets without donor restrictions | <u>\$ 5,253,075</u> | <u>\$ 4,634,862</u> |

NOTE 12. OPERATING LEASES

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases with expiration dates through 2032. For the years ended December 31, 2023 and 2022, the annual lease/rent expense for the leased facilities was \$69,901 and \$90,501, respectively.

The Agency accounts for its operating leases under ASU 2016-02, *Leases (Topic 842)*. As such, the right of use (ROU) assets represent the Agency's right to use underlying assets for the lease term, and the lease liabilities represent the Agency's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The discount rate related to the Agency's lease liability as of December 31, 2023 was 3.75%, which is based upon the risk-free borrowing rates commensurate with the lease terms. At December 31, 2023, the ROU asset and lease liability is \$81,312. At December 31, 2022, the ROU asset and lease liability is \$146,825.

The weighted average lease term at December 31, 2023 is 5.44 years. The weighted average discount rate at December 31, 2023 is 3.75%.

Common expenses, classified as occupancy costs in the accompanying consolidated financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs as incurred.

Academy Street leases property from the Agency under a lease agreement for an annual rent amount of \$1. The lease expires during April 2045. Unless either party serves the other with a 180 day written notice prior to the expiration of the initial term, at the end of the initial term, the lease shall be automatically extended for an additional 25 year term.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

Lease liability maturities as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Amount</u> |
|---|----------------------|
| 2024 | \$ 38,401 |
| 2025 | 6,901 |
| 2026 | 6,901 |
| 2027 | 6,901 |
| 2028 | 6,901 |
| Thereafter | <u>24,144</u> |
| Total undiscounted lease liability | 90,149 |
| Less imputed interest | <u>(8,837)</u> |
| Total lease liability | <u>\$ 81,312</u> |

NOTE 13. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2023 and 2022 totaled \$33,241 and \$32,526, respectively.

NOTE 14. CONCENTRATION OF RISK

The Agency receives a majority of its support from federal and state governments. For the years ended December 31, 2023 and 2022, approximately 89% and 96%, respectively, of the Agency's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Agency's programs and activities.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

NOTE 15. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 16. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2023 and 2022.

NOTE 17. RENTAL INCOME RECEIVABLE

During the year ended December 31, 2023, and subsequent to year end, Academy Street entered into four separate rental agreements for use of their four apartments. The rental agreements have differing expirations ranging from April 2024 through April 2025. Monthly payments for the agreements ranged from \$1,168 to \$1,394 and are due the first day of each month. At December 31, 2023 and 2022, \$2,587 and \$1,412, respectively, is outstanding from tenants for rent and is included in accounts receivable in the accompanying consolidated statements of financial position.

The approximate future rental payments owed on the above leases are as follows:

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------|
| 2024 | \$ 51,598 |
| 2025 | <u>15,824</u> |
| Total | <u>\$ 67,422</u> |

NOTE 18. ACQUISITION OF PROPERTY AND LAND

During the year ended December 31, 2023, the Agency acquired property and land relating to a transitional housing program from another nonprofit organization. The value of the building and land received in the acquisition totaled \$675,570 and \$269,944, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

As part of the acquisition of the property and land, the Agency also acquired the related note payable of \$225,000, payable to New Hampshire Housing Finance Authority (see **Note 10**). The Agency has been running the operations of the transitional housing program since the acquisition.

NOTE 19. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through June 5, 2024, the date the consolidated financial statements were available for issuance.

Subsequent to year end, on May 1, 2024, the Agency acquired the Home for Now Shelter, which is a homeless center in Strafford County, from another nonprofit organization. The value of the property acquired totaled \$1,502,600. The Agency will acquire all other remaining assets from the nonprofit organization once their dissolution is finalized.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | Total | Consolidating Adjustments | Consolidated |
|--|---|---|----------------------|--------------------------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,742,370 | \$ 64,003 | \$ 1,806,373 | \$ - | \$ 1,806,373 |
| Accounts receivable | 1,872,749 | 2,587 | 1,875,336 | - | 1,875,336 |
| Contributions receivable | 20,000 | - | 20,000 | - | 20,000 |
| Due from affiliate | 5,065 | - | 5,065 | (5,065) | - |
| Due from Gafney Home, L.P. | 519,890 | - | 519,890 | - | 519,890 |
| Inventory | 413,604 | - | 413,604 | - | 413,604 |
| Prepaid expenses | 11,972 | - | 11,972 | - | 11,972 |
| Total current assets | <u>4,585,650</u> | <u>66,590</u> | <u>4,652,240</u> | <u>(5,065)</u> | <u>4,647,175</u> |
| NONCURRENT ASSETS | | | | | |
| Restricted cash | - | 36,215 | 36,215 | - | 36,215 |
| Security deposits | 5,172 | 3,203 | 8,375 | - | 8,375 |
| Property, net of accumulated depreciation | 5,536,103 | 838,237 | 6,374,340 | - | 6,374,340 |
| Other noncurrent assets | 25,503 | - | 25,503 | - | 25,503 |
| Right of use asset | 81,312 | - | 81,312 | - | 81,312 |
| Total noncurrent assets | <u>5,648,090</u> | <u>877,655</u> | <u>6,525,745</u> | <u>-</u> | <u>6,525,745</u> |
| TOTAL ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current portion of long term debt | \$ 79,216 | \$ 19,905 | \$ 99,121 | \$ - | \$ 99,121 |
| Accounts payable | 1,290,169 | 5,336 | 1,295,505 | - | 1,295,505 |
| Accrued payroll and related taxes | 128,546 | - | 128,546 | - | 128,546 |
| Accrued compensated absences | 193,093 | - | 193,093 | - | 193,093 |
| Due to affiliate | - | 5,065 | 5,065 | (5,065) | - |
| Refundable advances | 849,145 | - | 849,145 | - | 849,145 |
| Other current liabilities | 36,292 | 17 | 36,309 | - | 36,309 |
| Current portion of right of use liability | 36,264 | - | 36,264 | - | 36,264 |
| Total current liabilities | <u>2,612,725</u> | <u>30,323</u> | <u>2,643,048</u> | <u>(5,065)</u> | <u>2,637,983</u> |
| NONCURRENT LIABILITIES | | | | | |
| Long term debt, less current portion shown above | 2,281,290 | 776,686 | 3,057,976 | - | 3,057,976 |
| Security deposits | - | 2,853 | 2,853 | - | 2,853 |
| Right of use liability, less current portion shown above | 45,048 | - | 45,048 | - | 45,048 |
| Total noncurrent liabilities | <u>2,326,338</u> | <u>779,539</u> | <u>3,105,877</u> | <u>-</u> | <u>3,105,877</u> |
| Total liabilities | <u>4,939,063</u> | <u>809,862</u> | <u>5,748,925</u> | <u>(5,065)</u> | <u>5,743,860</u> |
| NET ASSETS | | | | | |
| Without donor restrictions | 5,118,692 | 134,383 | 5,253,075 | - | 5,253,075 |
| With donor restrictions | 175,985 | - | 175,985 | - | 175,985 |
| Total net assets | <u>5,294,677</u> | <u>134,383</u> | <u>5,429,060</u> | <u>-</u> | <u>5,429,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | <u>Consolidated</u> |
|---|---|---|----------------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | - | 65,397 | 65,397 |
| Public support | 361,132 | - | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 235 | 854 | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | <u>21,126,489</u> | <u>66,251</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,392,053 | 83,088 | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,621,472 | 83,088 | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,341,753</u> | <u>83,088</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | (215,264) | (16,837) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 505,250 | (16,837) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,789,427</u> | <u>151,220</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,294,677</u> | <u>\$ 134,383</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|---|-----------------------------------|--|
| <u>U.S. Department of Agriculture</u> | | | | |
| Child and Adult Care Food Program | 10.558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10.559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10.555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10.569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> 458,049 |
| Total U.S. Department of Agriculture | | | | <u>\$ 721,711</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| Supportive Housing for the Elderly | 14.157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> 145,328 |
| CV - Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> 221,461 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> 574,014 |
| Supportive Housing Program | 14.235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>\$ 995,151</u> |
| <u>U.S. Department of Homeland Security</u> | | | | |
| Emergency Food and Shelter National Program | 97.024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | <u>\$ 4,600</u> |
| <u>U.S. Department of Energy</u> | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XXXX0000-074-50 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> \$ 549,149 |
| Total U.S. Department of Energy | | | | <u>\$ 549,149</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| Total U.S. Department of the Treasury | | | | <u>\$ 4,265,620</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|--|--|--|
| <u>U.S. Department of Health & Human Services</u> | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93.044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93.870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93.658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93.556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93.558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| | | | | 3,994,061 |
| Low-Income Water Assistance Program | 93.499 | State of New Hampshire Governor's Office of Energy & Planning | 02-52-52-52010-19880000-500587 | 66,413 |
| Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93.569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| | | | | 318,777 |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93.575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93.600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93.600 | Direct Funding | 01CH01149601C3, 01HE00051501C6 | <u>144,403</u> |
| | | | | 4,056,167 |
| Substance Abuse and Mental Health Services Administration | 93.243 | Hope on Haven Hill | H79TI084759 | 40,136 |
| Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | 93.043 | National Council on Aging | 90HDCR008 | 3,774 |
| Social Services Research and Demonstration | 93.647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EDA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93.994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93.645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93.667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29660000-102-500734-42106603 | <u>129,421</u> |
| | | | | 9,563,701 |
| Total U.S. Department of Health & Human Services | | | | \$ <u>9,563,701</u> |
| TOTAL | | | | \$ <u>16,099,932</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

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

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2023.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Partnership of Strafford County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County’s 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2023. Community Action Partnership of Strafford County'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, Community Action Partnership of Strafford County 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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.

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Community Action Partnership of Strafford County and Affiliate were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the consolidated financial statements is 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 financial statements of Community Action Partnership of Strafford County, 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 Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that would be required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major were: U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program, ALN 93.568 and U.S. Department of the Treasury, Emergency Rental Assistance Program, ALN 21.023, Coronavirus State and Local Fiscal Recovery Funds, ALN 21.027, U.S Department of Energy, Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2023-001

Condition: Accounts receivable was not reconciled to the aging report and uncollectible amounts were not written off timely. Bad debt expense was recognized in the current year as a result.

Criteria: Internal controls should be in place to ensure that accounts receivable are reconciled frequently to the aging report and accounts receivable are reviewed for collectability regularly. This reconciliation should be reviewed and approved by the CFO.

Cause: There has been a great deal of staff turnover in the Agency and the difficulty in hiring qualified people into the fiscal department has made proper accounting controls hard to achieve.

Effect: An entry in the amount of \$97,154 was posted to the current year bad debt expense. As nearly all accounts receivable is driven by billing for expenses under grants, it is normally deemed 100% collectible. As such, revenue in a prior year was overstated by the \$97,154.

Recommendation: We recommend that accounts receivable be reviewed regularly and any amounts that are deemed uncollectible are written off timely and/or establish an allowance for doubtful accounts. We also recommend that procedures are implemented to ensure that monthly reconciliations for accounts receivable are being performed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: As previously discussed during the fieldwork and noted in the report, staff turnover at CAPSC caused delays in some reconciliations due to training and hiring processes. There were no incorrect actions or processes; the delay in writing off outstanding accounts receivable was primarily due to staff turnover. With our newly completed fiscal team, we are now positioned to thoroughly research and resolve all outstanding accounts receivable balances. We are confident that our established procedures for monthly reviews and follow-up activities will effectively address this issue.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

| | | | | | |
|---|----------------|--|--|----|----|
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total Expenditure of Federal Awards | | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Local Assistance: | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total State and Local Awards | | | | \$ | \$ |
| | | | | | |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$ | \$ |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.

GA G Panke
SIGNATURE

7/29/24
DATE

BETSEY ANDRONS PRINICON
PRINTED NAME

CEO
TITLE

Community Action Partnership

Air Source Heat Pump Upgrades

Covered Bridge Manor

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|---------------------------------------|
| Organization Community Action Partnership of Strafford County | |
| Name of Activity Air Source Heat Pump Upgrade | |
| Name of Executive Director Betsey Andrews Parker, CEO | |
| Mailing Address 577 Central Avenue, Suite 10, Dover NH 03820 | |
| Physical Address 577 Central Avenue, Suite 10, Dover, NH 03820 | |
| Contact Person Bob Arnold, Housing Development and Revitalization Director | Phone 603-435-2500 Ext 2350 |
| E-Mail barnold@straffordcap.org | Website www.straffordcap.org |
| Please Identify the Type of Organization Applying for Funds (Note: More than one may apply) <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Other (Explain): <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Unit of | |
| Tax ID # 02-0268636 | |
| SAM UEI # Z3KKLWND4993 | SAM Expiration Date 02/27/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|--|
| Amount of Dover CDBG funds requested for activity: \$ 32,400.00 |
| Provide a very brief summary of the activity for which the funds are requested. Keep responses to one or two sentences (i.e. After School Care for K-4th grade students. Repair of homeless shelter roof.) Funds will be used for a mini split heat pump upgrade to the main dining hall and assembly room |

| PROJECT LOCATION |
|--|
| Location(s) where activity will occur. 280 County Farm Road, Dover NH |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Low-income elderly individuals |
| Beneficiaries: For FY 2026 (7/1/2025 – 6/30/2026) please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 26 |

| CLIENT POPULATION |
|---|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, are the criteria/protocols in writing?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| NARRATIVE – <i>PUBLIC FACILITY</i> ACTIVITY |
|--|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: This project includes the installation of two air-source heat pump systems with the purpose of providing energy efficient heating and cooling to the dining hall and recreation room. The building is currently heated with a central natural gas fired boiler system. Cooling is achieved through use of low-SEER window air conditioning units. The window units are problematic due to their increased baseload consumption, seasonal labor to install and remove, store and maintain. A new air-source heat pump system will deliver high efficient heating and cooling, reach areas the current system is unable to deliver heat and reduce the natural gas/carbon footprint of the project. Current annual gas consumption is 4891 therms/yr or 4891Mbtu’s. Current electric consumption of 24,343kwh.y. TREAT modeling predicts that the proposed heat pump system would reduce gas consumption by 700Mbtu’s or 14% and electric consumption by 2500 kwh/y or 10%. |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : The property provides housing to Dover Residents. As part of CAPSC’s long-term investment in this project we are committed to ensuring the building is code compliant, meets minimum energy code standards and provides safe, carbon monoxide-free shelter to area residents. Improvements to this portion of Dover’s housing stock benefits all current and future Dover residents. Heat related deaths are the leading cause of weather-related deaths in the U.S. Cooling degree days have seen an increase since 2015 and are directly related to heat related deaths. Air source heat pump systems such as the one proposed provide energy efficient cooling with greater longevity than traditional conventional cooling systems. Air source heat pumps improve the comfort, health and safety of homes. |
| Proposed activity starting date: 01/15/2025 |
| Proposed activity completion date: 06/15/2025 |
| Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.): A formal RFP will be issued in late 2024 with a submittal deadline of December 15th, 2024. A work order and contract will be awarded by January 5th, 2025 with an approved construction schedule. The target completion date will be April 15th, 2025. |

CAPSC Weatherization has long-standing relationships with local contractors specializing in heat pump systems. Over the past 36 months CAPSC Weatherization has installed over 140 systems in Strafford County. More recently CAPSC Weatherization completed a full heat pump conversion of the Head Start facility in Rochester, NH within budget and within schedule.

Provide a total activity cost broken down by major phases of the project:

Heat pumps: 1 Mitsubishi condenser servicing 2 air handlers, with line sets, electric cutoffs, wiring, leak down testing will cost approximately \$32,400.00. This cost is based on an average historical cost of \$.90 per BTU for a single multi-plex condenser servicing two 18k BTU heads.

| PERFORMANCE OUTCOME MEASURES | |
|---|---|
| Provide the <i>outcomes</i> proposed & the <i>method of measurement</i> . You may list multiple outcomes. | |
| Outcome | Measurement |
| <p>Example 1: Decrease in number of "latch-key kids"</p> <p>Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults</p> | <p>Example 1: # of children who participate in afterschool program</p> <p>Example 2: Increase in number of low/mod income residents that seek care from health program.</p> |
| Decreased electric costs associated with cooling | 12 month electric usage |
| Decreased risk of death and illness due to weather related temperatures | Decrease in the number of fire rescue calls at the site |
| | |

| DESCRIPTION OF ORGANIZATION |
|---|
| <p>Please provide a description for the <u>organization or agency</u> that is undertaking the activity or project.</p> <p>At Community Action Partnership of Strafford County (CAPSC), we strongly believe no one should go without having their basic needs met. As the leading anti-poverty agency in Strafford County, we strive to empower individuals and families to achieve self-sufficiency by opening the doors to resources and opportunities that offer a hand up, not a handout. When we achieve this goal, we reduce the impact of poverty and build a stronger community. Our mission at CAPSC is to reduce barriers to help clients improve their economic stability and well-being through education, advocacy, and partnerships. In accordance with its mission, CAPSC offers over 60+ coordinated programs designed to have a measurable impact on poverty and health status among our community's most vulnerable residents, specifically children under the age of six, people with disabilities, seniors and those experiencing low incomes. Programs include nutrition, housing, fuel and electric assistance, weatherization, parent and child education, childcare, and transportation, all of which are locally defined, planned and managed in partnership with other community agencies. All programs are designed to increase self-sufficiency and help clients become socially and financially independent. CAPSC's goal is to interrupt the cycle of poverty and empower children, working families and seniors to live more secure, stable</p> |

and healthier lives.

CAPSC is governed by a volunteer Board of Directors, one-third of whom are consumers of services. We have nearly 150 employees and a nearly \$20 million operating budget which includes federal, state, and local funds in addition to foundation and United Way grants, fees for service, and individual and corporate donations.

CAPSC helps individuals to meet basic needs like housing, heat, food, transportation, childcare, and more. In 2022-2023, CAPSC served over 18,000 households and provided over \$33 million in goods and services to Strafford County residents, thereby reducing the burden on other County and community services and changing countless lives for the better. Some of what the programs at CAPSC were able to accomplish includes:

- Paying nearly \$20 million in emergency rental assistance to landlords and utility companies to help 5,332 households avoid eviction and utility disconnections.
- Providing 2,265 safe, accessible rides for seniors
- Providing 5,699 households with fuel assistance, valued at over \$4.5 million.
- Providing 33,359 free summer meals to children experiencing food insecurity.
- Weatherizing 349 homes.
- Providing 289 children and their families with services through our Early Childhood Education programs.

Together, these programs provide a holistic approach to self-sufficiency, and offer clients the resources needed to move out of poverty.

AUDIT AND EVALUATION

Does your organization have an annual CPA audit or other financial statement? Yes

If yes, please submit most recent audit or financial statements as an attachment to this application.

Is your organization evaluated by outside agencies or programs? Yes

If yes, please note the agency/program and how often the evaluation occurs.

CAPSC is evaluated by the Region One Office of Head Start; Department of Health and Human Services; NH Office of Strategic Initiatives (OSI); Eversource; Unitil; and the United Way for program and financial performance. Evaluations occur annually at minimum. The Weatherization Program is evaluated annually to ensure the program is following all federal guidelines. Each Weatherization job is audited to ensure all Weatherization measures are done correctly. The most recent Weatherization audit occurred in June, 2024.

BOARD OF DIRECTORS

| Name | Residence (city/town) |
|--------------------|-----------------------|
| Terry Jarvis | New Durham, NH |
| Jean Miccolo | Rochester, NH |
| Steve Trozinski | Dover, NH |
| Alan Brown | Rochester, NH |
| Anthony Carr | Dover, NH |
| Leah Crouser | Dover, NH |
| Heather Blumenfeld | Dover, NH |
| Maureen Staples | Dover, NH |
| Brandi McKay-Berry | Barrington, NH |

| | |
|---------------------|----------------|
| Mark Toussaint | Rochester, NH |
| Robert Harrington | Dover, NH |
| Robert Warach | Dover, NH |
| Ian Oneail | Raymond, NH |
| Sarah Kuhl | Dover, NH |
| Christine McCluskey | Farmington, NH |
| Katrin Kasper | Lee, NH |
| James Rathbun | Farmington, NH |
| Nicki Gearwar | Dover, NH |
| | |
| | |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. <u>Public Facilities</u> | | | |
|---|-----------------------------------|----------------------|------------------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | | | |
| Other (list) | | | |
| Electrical work | | | |
| Heat pump installation and testing | \$32,400.00 | | |
| <i>Total Hard Costs</i> | \$32,400.00 | | \$32,400.00 |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| TOTAL PROPOSED BUDGET: | \$32,400.00 | | \$32,400.00 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|---|--|-------------|
| | Committed: | | |
| | Pending: | | |
| | Proposed: | | |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used for this activity. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|--|-------------------|-------------|
| Federal: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| State: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Local: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| NHSaves | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Portsmouth CDBG: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Rochester CDBG: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

| | | | | |
|--------|------------|--|--|--|
| Other: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Total: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

BUDGET: ORGANIZATION

Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from Jan 1 to Dec 31 | Current Year | Next Year (projected) |
|---|------------------------|------------------------|
| REVENUES | | |
| Federal Funds | \$17,601,251.62 | \$14,076,457.56 |
| State Funds | | |
| Foundations/Private Contributions | Included w/Fundraising | Included w/Fundraising |
| United Way | \$30,000.00 | \$30,000.00 |
| Fundraising or other income | \$435,785.50 | \$602,700.43 |
| Other (describe) | \$1,512,256.68 | \$2,314,291.94 |
| Community Dev. Block Grant (include anticipated request) | \$25,000.00 | \$25,000.00 |
| TOTAL REVENUE | \$19,604,293.80 | \$17,048,449.93 |
| EXPENSES | | |
| Salaries | \$5,156,666.76 | \$6,700,568.50 |
| Payroll Taxes | \$398,090.94 | \$278,786.24 |
| Employee Benefits | \$472,712.70 | \$557,254.33 |
| Retirement | \$49,344.58 | \$43,272.66 |
| Direct Client Assistance | \$9,048,739.76 | \$5,340,627.09 |

| | | |
|--------------------------------|------------------------|------------------------|
| In-Kind | \$1,337,886.68 | \$1,600,761.33 |
| Professional Fees | \$500,549.13 | \$254,186.76 |
| Supplies | \$426,647.77 | \$838,078.22 |
| Occupancy | \$824,035.08 | \$365,250.08 |
| Repairs and Maintenance | \$23,945.69 | \$99,689.75 |
| Insurance | \$84,324.80 | \$104,002.72 |
| Training and Conferences | \$114,122.01 | \$215,315.40 |
| Depreciation | \$180,000.00 | \$244,140.00 |
| Travel and Transportation | \$74,400.42 | \$66,388.25 |
| Printing and Postage | \$16,265.00 | \$20,166.00 |
| Equipment | \$51,379.00 | \$29,711.00 |
| Interest Expense | \$23,318.59 | \$18,835.90 |
| Other Program Support | \$816,931.88 | \$261,441.89 |
| TOTAL EXPENSES | \$19,599,360.79 | \$17,038,476.11 |
| NET (Income - Expenses) | \$4,933.01 | \$9,973.82 |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CDFR Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---------------------|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |

| | | | | | |
|---|----------------|--|--|----|----|
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total Expenditure of Federal Awards | | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Local Assistance: | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total State and Local Awards | | | | \$ | \$ |
| | | | | | |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$ | \$ |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.


SIGNATURE

7/29/24
DATE

BETSY ANDREWS PANKON
PRINTED NAME

COO
TITLE

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| <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 EXPENDITURES</u> |
|--|--|---|-----------------------------------|---------------------------------|
| U.S. Department of Agriculture | | | | |
| Child and Adult Care Food Program | 10,558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10,559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10,555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> |
| | | | | 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10,569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10,569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> |
| | | | | <u>458,049</u> |
| Total U.S. Department of Agriculture | | | | \$ 721,711 |
| U.S. Department of Housing and Urban Development | | | | |
| Supportive Housing for the Elderly | 14,157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> |
| | | | | 145,328 |
| CV - Emergency Solutions Grant Program | | | | |
| Emergency Solutions Grant Program | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> |
| | | | | 221,461 |
| Continuum of Care | | | | |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>230,377</u> |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> |
| | | | | 574,014 |
| Supportive Housing Program | 14,235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| | | | | 595,151 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 995,151 |
| U.S. Department of Homeland Security | | | | |
| Emergency Food and Shelter National Program | 97,024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | \$ 4,600 |
| U.S. Department of Energy | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XX0000-074-60 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> |
| | | | | 549,149 |
| Total U.S. Department of Energy | | | | \$ 549,149 |
| U.S. Department of the Treasury | | | | |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> |
| | | | | 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21,027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| | | | | 4,265,620 |
| Total U.S. Department of the Treasury | | | | \$ 4,265,620 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|--|---------------------------------|
| U.S. Department of Health & Human Services | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93,044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93,870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93,658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93,556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93,558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93,499 | State of New Hampshire Governor's Office of Energy & Planning | 02-62-62-62010-19880000-600587 | 66,413 |
| Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93,569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93,575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93,600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93,600 | Direct Funding | 01CH01149601 C3, 01HE00051501 C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93,243 | Hope on Haven Hill | H79T084759 | 40,136 |
| Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services | 93,043 | National Council on Aging | 90HRC008 | 3,774 |
| Social Services Research and Demonstration | 93,647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EAD0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93,994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93,645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93,667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29650000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ 9,563,701 |
| TOTAL | | | | \$ 16,099,932 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY AND AFFILIATE

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Action Partnership of Strafford County and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County and Affiliate as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy Street Family Housing, LLC a wholly owned subsidiary, for the year ended December 31, 2023, which statements reflect total assets constituting 8.45 percent of consolidated total assets at December 31, 2023, and total revenues constituting 0.31 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Academy Street Family Housing, LLC, is based solely on the report of the other auditors.

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 Community Action Partnership of Strafford County and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County 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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leon, McDonnell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 30,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Inventory | 413,604 | 501,752 |
| Prepaid expenses | <u>11,972</u> | <u>52,046</u> |
| Total current assets | <u>4,647,175</u> | <u>4,495,758</u> |
| NONCURRENT ASSETS | | |
| Restricted cash | 36,215 | 29,455 |
| Contributions receivable | - | 20,000 |
| Security deposits | 8,375 | 8,427 |
| Property, net of accumulated depreciation | 6,374,340 | 5,804,619 |
| Other noncurrent assets | 25,503 | 25,503 |
| Right of use asset | <u>81,312</u> | <u>146,825</u> |
| Total noncurrent assets | <u>6,525,745</u> | <u>6,034,829</u> |
| TOTAL ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Current portion of long term debt | \$ 99,121 | \$ 95,690 |
| Accounts payable | 1,295,505 | 445,958 |
| Accrued payroll and related taxes | 128,546 | 129,018 |
| Accrued compensated absences | 193,093 | 205,528 |
| Refundable advances | 849,145 | 1,581,774 |
| Other current liabilities | 36,309 | 73,462 |
| Current portion of right of use liability | <u>36,264</u> | <u>65,513</u> |
| Total current liabilities | <u>2,637,983</u> | <u>2,596,943</u> |
| NONCURRENT LIABILITIES | | |
| Long term debt, less current portion shown above | 3,057,976 | 2,908,484 |
| Security deposits | 2,853 | 3,201 |
| Right of use liability, less current portion shown above | <u>45,048</u> | <u>81,312</u> |
| Total noncurrent liabilities | <u>3,105,877</u> | <u>2,992,997</u> |
| Total liabilities | <u>5,743,860</u> | <u>5,589,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 5,253,075 | 4,634,862 |
| With donor restrictions | <u>175,985</u> | <u>305,785</u> |
| Total net assets | <u>5,429,060</u> | <u>4,940,647</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | 65,397 | - | 65,397 |
| Public support | 329,618 | 31,514 | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 1,089 | - | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | 21,161,226 | 31,514 | 21,192,740 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | <u>161,314</u> | <u>(161,314)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>21,322,540</u> | <u>(129,800)</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,475,141 | - | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,704,560 | - | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,424,841</u> | <u>-</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | | | |
| | (102,301) | (129,800) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | | | |
| | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | | | |
| | 618,213 | (129,800) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | | | |
| | <u>4,634,862</u> | <u>305,785</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | | | |
| | <u>\$ 5,253,075</u> | <u>\$ 175,985</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 42,329,510 | \$ - | \$ 42,329,510 |
| Fees for service | 1,976,344 | - | 1,976,344 |
| Rent revenue | 58,600 | - | 58,600 |
| Public support | 514,628 | 113,717 | 628,345 |
| In-kind donations | 988,080 | - | 988,080 |
| Interest | 402 | - | 402 |
| Fundraising | 167,764 | - | 167,764 |
| Other revenue | 1,216 | - | 1,216 |
| Gain on disposal of property | 27,491 | - | 27,491 |
| | <u>46,064,035</u> | <u>113,717</u> | <u>46,177,752</u> |
| Total revenues and other support | | | |
| | 46,064,035 | 113,717 | 46,177,752 |
| NET ASSETS RELEASED FROM RESTRICTIONS | <u>166,561</u> | <u>(166,561)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>46,230,596</u> | <u>(52,844)</u> | <u>46,177,752</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,120,775 | - | 5,120,775 |
| Community services | 2,123,402 | - | 2,123,402 |
| Energy assistance | 4,158,324 | - | 4,158,324 |
| Housing | 31,536,296 | - | 31,536,296 |
| Weatherization | 1,791,979 | - | 1,791,979 |
| | <u>44,730,776</u> | <u>-</u> | <u>44,730,776</u> |
| Total program services | | | |
| | 44,730,776 | - | 44,730,776 |
| Supporting activities | | | |
| Management and general | 1,179,649 | - | 1,179,649 |
| Fundraising | 219,246 | - | 219,246 |
| | <u>46,129,671</u> | <u>-</u> | <u>46,129,671</u> |
| Total expenses | | | |
| | 46,129,671 | - | 46,129,671 |
| CHANGE IN NET ASSETS | 100,925 | (52,844) | 48,081 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,533,937</u> | <u>358,629</u> | <u>4,892,566</u> |
| NET ASSETS, END OF YEAR | <u>\$ 4,634,862</u> | <u>\$ 305,785</u> | <u>\$ 4,940,647</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|---------------------------|-------------------------------|------------------------------|---------------------|-----------------------|-----------------------------------|--|---------------------------------------|--------------------|----------------------|
| Payroll | \$ 3,562,846 | \$ 276,618 | \$ 503,425 | \$ 628,100 | \$ 220,327 | \$ 5,191,316 | \$ 24,927 | \$ 854,406 | \$ 79,711 | \$ 6,150,360 |
| Payroll taxes | 293,123 | 23,014 | 41,585 | 51,302 | 17,595 | 426,619 | 2,305 | 40,988 | 6,452 | 476,364 |
| Fringe benefits | 233,618 | 18,544 | 42,466 | 49,182 | 23,018 | 366,828 | - | 63,255 | 5,369 | 435,452 |
| Retirement | 16,331 | 1,769 | 2,362 | 5,463 | 1,837 | 27,762 | 274 | 4,914 | 291 | 33,241 |
| Weatherization material, fuel and client assistance | 29,635 | 32,082 | 3,413,724 | 4,394,593 | 2,977,588 | 10,847,622 | - | - | - | 10,847,622 |
| In-kind expenses | 167,453 | 565,933 | - | 19,827 | 500 | 753,713 | - | - | 13,511 | 767,224 |
| Consultants and contract labor | 58,298 | 6,383 | 151 | 41,791 | 336 | 106,959 | 77,946 | 167,622 | 19,414 | 371,941 |
| Consumable supplies | 223,160 | 154,240 | 5,563 | 39,621 | 4,738 | 427,322 | 51,654 | 18,436 | 4,875 | 502,287 |
| Occupancy | 700,964 | 46,498 | 55,377 | 130,160 | 21,160 | 954,159 | (621,635) | 84,260 | 11,291 | 428,075 |
| Repairs and maintenance | 52,295 | 9,782 | 5,971 | 17,494 | 1,133 | 86,675 | 400,030 | 5,810 | 1,675 | 494,190 |
| Insurance | 33,359 | 3,256 | 1,325 | 8,559 | 955 | 47,454 | 15,170 | 56,416 | 185 | 119,225 |
| Training and conferences | 86,945 | 12,467 | 5,012 | 21,405 | 19,194 | 145,023 | 62 | 66,709 | 41,212 | 253,006 |
| Depreciation | 76,962 | 42,021 | 391 | 37,528 | 4,328 | 161,230 | - | 87,399 | - | 248,629 |
| Travel and transportation | 44,974 | 4,203 | 224 | 16,382 | 6,491 | 72,274 | (12,307) | 6,983 | 894 | 67,844 |
| Printing and postage | 1,074 | 3,098 | 2,051 | 60 | 19 | 6,302 | - | 6,091 | 10,295 | 22,688 |
| Equipment and computer | 6,952 | 728 | - | 2,525 | 6,628 | 16,833 | 16,357 | 3,458 | 60 | 36,708 |
| Interest expense | 17,629 | 6,819 | 9,144 | 11,149 | 3,256 | 47,997 | 2,834 | 42,163 | 1,280 | 94,274 |
| Other program support | 12,896 | 5,576 | - | - | - | 18,472 | 42,383 | 13,902 | 954 | 75,711 |
| Total expenses | \$ 5,618,514 | \$ 1,213,031 | \$ 4,088,771 | \$ 5,475,141 | \$ 3,309,103 | \$ 19,704,560 | \$ - | \$ 1,522,812 | \$ 197,469 | \$ 21,424,841 |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------|------------------------------|--|---|--|---------------------------|-----------------------------|
| Payroll | \$ 2,951,365 | \$ 644,816 | \$ 388,986 | \$ 920,193 | \$ 164,650 | \$ 5,070,010 | \$ 73,067 | \$ 681,722 | \$ 121,545 | \$ 5,946,344 |
| Payroll taxes | 247,208 | 57,069 | 32,974 | 75,584 | 12,672 | 425,507 | 6,311 | 63,162 | 9,833 | 504,813 |
| Fringe benefits | 205,921 | 34,528 | 30,366 | 72,552 | 19,799 | 363,166 | 82 | 37,953 | 5,220 | 406,421 |
| Retirement | 14,995 | 2,162 | 1,569 | 6,445 | 761 | 25,932 | 752 | 5,767 | 75 | 32,526 |
| Weatherization material, fuel and client assistance | 119,381 | 20,588 | 3,606,402 | 29,909,257 | 1,514,988 | 35,170,616 | - | - | - | 35,170,616 |
| In-kind expenses | 14,772 | 968,268 | - | - | - | 983,040 | - | - | 5,040 | 988,080 |
| Consultants and contract labor | 166,829 | 14,565 | 2,692 | 212,431 | 1,597 | 398,114 | 99,599 | 139,998 | 12,755 | 650,466 |
| Consumable supplies | 206,399 | 205,366 | 9,582 | 35,892 | 8,549 | 465,788 | 42,120 | 18,091 | 3,958 | 529,957 |
| Occupancy | 704,886 | 70,467 | 41,243 | 141,580 | 18,043 | 976,219 | (670,668) | 69,769 | 6,201 | 381,521 |
| Repairs and maintenance | 39,766 | 23,938 | 7,541 | 10,406 | 2,763 | 84,414 | 440,423 | 660 | 2,194 | 527,691 |
| Insurance | 71,667 | 11,150 | 1,610 | 22,841 | 2,431 | 109,699 | 25,811 | 52,785 | 259 | 188,554 |
| Training and conferences | 80,246 | 5,551 | 2,526 | 7,834 | 17,205 | 113,362 | 119 | 26,440 | 41,454 | 181,375 |
| Depreciation | 80,133 | 34,099 | 391 | 34,641 | 4,328 | 153,592 | - | 85,443 | - | 239,035 |
| Travel and transportation | 42,327 | 4,808 | 89 | 11,836 | 6,722 | 65,782 | (12,356) | 4,699 | 769 | 58,894 |
| Printing and postage | 3,723 | 55 | 10,850 | 348 | 96 | 15,072 | - | 11,043 | 5,576 | 31,691 |
| Equipment and computer | - | - | 6,588 | 24,285 | 10,544 | 41,417 | 29,326 | - | 1,310 | 72,053 |
| Interest expense | - | 10,658 | 10,141 | 12,037 | 3,070 | 35,906 | 5,982 | 81,815 | 1,438 | 125,141 |
| Indirect | 105,441 | - | - | - | - | 105,441 | - | (105,441) | - | - |
| Other program support | 65,716 | 15,314 | 4,774 | 38,134 | 3,761 | 127,699 | (40,568) | 5,743 | 1,619 | 94,493 |
| Total expenses | <u>\$ 5,120,775</u> | <u>\$ 2,123,402</u> | <u>\$ 4,158,324</u> | <u>\$ 31,536,296</u> | <u>\$ 1,791,979</u> | <u>\$ 44,730,776</u> | <u>\$ -</u> | <u>\$ 1,179,649</u> | <u>\$ 219,246</u> | <u>\$ 46,129,671</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 488,413 | \$ 48,081 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 248,629 | 239,035 |
| Amortization of debt issuance costs | 3,376 | 3,376 |
| Acquisition of property and land | (945,514) | - |
| Acquisition of long term debt | 225,000 | - |
| Transfer of property to Gafney Home, L.P. | 129,397 | - |
| Loss (gain) on disposal of property | 79,338 | (27,491) |
| Decrease (increase) in assets: | | |
| Accounts receivable | 681,516 | (426,641) |
| Contributions receivable | 30,000 | (37,400) |
| Due from Gafney Home, L.P. | (519,890) | - |
| Inventory | 88,148 | 9,780 |
| Prepaid expenses | 40,074 | (15,380) |
| Other noncurrent assets | - | 1,334 |
| Security deposits | 52 | 42 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 849,547 | (475,081) |
| Accrued payroll and related taxes | (472) | (7,229) |
| Accrued compensated absences | (12,435) | 60,294 |
| Refundable advances | (732,629) | 630,909 |
| Other current liabilities | (37,153) | 73,462 |
| Security deposits | (348) | - |
| | <u>615,049</u> | <u>77,091</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property | (100,594) | (506,141) |
| Proceeds on sale of property | 19,023 | 600,000 |
| | <u>(81,571)</u> | <u>93,859</u> |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments made on long term debt | (75,453) | (355,915) |
| | <u>(75,453)</u> | <u>(355,915)</u> |
| NET CASH USED IN FINANCING ACTIVITIES | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 458,025 | (184,965) |
| CASH AND RESTRICTED CASH, BEGINNING OF YEAR | <u>1,384,563</u> | <u>1,569,528</u> |
| CASH AND RESTRICTED CASH, END OF YEAR | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| CASH AND RESTRICTED CASH | | |
| Cash | \$ 1,806,373 | \$ 1,355,108 |
| Restricted cash: | | |
| Insurance escrow | 13,477 | 9,193 |
| Tax escrow | 5,931 | 5,952 |
| Replacement reserves | 6,580 | 4,363 |
| Operating reserve | 10,227 | 9,947 |
| | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | <u>\$ 90,898</u> | <u>\$ 121,765</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND AND FINANCING ACTIVITIES | | |
| Acquired property and land | <u>\$ 945,514</u> | <u>\$ -</u> |
| Acquired long term debt | <u>\$ 225,000</u> | <u>\$ -</u> |

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Principles of Consolidation

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

Academy Street Family Housing, LLC (Academy Street) is a limited liability company which is consolidated because the Agency is the sole member of Academy Street. All significant intercompany items and transactions have been eliminated from the consolidated financial statements.

In addition to the Agency's administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency 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 increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2023 and 2022, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Unless otherwise indicated, fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Inventory

Inventory materials are fixtures for installation and recorded at cost or net realizable value or if donated, at approximate fair value at date of donation, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

| | |
|------------------------------------|---------------|
| Buildings and improvements | 15 - 40 years |
| Furniture, equipment and machinery | 3 - 10 years |
| Vehicles | 5 - 7 years |

Depreciation expense aggregated \$248,629 and \$239,035 for the years ended December 31, 2023 and 2022, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$193,093 and \$205,528 at December 31, 2023 and 2022, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

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

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition Policy

The Agency derives revenue from grants, fees for services, donations, public support, and fundraising. Revenues are recognized when control of these services are transferred to customers, in an amount that reflects the consideration the Agency expects to be entitled to in exchange for those services. Cost incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Academy Street derives revenue 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. Control of the leased units is transferred to the lessee in an exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2023 and 2022 amounted to \$10,426 and \$72,759, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense for the years ended December 31, 2023 and 2022 amounted to \$3,376 and has been included with interest expense in the consolidated statement of activities for each year. The unamortized deferred financing costs have been included as a reduction of the long term debt (see Note 10).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying consolidated financial statements. The estimated fair value of the donation was determined to be \$103,356 and \$14,772 for the years ended December 31, 2023 and 2022, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$457,049 and \$116,368, respectively, for the year ended December 31, 2023. For the year ended December 31, 2022, the estimated fair value of these food commodities and goods was determined to be \$968,268 and \$5,040, respectively.

The Agency also receives contributed professional services and volunteer time that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$90,451 for the year ended December 31, 2023. There were no contributed professional services for the year ended December 31, 2022.

Functional Allocation of Expenses

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

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of allocation</u> |
|-----------------------|------------------------------------|
| Salaries and benefits | Time and effort |
| Occupancy | Square footage/revenues |
| Depreciation | Square footage |
| All other expenses | Approved indirect rate |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

New Accounting Pronouncement

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Agency adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Agency’s financial statements.

NOTE 2. PROPERTY

As of December 31, 2023 and 2022, property consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|----------------------------|----------------------------|
| Land, buildings and improvements | \$ 6,900,857 | \$ 6,181,672 |
| Furniture, equipment and machinery | 418,949 | 398,645 |
| Vehicles | <u>315,682</u> | <u>350,136</u> |
| Total | 7,635,488 | 6,930,453 |
| Less accumulated depreciation | <u>1,261,148</u> | <u>1,125,834</u> |
| Net property | <u>\$ 6,374,340</u> | <u>\$ 5,804,619</u> |

NOTE 3. RESTRICTED CASH BALANCES

Certain cash accounts have been established and are being funded in accordance with a regulatory agreement entered into between Academy Street and New Hampshire Housing as discussed below. All reserves are required to be held in qualified New Hampshire financial institutions that are insured by the FDIC.

Operating Reserve

Under the regulatory agreement, Academy Street is required to establish an operating reserve. The operating reserve was funded properly during the years ended December 31, 2023 and 2022.

Replacement Reserve

Under the regulatory agreement, Academy Street is required to set aside amounts for the replacement of property and other expenditures approved by New Hampshire Housing. Additionally, Academy Street is required to make monthly payments to the reserve. The reserve was properly funded during 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Insurance and Real Estate Tax Escrows

Academy Street is required to establish a reserve to fund tax and insurance payments in the project. Amounts are to be deposited on a monthly basis to accrue a sufficient balance to pay future tax and insurance bills of the project. As of December 31, 2023 and 2022, the balance in the reserves for tax and insurance escrows was properly funded.

NOTE 4. LIQUIDITY AND AVAILABILITY

The following represents the Agency's financial assets as of December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------------|----------------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 50,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Restricted cash | <u>36,215</u> | <u>29,455</u> |
| Total financial assets | 4,254,814 | 3,991,415 |
| Less amounts not available to be used within one year: | | |
| Restricted cash | 36,215 | 29,455 |
| Board designated funds | <u>-</u> | <u>307,315</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 4,221,599</u> | <u>\$ 3,654,645</u> |

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Agency uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

The allowance for uncollectible accounts was estimated to be zero at December 31, 2023 and 2022. The Agency has no policy for charging interest on overdue accounts.

NOTE 6. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------------------|-------------------------|
| Within one year | \$ 20,000 | \$ 30,000 |
| In two to five years | <u>-</u> | <u>20,000</u> |
| | <u>\$ 20,000</u> | <u>\$ 50,000</u> |

NOTE 7. DUE FROM GAFNEY HOME, L.P.

Gafney Home, L.P. (Gafney) is a low-income housing tax credit property. The general partner (0.01%) of Gafney is 100% owned by the Agency. The \$519,890 included in due from Gafney Home, L.P. on the consolidated statement of financial position for the year ended December 31, 2023 represents amounts that the Agency has paid on behalf of Gafney for the construction that is underway.

NOTE 8. PLEDGED ASSETS

As described in **Note 9**, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in **Note 10**, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 9. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$750,000. Prior to November 2023, \$250,000 was the amount available on the revolving line of credit. The note is payable upon demand. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 9.50% at December 31, 2023 and 8.50% at December 31, 2022. The note is collateralized by all the assets of the Agency. There was no outstanding balance on the demand note payable as of December 31, 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 10. LONG TERM DEBT

The long term debt at December 31, 2023 and 2022 consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| Mortgage payable to Kennebunk Savings Bank which had interest only payments for 36 months followed by principal and interest payments for 264 months. During the year ended December 31, 2022 the note was refinanced to a fixed interest rate of 4.25% for the first ten years resulting in monthly principal and interest payments of \$11,170. On April 26, 2032, and on that date every year thereafter, principal and interest payments will adjust to 1.50% above the highest U.S Prime Rate as published in the Wall Street Journal on the applicable change date, with a floor rate of 4%. The note matures in 2043. The mortgage payable is secured by real estate. | \$ 1,790,164 | \$ 1,846,509 |
| 5.00% notes payable to the New Hampshire Community Loan Fund with monthly principal and interest payments of \$3,251, maturing October 2037. The notes are secured by real estate. | 387,745 | 406,854 |
| Note payable to New Hampshire Housing Finance Authority. The note is not subject to interest or principal amortization and will be forgiven in 2028 provided that the property is used for transitional housing. The note is secured by real estate. | 225,000 | - |
| Non-interest bearing note payable to New Hampshire Housing deferred until April 21, 2060 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | 785,889 | 785,889 |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Non-interest bearing note payable to New Hampshire Housing deferred until July 1, 2051 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | <u>25,755</u> | <u>25,755</u> |
| Total long term debt before current portion of long term debt and unamortized debt issuance costs | 3,214,553 | 3,065,007 |
| Current portion of long term debt | (99,121) | (95,690) |
| Unamortized debt issuance costs | <u>(57,457)</u> | <u>(60,833)</u> |
| Total long term debt | <u>\$ 3,057,975</u> | <u>\$ 2,908,484</u> |

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

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------------|
| 2024 | \$ 99,121 |
| 2025 | 82,809 |
| 2026 | 86,562 |
| 2027 | 90,488 |
| 2028 | 319,591 |
| Thereafter | <u>2,535,982</u> |
| Total | <u>\$ 3,214,553</u> |

NOTE 11. NET ASSETS

At December 31, 2023 and 2022, net assets with donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|-----------------|--------------------------|--------------------------|
| Whole family | \$ 39,286 | \$ 42,755 |
| COVID related | - | 120,546 |
| Fuel assistance | <u>136,699</u> | <u>142,484</u> |
| Total | <u>\$ 175,985</u> | <u>\$ 305,785</u> |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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At December 31, 2023 and 2022, net assets without donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Undesignated | \$ 5,253,075 | \$ 4,327,547 |
| Board designated | <u>-</u> | <u>307,315</u> |
| Total net assets without donor restrictions | <u>\$ 5,253,075</u> | <u>\$ 4,634,862</u> |

NOTE 12. OPERATING LEASES

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases with expiration dates through 2032. For the years ended December 31, 2023 and 2022, the annual lease/rent expense for the leased facilities was \$69,901 and \$90,501, respectively.

The Agency accounts for its operating leases under ASU 2016-02, *Leases (Topic 842)*. As such, the right of use (ROU) assets represent the Agency's right to use underlying assets for the lease term, and the lease liabilities represent the Agency's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The discount rate related to the Agency's lease liability as of December 31, 2023 was 3.75%, which is based upon the risk-free borrowing rates commensurate with the lease terms. At December 31, 2023, the ROU asset and lease liability is \$81,312. At December 31, 2022, the ROU asset and lease liability is \$146,825.

The weighted average lease term at December 31, 2023 is 5.44 years. The weighted average discount rate at December 31, 2023 is 3.75%.

Common expenses, classified as occupancy costs in the accompanying consolidated financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs as incurred.

Academy Street leases property from the Agency under a lease agreement for an annual rent amount of \$1. The lease expires during April 2045. Unless either party serves the other with a 180 day written notice prior to the expiration of the initial term, at the end of the initial term, the lease shall be automatically extended for an additional 25 year term.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

Lease liability maturities as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Amount</u> |
|---|----------------------|
| 2024 | \$ 38,401 |
| 2025 | 6,901 |
| 2026 | 6,901 |
| 2027 | 6,901 |
| 2028 | 6,901 |
| Thereafter | <u>24,144</u> |
| Total undiscounted lease liability | 90,149 |
| Less imputed interest | <u>(8,837)</u> |
| Total lease liability | <u>\$ 81,312</u> |

NOTE 13. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2023 and 2022 totaled \$33,241 and \$32,526, respectively.

NOTE 14. CONCENTRATION OF RISK

The Agency receives a majority of its support from federal and state governments. For the years ended December 31, 2023 and 2022, approximately 89% and 96%, respectively, of the Agency's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Agency's programs and activities.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

NOTE 15. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 16. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2023 and 2022.

NOTE 17. RENTAL INCOME RECEIVABLE

During the year ended December 31, 2023, and subsequent to year end, Academy Street entered into four separate rental agreements for use of their four apartments. The rental agreements have differing expirations ranging from April 2024 through April 2025. Monthly payments for the agreements ranged from \$1,168 to \$1,394 and are due the first day of each month. At December 31, 2023 and 2022, \$2,587 and \$1,412, respectively, is outstanding from tenants for rent and is included in accounts receivable in the accompanying consolidated statements of financial position.

The approximate future rental payments owed on the above leases are as follows:

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------|
| 2024 | \$ 51,598 |
| 2025 | <u>15,824</u> |
| Total | <u>\$ 67,422</u> |

NOTE 18. ACQUISITION OF PROPERTY AND LAND

During the year ended December 31, 2023, the Agency acquired property and land relating to a transitional housing program from another nonprofit organization. The value of the building and land received in the acquisition totaled \$675,570 and \$269,944, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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As part of the acquisition of the property and land, the Agency also acquired the related note payable of \$225,000, payable to New Hampshire Housing Finance Authority (see **Note 10**). The Agency has been running the operations of the transitional housing program since the acquisition.

NOTE 19. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through June 5, 2024, the date the consolidated financial statements were available for issuance.

Subsequent to year end, on May 1, 2024, the Agency acquired the Home for Now Shelter, which is a homeless center in Strafford County, from another nonprofit organization. The value of the property acquired totaled \$1,502,600. The Agency will acquire all other remaining assets from the nonprofit organization once their dissolution is finalized.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | Total | Consolidating Adjustments | Consolidated |
|--|---|---|----------------------|--------------------------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,742,370 | \$ 64,003 | \$ 1,806,373 | \$ - | \$ 1,806,373 |
| Accounts receivable | 1,872,749 | 2,587 | 1,875,336 | - | 1,875,336 |
| Contributions receivable | 20,000 | - | 20,000 | - | 20,000 |
| Due from affiliate | 5,065 | - | 5,065 | (5,065) | - |
| Due from Gafney Home, L.P. | 519,890 | - | 519,890 | - | 519,890 |
| Inventory | 413,604 | - | 413,604 | - | 413,604 |
| Prepaid expenses | 11,972 | - | 11,972 | - | 11,972 |
| Total current assets | <u>4,585,650</u> | <u>66,590</u> | <u>4,652,240</u> | <u>(5,065)</u> | <u>4,647,175</u> |
| NONCURRENT ASSETS | | | | | |
| Restricted cash | - | 36,215 | 36,215 | - | 36,215 |
| Security deposits | 5,172 | 3,203 | 8,375 | - | 8,375 |
| Property, net of accumulated depreciation | 5,536,103 | 838,237 | 6,374,340 | - | 6,374,340 |
| Other noncurrent assets | 25,503 | - | 25,503 | - | 25,503 |
| Right of use asset | 81,312 | - | 81,312 | - | 81,312 |
| Total noncurrent assets | <u>5,648,090</u> | <u>877,655</u> | <u>6,525,745</u> | <u>-</u> | <u>6,525,745</u> |
| TOTAL ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current portion of long term debt | \$ 79,216 | \$ 19,905 | \$ 99,121 | \$ - | \$ 99,121 |
| Accounts payable | 1,290,169 | 5,336 | 1,295,505 | - | 1,295,505 |
| Accrued payroll and related taxes | 128,546 | - | 128,546 | - | 128,546 |
| Accrued compensated absences | 193,093 | - | 193,093 | - | 193,093 |
| Due to affiliate | - | 5,065 | 5,065 | (5,065) | - |
| Refundable advances | 849,145 | - | 849,145 | - | 849,145 |
| Other current liabilities | 36,292 | 17 | 36,309 | - | 36,309 |
| Current portion of right of use liability | 36,264 | - | 36,264 | - | 36,264 |
| Total current liabilities | <u>2,612,725</u> | <u>30,323</u> | <u>2,643,048</u> | <u>(5,065)</u> | <u>2,637,983</u> |
| NONCURRENT LIABILITIES | | | | | |
| Long term debt, less current portion shown above | 2,281,290 | 776,686 | 3,057,976 | - | 3,057,976 |
| Security deposits | - | 2,853 | 2,853 | - | 2,853 |
| Right of use liability, less current portion shown above | 45,048 | - | 45,048 | - | 45,048 |
| Total noncurrent liabilities | <u>2,326,338</u> | <u>779,539</u> | <u>3,105,877</u> | <u>-</u> | <u>3,105,877</u> |
| Total liabilities | <u>4,939,063</u> | <u>809,862</u> | <u>5,748,925</u> | <u>(5,065)</u> | <u>5,743,860</u> |
| NET ASSETS | | | | | |
| Without donor restrictions | 5,118,692 | 134,383 | 5,253,075 | - | 5,253,075 |
| With donor restrictions | 175,985 | - | 175,985 | - | 175,985 |
| Total net assets | <u>5,294,677</u> | <u>134,383</u> | <u>5,429,060</u> | <u>-</u> | <u>5,429,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | <u>Consolidated</u> |
|---|---|---|----------------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | - | 65,397 | 65,397 |
| Public support | 361,132 | - | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 235 | 854 | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | <u>21,126,489</u> | <u>66,251</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,392,053 | 83,088 | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,621,472 | 83,088 | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,341,753</u> | <u>83,088</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | (215,264) | (16,837) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 505,250 | (16,837) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,789,427</u> | <u>151,220</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,294,677</u> | <u>\$ 134,383</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|---|-----------------------------------|--|
| <u>U.S. Department of Agriculture</u> | | | | |
| Child and Adult Care Food Program | 10.558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10.559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10.555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10.569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> 458,049 |
| Total U.S. Department of Agriculture | | | | <u>\$ 721,711</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| Supportive Housing for the Elderly | 14.157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> 145,328 |
| CV - Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> 221,461 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> 574,014 |
| Supportive Housing Program | 14.235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>\$ 995,151</u> |
| <u>U.S. Department of Homeland Security</u> | | | | |
| Emergency Food and Shelter National Program | 97.024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | <u>\$ 4,600</u> |
| <u>U.S. Department of Energy</u> | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XXXX0000-074-50 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> \$ 549,149 |
| Total U.S. Department of Energy | | | | <u>\$ 549,149</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| Total U.S. Department of the Treasury | | | | <u>\$ 4,265,620</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|--|--|--|
| <u>U.S. Department of Health & Human Services</u> | | | | |
| Aging Cluster Special Programs for the Aging - Title III, Part B | 93.044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93.870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93.658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93.556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93.558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93.499 | State of New Hampshire Governor's Office of Energy & Planning | 02-52-52-52010-19880000-500587 | 66,413 |
| Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93.569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster ARPA - Child Care and Development Block Grant | 93.575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster Head Start | 93.600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93.600 | Direct Funding | 01CH01149601C3, 01HE00051501C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93.243 | Hope on Haven Hill | H79TI084759 | 40,136 |
| Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | 93.043 | National Council on Aging | 90HDCR008 | 3,774 |
| Social Services Research and Demonstration | 93.647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EDA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93.994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93.645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93.667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29660000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ <u>9,563,701</u> |
| TOTAL | | | | \$ <u>16,099,932</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

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

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2023.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Partnership of Strafford County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County’s 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2023. Community Action Partnership of Strafford County'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, Community Action Partnership of Strafford County 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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.

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Community Action Partnership of Strafford County and Affiliate were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the consolidated financial statements is 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 financial statements of Community Action Partnership of Strafford County, 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 Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that would be required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major were: U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program, ALN 93.568 and U.S. Department of the Treasury, Emergency Rental Assistance Program, ALN 21.023, Coronavirus State and Local Fiscal Recovery Funds, ALN 21.027, U.S Department of Energy, Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2023-001

Condition: Accounts receivable was not reconciled to the aging report and uncollectible amounts were not written off timely. Bad debt expense was recognized in the current year as a result.

Criteria: Internal controls should be in place to ensure that accounts receivable are reconciled frequently to the aging report and accounts receivable are reviewed for collectability regularly. This reconciliation should be reviewed and approved by the CFO.

Cause: There has been a great deal of staff turnover in the Agency and the difficulty in hiring qualified people into the fiscal department has made proper accounting controls hard to achieve.

Effect: An entry in the amount of \$97,154 was posted to the current year bad debt expense. As nearly all accounts receivable is driven by billing for expenses under grants, it is normally deemed 100% collectible. As such, revenue in a prior year was overstated by the \$97,154.

Recommendation: We recommend that accounts receivable be reviewed regularly and any amounts that are deemed uncollectible are written off timely and/or establish an allowance for doubtful accounts. We also recommend that procedures are implemented to ensure that monthly reconciliations for accounts receivable are being performed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: As previously discussed during the fieldwork and noted in the report, staff turnover at CAPSC caused delays in some reconciliations due to training and hiring processes. There were no incorrect actions or processes; the delay in writing off outstanding accounts receivable was primarily due to staff turnover. With our newly completed fiscal team, we are now positioned to thoroughly research and resolve all outstanding accounts receivable balances. We are confident that our established procedures for monthly reviews and follow-up activities will effectively address this issue.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

Community Action Partnership

Roof Replacement

Covered Bridge Manor

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|---|
| Organization Community Action Partnership of Strafford County | |
| Name of Activity Roof replacement | |
| Name of Executive Director Betsey Andrews Parker, CEO | |
| Mailing Address 577 Central Avenue, Suite 10, Dover NH 03820 | |
| Physical Address 577 Central Avenue, Suite 10, Dover, NH 03820 | |
| Contact Person Bob Arnold, Housing Development and Revitalization Director | Phone 603-435-2500 Ext 2350 |
| E-Mail barnold@straffordcap.org | Website www.straffordcap.org |
| Please Identify the Type of Organization Applying for Funds (Note: More than one may apply) <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Other (Explain): <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Unit of | |
| Tax ID # 02-0268636 | |
| SAM UEI # Z3KKLWND4993 | SAM Expiration Date 02/27/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|--|
| Amount of Dover CDBG funds requested for activity: \$ 75,000.00 |
| Provide a very brief summary of the activity for which the funds are requested. Keep responses to one or two sentences (i.e. After School Care for K-4th grade students. Repair of homeless shelter roof.) Funds will be used to replace the roof at Covered Bridge Manor. |

| PROJECT LOCATION |
|--|
| Location(s) where activity will occur. 280 County Farm Road, Dover NH |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Low-income individuals 62 years and older |
| Beneficiaries: For FY 2026 (7/1/2025 – 6/30/2026) please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 26 |

| CLIENT POPULATION |
|---|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, are the criteria/protocols in writing?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| NARRATIVE – <u>PUBLIC FACILITY</u> ACTIVITY |
|--|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: This project involves replacing the room at Covered Bridge Manor. The current roof is at the end of it's life and requires a full replacement. |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : The property provides senior housing to Dover Residents. As part of CAPSC's long-term investment in this project we are committed to ensuring the building is code compliant, meets minimum energy code standards and provides safe, carbon monoxide-free shelter to area residents. Improvements to this portion of Dover's housing stock will benefit all current and future Dover residents for generations to come. |
| Proposed activity starting date: 01/15/2025 |
| Proposed activity completion date: 03/15/2025 |
| Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.): 3D site modeling was completed in July, 2024 which included prior Weatherization site measurements and an overall assessment of the upper shell. Two estimates from preferred contractors were received in 2024 and were used to predict the cost per sqft. A formal RFP will be issued in late 2024 with a submittal deadline of December 15 th , 2024. A work order and contract will be awarded by January 5 th , 2025 where a construction schedule will be agreed upon by the contractor and CAPSC. The target completion date will be April 15 th , 2025 CAPSC Weatherization has long-standing relationships with local contractors specializing in roofing systems. CAPSC Weatherization has acted as general contractor at two other large sites in Strafford County where roofing replacement was specified, bid out and overseen by Weatherization staff. CAPSC has managed roof replacements at over 22 sites in Strafford County since 2020. |

Provide a total activity cost broken down by major phases of the project:

Roof replacement: \$75,000.00 all-in, including materials and labor. This estimate is calculated at \$5.69 per square foot, total area to be treated is 13,168 with 24 facets.

PERFORMANCE OUTCOME MEASURES

Provide the outcomes proposed & the method of measurement. You may list multiple outcomes.

| Outcome | Measurement |
|--|--|
| Example 1: Decrease in number of "latch-key kids" Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Decreased maintenance costs associated with the upper building shell | Annual maintenance costs tracked within the CBM budget |
| Decreased risk of water infiltration and damage to existing upper shell systems | Annual maintenance costs tracked within the CBM budget |
| Increased longevity of the building | Lifespan of the building as part of the local housing stock |
| Increased health and safety of building occupants | Fire rescue calls related to building deferred maintenance |

DESCRIPTION OF ORGANIZATION

Please provide a description for the organization or agency that is undertaking the activity or project.

At Community Action Partnership of Strafford County (CAPSC), we strongly believe no one should go without having their basic needs met. As the leading anti-poverty agency in Strafford County, we strive to empower individuals and families to achieve self-sufficiency by opening the doors to resources and opportunities that offer a hand up, not a handout. When we achieve this goal, we reduce the impact of poverty and build a stronger community. Our mission at CAPSC is to reduce barriers to help clients improve their economic stability and well-being through education, advocacy, and partnerships. In accordance with its mission, CAPSC offers over 60+ coordinated programs designed to have a measurable impact on poverty and health status among our community's most vulnerable residents, specifically children under the age of six, people with disabilities, seniors and those experiencing low incomes. Programs include nutrition, housing, fuel and electric assistance, weatherization, parent and child education, childcare, and transportation, all of which are locally defined, planned and managed in partnership with other community agencies. All programs

are designed to increase self-sufficiency and help clients become socially and financially independent. CAPSC's goal is to interrupt the cycle of poverty and empower children, working families and seniors to live more secure, stable and healthier lives.

CAPSC is governed by a volunteer Board of Directors, one-third of whom are consumers of services. We have nearly 150 employees and a nearly \$20 million operating budget which includes federal, state, and local funds in addition to foundation and United Way grants, fees for service, and individual and corporate donations.

CAPSC helps individuals to meet basic needs like housing, heat, food, transportation, childcare, and more. In 2022-2023, CAPSC served over 18,000 households and provided over \$33 million in goods and services to Strafford County residents, thereby reducing the burden on other County and community services and changing countless lives for the better. Some of what the programs at CAPSC were able to accomplish includes:

- Paying nearly \$20 million in emergency rental assistance to landlords and utility companies to help 5,332 households avoid eviction and utility disconnections.
- Providing 2,265 safe, accessible rides for seniors
- Providing 5,699 households with fuel assistance, valued at over \$4.5 million.
- Providing 33,359 free summer meals to children experiencing food insecurity.
- Weatherizing 349 homes.
- Providing 289 children and their families with services through our Early Childhood Education programs.

Together, these programs provide a holistic approach to self-sufficiency, and offer clients the resources needed to move out of poverty.

AUDIT AND EVALUATION

Does your organization have an annual CPA audit or other financial statement? Yes

If yes, please submit most recent audit or financial statements as an attachment to this application.

Is your organization evaluated by outside agencies or programs? Yes

If yes, please note the agency/program and how often the evaluation occurs.

CAPSC is evaluated by the Region One Office of Head Start; Department of Health and Human Services; NH Office of Strategic Initiatives (OSI); Eversource; Unital; and the United Way for program and financial performance. Evaluations occur annually at minimum. The Weatherization Program is evaluated annually to ensure the program is following all federal guidelines. Each Weatherization job is audited to ensure all Weatherization measures are done correctly. The most recent Weatherization audit occurred in June, 2024.

BOARD OF DIRECTORS

| Name | Residence (city/town) |
|--------------------|-----------------------|
| Terry Jarvis | New Durham, NH |
| Jean Miccolo | Rochester, NH |
| Steve Trozinski | Dover, NH |
| Alan Brown | Rochester, NH |
| Anthony Carr | Dover, NH |
| Leah Crouser | Dover, NH |
| Heather Blumenfeld | Dover, NH |
| Maureen Staples | Dover, NH |

| | |
|---------------------|----------------|
| Brandi McKay-Berry | Barrington, NH |
| Mark Toussaint | Rochester, NH |
| Robert Harrington | Dover, NH |
| Robert Warach | Dover, NH |
| Ian Oneail | Raymond, NH |
| Sarah Kuhl | Dover, NH |
| Christine McCluskey | Farmington, NH |
| Katrin Kasper | Lee, NH |
| James Rathbun | Farmington, NH |
| Nicki Gearwar | Dover, NH |
| | |
| | |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. Public Facilities | | | |
|---|-----------------------------------|----------------------|------------------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | \$75,000.00 | | \$75,000.00 |
| Other (list) | | | |
| | | | |
| <i>Total Hard Costs</i> | \$75,000.00 | | \$75,000.00 |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| TOTAL PROPOSED BUDGET: | \$75,000.00 | | \$75,000.00 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|---|--|-------------|
| | Committed: Pending: Proposed: | | |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used for this activity. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|--|-------------------|-------------|
| Federal: | Committed: Pending: Proposed: | | | |
| State: | Committed: Pending: Proposed: | | | |
| Local: | Committed: Pending: Proposed: | | | |
| Private: | Committed: Pending: Proposed: | | | |
| Portsmouth CDBG: | Committed: Pending: Proposed: | | | |
| Rochester CDBG: | Committed: Pending: Proposed: | | | |

| | | | | |
|--------|------------|--|--|--|
| Other: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| Total: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

BUDGET: ORGANIZATION

Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from Jan 1 to Dec 31 | Current Year | Next Year (projected) |
|---|------------------------|------------------------|
| REVENUES | | |
| Federal Funds | \$17,601,251.62 | \$14,076,457.56 |
| State Funds | | |
| Foundations/Private Contributions | Included w/Fundraising | Included w/Fundraising |
| United Way | \$30,000.00 | \$30,000.00 |
| Fundraising or other income | \$435,785.50 | \$602,700.43 |
| Other (describe) | \$1,512,256.68 | \$2,314,291.94 |
| Community Dev. Block Grant (include anticipated request) | \$25,000.00 | \$25,000.00 |
| TOTAL REVENUE | \$19,604,293.80 | \$17,048,449.93 |
| EXPENSES | | |
| Salaries | \$5,156,666.76 | \$6,700,568.50 |
| Payroll Taxes | \$398,090.94 | \$278,786.24 |
| Employee Benefits | \$472,712.70 | \$557,254.33 |
| Retirement | \$49,344.58 | \$43,272.66 |
| Direct Client Assistance | \$9,048,739.76 | \$5,340,627.09 |

| | | |
|--------------------------------|------------------------|------------------------|
| In-Kind | \$1,337,886.68 | \$1,600,761.33 |
| Professional Fees | \$500,549.13 | \$254,186.76 |
| Supplies | \$426,647.77 | \$838,078.22 |
| Occupancy | \$824,035.08 | \$365,250.08 |
| Repairs and Maintenance | \$23,945.69 | \$99,689.75 |
| Insurance | \$84,324.80 | \$104,002.72 |
| Training and Conferences | \$114,122.01 | \$215,315.40 |
| Depreciation | \$180,000.00 | \$244,140.00 |
| Travel and Transportation | \$74,400.42 | \$66,388.25 |
| Printing and Postage | \$16,265.00 | \$20,166.00 |
| Equipment | \$51,379.00 | \$29,711.00 |
| Interest Expense | \$23,318.59 | \$18,835.90 |
| Other Program Support | \$816,931.88 | \$261,441.89 |
| TOTAL EXPENSES | \$19,599,360.79 | \$17,038,476.11 |
| NET (Income - Expenses) | \$4,933.01 | \$9,973.82 |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CDFA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---------------------|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |

| | | | | | |
|---|----------------|--|--|----|----|
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total Expenditure of Federal Awards | | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Local Assistance: | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$ | \$ |
| | | | | | |
| Total State and Local Awards | | | | \$ | \$ |
| | | | | | |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$ | \$ |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.

Ed A Paul
SIGNATURE

7/29/24
DATE

Betsy ANTONOWS PANICOR
PRINTED NAME

CEO
TITLE

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| <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 EXPENDITURES</u> |
|--|--|---|-----------------------------------|---------------------------------|
| U.S. Department of Agriculture | | | | |
| Child and Adult Care Food Program | 10,558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10,559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10,555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> |
| | | | | 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10,569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10,569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> |
| | | | | <u>458,049</u> |
| Total U.S. Department of Agriculture | | | | \$ 721,711 |
| U.S. Department of Housing and Urban Development | | | | |
| Supportive Housing for the Elderly | 14,157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> |
| | | | | 145,328 |
| CV - Emergency Solutions Grant Program | | | | |
| Emergency Solutions Grant Program | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> |
| | | | | 221,461 |
| Continuum of Care | | | | |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>230,377</u> |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> |
| | | | | 574,014 |
| Supportive Housing Program | 14,235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| | | | | 595,151 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 995,151 |
| U.S. Department of Homeland Security | | | | |
| Emergency Food and Shelter National Program | 97,024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | \$ 4,600 |
| U.S. Department of Energy | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XX0000-074-60 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> |
| | | | | 549,149 |
| Total U.S. Department of Energy | | | | \$ 549,149 |
| U.S. Department of the Treasury | | | | |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> |
| | | | | 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21,027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| | | | | 4,265,620 |
| Total U.S. Department of the Treasury | | | | \$ 4,265,620 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|--|---------------------------------|
| U.S. Department of Health & Human Services | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93,044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93,870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93,658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93,556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93,558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93,499 | State of New Hampshire Governor's Office of Energy & Planning | 02-62-62-62010-19880000-600587 | 66,413 |
| Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93,569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93,575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93,600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93,600 | Direct Funding | 01CH01149601 C3, 01HE00051501 C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93,243 | Hope on Haven Hill | H79T084759 | 40,136 |
| Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services | 93,043 | National Council on Aging | 90HRC008 | 3,774 |
| Social Services Research and Demonstration | 93,647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EAD0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93,994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93,645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93,667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29650000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ 9,563,701 |
| TOTAL | | | | \$ 16,099,932 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY AND AFFILIATE

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Action Partnership of Strafford County and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County and Affiliate as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy Street Family Housing, LLC a wholly owned subsidiary, for the year ended December 31, 2023, which statements reflect total assets constituting 8.45 percent of consolidated total assets at December 31, 2023, and total revenues constituting 0.31 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Academy Street Family Housing, LLC, is based solely on the report of the other auditors.

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 Community Action Partnership of Strafford County and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County 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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leon, McDonnell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 30,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Inventory | 413,604 | 501,752 |
| Prepaid expenses | <u>11,972</u> | <u>52,046</u> |
| Total current assets | <u>4,647,175</u> | <u>4,495,758</u> |
| NONCURRENT ASSETS | | |
| Restricted cash | 36,215 | 29,455 |
| Contributions receivable | - | 20,000 |
| Security deposits | 8,375 | 8,427 |
| Property, net of accumulated depreciation | 6,374,340 | 5,804,619 |
| Other noncurrent assets | 25,503 | 25,503 |
| Right of use asset | <u>81,312</u> | <u>146,825</u> |
| Total noncurrent assets | <u>6,525,745</u> | <u>6,034,829</u> |
| TOTAL ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Current portion of long term debt | \$ 99,121 | \$ 95,690 |
| Accounts payable | 1,295,505 | 445,958 |
| Accrued payroll and related taxes | 128,546 | 129,018 |
| Accrued compensated absences | 193,093 | 205,528 |
| Refundable advances | 849,145 | 1,581,774 |
| Other current liabilities | 36,309 | 73,462 |
| Current portion of right of use liability | <u>36,264</u> | <u>65,513</u> |
| Total current liabilities | <u>2,637,983</u> | <u>2,596,943</u> |
| NONCURRENT LIABILITIES | | |
| Long term debt, less current portion shown above | 3,057,976 | 2,908,484 |
| Security deposits | 2,853 | 3,201 |
| Right of use liability, less current portion shown above | <u>45,048</u> | <u>81,312</u> |
| Total noncurrent liabilities | <u>3,105,877</u> | <u>2,992,997</u> |
| Total liabilities | <u>5,743,860</u> | <u>5,589,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 5,253,075 | 4,634,862 |
| With donor restrictions | <u>175,985</u> | <u>305,785</u> |
| Total net assets | <u>5,429,060</u> | <u>4,940,647</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | 65,397 | - | 65,397 |
| Public support | 329,618 | 31,514 | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 1,089 | - | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | 21,161,226 | 31,514 | 21,192,740 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | <u>161,314</u> | <u>(161,314)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>21,322,540</u> | <u>(129,800)</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,475,141 | - | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,704,560 | - | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,424,841</u> | <u>-</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | | | |
| | (102,301) | (129,800) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | | | |
| | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | | | |
| | 618,213 | (129,800) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | | | |
| | <u>4,634,862</u> | <u>305,785</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | | | |
| | <u>\$ 5,253,075</u> | <u>\$ 175,985</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Without Donor</u> <u>Restrictions</u> | <u>With Donor</u> <u>Restrictions</u> | <u>Total</u> |
|--|---|--|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 42,329,510 | \$ - | \$ 42,329,510 |
| Fees for service | 1,976,344 | - | 1,976,344 |
| Rent revenue | 58,600 | - | 58,600 |
| Public support | 514,628 | 113,717 | 628,345 |
| In-kind donations | 988,080 | - | 988,080 |
| Interest | 402 | - | 402 |
| Fundraising | 167,764 | - | 167,764 |
| Other revenue | 1,216 | - | 1,216 |
| Gain on disposal of property | 27,491 | - | 27,491 |
| | <u>46,064,035</u> | <u>113,717</u> | <u>46,177,752</u> |
| Total revenues and other support | | | |
| | <u>166,561</u> | <u>(166,561)</u> | <u>-</u> |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| Total revenues, other support, and net assets released from restrictions | <u>46,230,596</u> | <u>(52,844)</u> | <u>46,177,752</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,120,775 | - | 5,120,775 |
| Community services | 2,123,402 | - | 2,123,402 |
| Energy assistance | 4,158,324 | - | 4,158,324 |
| Housing | 31,536,296 | - | 31,536,296 |
| Weatherization | 1,791,979 | - | 1,791,979 |
| | <u>44,730,776</u> | <u>-</u> | <u>44,730,776</u> |
| Total program services | | | |
| Supporting activities | | | |
| Management and general | 1,179,649 | - | 1,179,649 |
| Fundraising | 219,246 | - | 219,246 |
| | <u>46,129,671</u> | <u>-</u> | <u>46,129,671</u> |
| Total expenses | | | |
| CHANGE IN NET ASSETS | 100,925 | (52,844) | 48,081 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,533,937</u> | <u>358,629</u> | <u>4,892,566</u> |
| NET ASSETS, END OF YEAR | <u>\$ 4,634,862</u> | <u>\$ 305,785</u> | <u>\$ 4,940,647</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|---------------------------|-------------------------------|------------------------------|---------------------|-----------------------|-----------------------------------|--|---------------------------------------|--------------------|----------------------|
| Payroll | \$ 3,562,846 | \$ 276,618 | \$ 503,425 | \$ 628,100 | \$ 220,327 | \$ 5,191,316 | \$ 24,927 | \$ 854,406 | \$ 79,711 | \$ 6,150,360 |
| Payroll taxes | 293,123 | 23,014 | 41,585 | 51,302 | 17,595 | 426,619 | 2,305 | 40,988 | 6,452 | 476,364 |
| Fringe benefits | 233,618 | 18,544 | 42,466 | 49,182 | 23,018 | 366,828 | - | 63,255 | 5,369 | 435,452 |
| Retirement | 16,331 | 1,769 | 2,362 | 5,463 | 1,837 | 27,762 | 274 | 4,914 | 291 | 33,241 |
| Weatherization material, fuel and client assistance | 29,635 | 32,082 | 3,413,724 | 4,394,593 | 2,977,588 | 10,847,622 | - | - | - | 10,847,622 |
| In-kind expenses | 167,453 | 565,933 | - | 19,827 | 500 | 753,713 | - | - | 13,511 | 767,224 |
| Consultants and contract labor | 58,298 | 6,383 | 151 | 41,791 | 336 | 106,959 | 77,946 | 167,622 | 19,414 | 371,941 |
| Consumable supplies | 223,160 | 154,240 | 5,563 | 39,621 | 4,738 | 427,322 | 51,654 | 18,436 | 4,875 | 502,287 |
| Occupancy | 700,964 | 46,498 | 55,377 | 130,160 | 21,160 | 954,159 | (621,635) | 84,260 | 11,291 | 428,075 |
| Repairs and maintenance | 52,295 | 9,782 | 5,971 | 17,494 | 1,133 | 86,675 | 400,030 | 5,810 | 1,675 | 494,190 |
| Insurance | 33,359 | 3,256 | 1,325 | 8,559 | 955 | 47,454 | 15,170 | 56,416 | 185 | 119,225 |
| Training and conferences | 86,945 | 12,467 | 5,012 | 21,405 | 19,194 | 145,023 | 62 | 66,709 | 41,212 | 253,006 |
| Depreciation | 76,962 | 42,021 | 391 | 37,528 | 4,328 | 161,230 | - | 87,399 | - | 248,629 |
| Travel and transportation | 44,974 | 4,203 | 224 | 16,382 | 6,491 | 72,274 | (12,307) | 6,983 | 894 | 67,844 |
| Printing and postage | 1,074 | 3,098 | 2,051 | 60 | 19 | 6,302 | - | 6,091 | 10,295 | 22,688 |
| Equipment and computer | 6,952 | 728 | - | 2,525 | 6,628 | 16,833 | 16,357 | 3,458 | 60 | 36,708 |
| Interest expense | 17,629 | 6,819 | 9,144 | 11,149 | 3,256 | 47,997 | 2,834 | 42,163 | 1,280 | 94,274 |
| Other program support | 12,896 | 5,576 | - | - | - | 18,472 | 42,383 | 13,902 | 954 | 75,711 |
| Total expenses | \$ 5,618,514 | \$ 1,213,031 | \$ 4,088,771 | \$ 5,475,141 | \$ 3,309,103 | \$ 19,704,560 | \$ - | \$ 1,522,812 | \$ 197,469 | \$ 21,424,841 |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------|------------------------------|--|---|--|---------------------------|-----------------------------|
| Payroll | \$ 2,951,365 | \$ 644,816 | \$ 388,986 | \$ 920,193 | \$ 164,650 | \$ 5,070,010 | \$ 73,067 | \$ 681,722 | \$ 121,545 | \$ 5,946,344 |
| Payroll taxes | 247,208 | 57,069 | 32,974 | 75,584 | 12,672 | 425,507 | 6,311 | 63,162 | 9,833 | 504,813 |
| Fringe benefits | 205,921 | 34,528 | 30,366 | 72,552 | 19,799 | 363,166 | 82 | 37,953 | 5,220 | 406,421 |
| Retirement | 14,995 | 2,162 | 1,569 | 6,445 | 761 | 25,932 | 752 | 5,767 | 75 | 32,526 |
| Weatherization material, fuel and client assistance | 119,381 | 20,588 | 3,606,402 | 29,909,257 | 1,514,988 | 35,170,616 | - | - | - | 35,170,616 |
| In-kind expenses | 14,772 | 968,268 | - | - | - | 983,040 | - | - | 5,040 | 988,080 |
| Consultants and contract labor | 166,829 | 14,565 | 2,692 | 212,431 | 1,597 | 398,114 | 99,599 | 139,998 | 12,755 | 650,466 |
| Consumable supplies | 206,399 | 205,366 | 9,582 | 35,892 | 8,549 | 465,788 | 42,120 | 18,091 | 3,958 | 529,957 |
| Occupancy | 704,886 | 70,467 | 41,243 | 141,580 | 18,043 | 976,219 | (670,668) | 69,769 | 6,201 | 381,521 |
| Repairs and maintenance | 39,766 | 23,938 | 7,541 | 10,406 | 2,763 | 84,414 | 440,423 | 660 | 2,194 | 527,691 |
| Insurance | 71,667 | 11,150 | 1,610 | 22,841 | 2,431 | 109,699 | 25,811 | 52,785 | 259 | 188,554 |
| Training and conferences | 80,246 | 5,551 | 2,526 | 7,834 | 17,205 | 113,362 | 119 | 26,440 | 41,454 | 181,375 |
| Depreciation | 80,133 | 34,099 | 391 | 34,641 | 4,328 | 153,592 | - | 85,443 | - | 239,035 |
| Travel and transportation | 42,327 | 4,808 | 89 | 11,836 | 6,722 | 65,782 | (12,356) | 4,699 | 769 | 58,894 |
| Printing and postage | 3,723 | 55 | 10,850 | 348 | 96 | 15,072 | - | 11,043 | 5,576 | 31,691 |
| Equipment and computer | - | - | 6,588 | 24,285 | 10,544 | 41,417 | 29,326 | - | 1,310 | 72,053 |
| Interest expense | - | 10,658 | 10,141 | 12,037 | 3,070 | 35,906 | 5,982 | 81,815 | 1,438 | 125,141 |
| Indirect | 105,441 | - | - | - | - | 105,441 | - | (105,441) | - | - |
| Other program support | 65,716 | 15,314 | 4,774 | 38,134 | 3,761 | 127,699 | (40,568) | 5,743 | 1,619 | 94,493 |
| Total expenses | <u>\$ 5,120,775</u> | <u>\$ 2,123,402</u> | <u>\$ 4,158,324</u> | <u>\$ 31,536,296</u> | <u>\$ 1,791,979</u> | <u>\$ 44,730,776</u> | <u>\$ -</u> | <u>\$ 1,179,649</u> | <u>\$ 219,246</u> | <u>\$ 46,129,671</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 488,413 | \$ 48,081 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 248,629 | 239,035 |
| Amortization of debt issuance costs | 3,376 | 3,376 |
| Acquisition of property and land | (945,514) | - |
| Acquisition of long term debt | 225,000 | - |
| Transfer of property to Gafney Home, L.P. | 129,397 | - |
| Loss (gain) on disposal of property | 79,338 | (27,491) |
| Decrease (increase) in assets: | | |
| Accounts receivable | 681,516 | (426,641) |
| Contributions receivable | 30,000 | (37,400) |
| Due from Gafney Home, L.P. | (519,890) | - |
| Inventory | 88,148 | 9,780 |
| Prepaid expenses | 40,074 | (15,380) |
| Other noncurrent assets | - | 1,334 |
| Security deposits | 52 | 42 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 849,547 | (475,081) |
| Accrued payroll and related taxes | (472) | (7,229) |
| Accrued compensated absences | (12,435) | 60,294 |
| Refundable advances | (732,629) | 630,909 |
| Other current liabilities | (37,153) | 73,462 |
| Security deposits | (348) | - |
| | <u>615,049</u> | <u>77,091</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property | (100,594) | (506,141) |
| Proceeds on sale of property | 19,023 | 600,000 |
| | <u>(81,571)</u> | <u>93,859</u> |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments made on long term debt | (75,453) | (355,915) |
| | <u>(75,453)</u> | <u>(355,915)</u> |
| NET CASH USED IN FINANCING ACTIVITIES | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 458,025 | (184,965) |
| CASH AND RESTRICTED CASH, BEGINNING OF YEAR | <u>1,384,563</u> | <u>1,569,528</u> |
| CASH AND RESTRICTED CASH, END OF YEAR | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| CASH AND RESTRICTED CASH | | |
| Cash | \$ 1,806,373 | \$ 1,355,108 |
| Restricted cash: | | |
| Insurance escrow | 13,477 | 9,193 |
| Tax escrow | 5,931 | 5,952 |
| Replacement reserves | 6,580 | 4,363 |
| Operating reserve | 10,227 | 9,947 |
| | <u>1,842,588</u> | <u>1,384,563</u> |
| Total cash and restricted cash | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | <u>\$ 90,898</u> | <u>\$ 121,765</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND AND FINANCING ACTIVITIES | | |
| Acquired property and land | <u>\$ 945,514</u> | <u>\$ -</u> |
| Acquired long term debt | <u>\$ 225,000</u> | <u>\$ -</u> |

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Principles of Consolidation

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

Academy Street Family Housing, LLC (Academy Street) is a limited liability company which is consolidated because the Agency is the sole member of Academy Street. All significant intercompany items and transactions have been eliminated from the consolidated financial statements.

In addition to the Agency's administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency 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 increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2023 and 2022, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Unless otherwise indicated, fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Inventory

Inventory materials are fixtures for installation and recorded at cost or net realizable value or if donated, at approximate fair value at date of donation, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

| | |
|------------------------------------|---------------|
| Buildings and improvements | 15 - 40 years |
| Furniture, equipment and machinery | 3 - 10 years |
| Vehicles | 5 - 7 years |

Depreciation expense aggregated \$248,629 and \$239,035 for the years ended December 31, 2023 and 2022, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$193,093 and \$205,528 at December 31, 2023 and 2022, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

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

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition Policy

The Agency derives revenue from grants, fees for services, donations, public support, and fundraising. Revenues are recognized when control of these services are transferred to customers, in an amount that reflects the consideration the Agency expects to be entitled to in exchange for those services. Cost incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Academy Street derives revenue 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. Control of the leased units is transferred to the lessee in an exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2023 and 2022 amounted to \$10,426 and \$72,759, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense for the years ended December 31, 2023 and 2022 amounted to \$3,376 and has been included with interest expense in the consolidated statement of activities for each year. The unamortized deferred financing costs have been included as a reduction of the long term debt (see Note 10).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying consolidated financial statements. The estimated fair value of the donation was determined to be \$103,356 and \$14,772 for the years ended December 31, 2023 and 2022, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$457,049 and \$116,368, respectively, for the year ended December 31, 2023. For the year ended December 31, 2022, the estimated fair value of these food commodities and goods was determined to be \$968,268 and \$5,040, respectively.

The Agency also receives contributed professional services and volunteer time that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$90,451 for the year ended December 31, 2023. There were no contributed professional services for the year ended December 31, 2022.

Functional Allocation of Expenses

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

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of allocation</u> |
|-----------------------|------------------------------------|
| Salaries and benefits | Time and effort |
| Occupancy | Square footage/revenues |
| Depreciation | Square footage |
| All other expenses | Approved indirect rate |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

New Accounting Pronouncement

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Agency adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Agency’s financial statements.

NOTE 2. PROPERTY

As of December 31, 2023 and 2022, property consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|----------------------------|----------------------------|
| Land, buildings and improvements | \$ 6,900,857 | \$ 6,181,672 |
| Furniture, equipment and machinery | 418,949 | 398,645 |
| Vehicles | <u>315,682</u> | <u>350,136</u> |
| Total | 7,635,488 | 6,930,453 |
| Less accumulated depreciation | <u>1,261,148</u> | <u>1,125,834</u> |
| Net property | <u>\$ 6,374,340</u> | <u>\$ 5,804,619</u> |

NOTE 3. RESTRICTED CASH BALANCES

Certain cash accounts have been established and are being funded in accordance with a regulatory agreement entered into between Academy Street and New Hampshire Housing as discussed below. All reserves are required to be held in qualified New Hampshire financial institutions that are insured by the FDIC.

Operating Reserve

Under the regulatory agreement, Academy Street is required to establish an operating reserve. The operating reserve was funded properly during the years ended December 31, 2023 and 2022.

Replacement Reserve

Under the regulatory agreement, Academy Street is required to set aside amounts for the replacement of property and other expenditures approved by New Hampshire Housing. Additionally, Academy Street is required to make monthly payments to the reserve. The reserve was properly funded during 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Insurance and Real Estate Tax Escrows

Academy Street is required to establish a reserve to fund tax and insurance payments in the project. Amounts are to be deposited on a monthly basis to accrue a sufficient balance to pay future tax and insurance bills of the project. As of December 31, 2023 and 2022, the balance in the reserves for tax and insurance escrows was properly funded.

NOTE 4. LIQUIDITY AND AVAILABILITY

The following represents the Agency's financial assets as of December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------------|----------------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 50,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Restricted cash | <u>36,215</u> | <u>29,455</u> |
| Total financial assets | 4,254,814 | 3,991,415 |
| Less amounts not available to be used within one year: | | |
| Restricted cash | 36,215 | 29,455 |
| Board designated funds | <u>-</u> | <u>307,315</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 4,221,599</u> | <u>\$ 3,654,645</u> |

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Agency uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

The allowance for uncollectible accounts was estimated to be zero at December 31, 2023 and 2022. The Agency has no policy for charging interest on overdue accounts.

NOTE 6. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------------------|-------------------------|
| Within one year | \$ 20,000 | \$ 30,000 |
| In two to five years | <u>-</u> | <u>20,000</u> |
| | <u>\$ 20,000</u> | <u>\$ 50,000</u> |

NOTE 7. DUE FROM GAFNEY HOME, L.P.

Gafney Home, L.P. (Gafney) is a low-income housing tax credit property. The general partner (0.01%) of Gafney is 100% owned by the Agency. The \$519,890 included in due from Gafney Home, L.P. on the consolidated statement of financial position for the year ended December 31, 2023 represents amounts that the Agency has paid on behalf of Gafney for the construction that is underway.

NOTE 8. PLEDGED ASSETS

As described in **Note 9**, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in **Note 10**, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 9. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$750,000. Prior to November 2023, \$250,000 was the amount available on the revolving line of credit. The note is payable upon demand. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 9.50% at December 31, 2023 and 8.50% at December 31, 2022. The note is collateralized by all the assets of the Agency. There was no outstanding balance on the demand note payable as of December 31, 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 10. LONG TERM DEBT

The long term debt at December 31, 2023 and 2022 consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|--------------------|--------------------|
| <p>Mortgage payable to Kennebunk Savings Bank which had interest only payments for 36 months followed by principal and interest payments for 264 months. During the year ended December 31, 2022 the note was refinanced to a fixed interest rate of 4.25% for the first ten years resulting in monthly principal and interest payments of \$11,170. On April 26, 2032, and on that date every year thereafter, principal and interest payments will adjust to 1.50% above the highest U.S Prime Rate as published in the Wall Street Journal on the applicable change date, with a floor rate of 4%. The note matures in 2043. The mortgage payable is secured by real estate.</p> | \$ 1,790,164 | \$ 1,846,509 |
| <p>5.00% notes payable to the New Hampshire Community Loan Fund with monthly principal and interest payments of \$3,251, maturing October 2037. The notes are secured by real estate.</p> | 387,745 | 406,854 |
| <p>Note payable to New Hampshire Housing Finance Authority. The note is not subject to interest or principal amortization and will be forgiven in 2028 provided that the property is used for transitional housing. The note is secured by real estate.</p> | 225,000 | - |
| <p>Non-interest bearing note payable to New Hampshire Housing deferred until April 21, 2060 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate.</p> | 785,889 | 785,889 |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Non-interest bearing note payable to New Hampshire Housing deferred until July 1, 2051 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | <u>25,755</u> | <u>25,755</u> |
| Total long term debt before current portion of long term debt and unamortized debt issuance costs | 3,214,553 | 3,065,007 |
| Current portion of long term debt | (99,121) | (95,690) |
| Unamortized debt issuance costs | <u>(57,457)</u> | <u>(60,833)</u> |
| Total long term debt | <u>\$ 3,057,975</u> | <u>\$ 2,908,484</u> |

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

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------------|
| 2024 | \$ 99,121 |
| 2025 | 82,809 |
| 2026 | 86,562 |
| 2027 | 90,488 |
| 2028 | 319,591 |
| Thereafter | <u>2,535,982</u> |
| Total | <u>\$ 3,214,553</u> |

NOTE 11. NET ASSETS

At December 31, 2023 and 2022, net assets with donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|-----------------|--------------------------|--------------------------|
| Whole family | \$ 39,286 | \$ 42,755 |
| COVID related | - | 120,546 |
| Fuel assistance | <u>136,699</u> | <u>142,484</u> |
| Total | <u>\$ 175,985</u> | <u>\$ 305,785</u> |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

At December 31, 2023 and 2022, net assets without donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Undesignated | \$ 5,253,075 | \$ 4,327,547 |
| Board designated | <u>-</u> | <u>307,315</u> |
| Total net assets without donor restrictions | <u>\$ 5,253,075</u> | <u>\$ 4,634,862</u> |

NOTE 12. OPERATING LEASES

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases with expiration dates through 2032. For the years ended December 31, 2023 and 2022, the annual lease/rent expense for the leased facilities was \$69,901 and \$90,501, respectively.

The Agency accounts for its operating leases under ASU 2016-02, *Leases (Topic 842)*. As such, the right of use (ROU) assets represent the Agency's right to use underlying assets for the lease term, and the lease liabilities represent the Agency's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The discount rate related to the Agency's lease liability as of December 31, 2023 was 3.75%, which is based upon the risk-free borrowing rates commensurate with the lease terms. At December 31, 2023, the ROU asset and lease liability is \$81,312. At December 31, 2022, the ROU asset and lease liability is \$146,825.

The weighted average lease term at December 31, 2023 is 5.44 years. The weighted average discount rate at December 31, 2023 is 3.75%.

Common expenses, classified as occupancy costs in the accompanying consolidated financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs as incurred.

Academy Street leases property from the Agency under a lease agreement for an annual rent amount of \$1. The lease expires during April 2045. Unless either party serves the other with a 180 day written notice prior to the expiration of the initial term, at the end of the initial term, the lease shall be automatically extended for an additional 25 year term.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Lease liability maturities as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Amount</u> |
|---|----------------------|
| 2024 | \$ 38,401 |
| 2025 | 6,901 |
| 2026 | 6,901 |
| 2027 | 6,901 |
| 2028 | 6,901 |
| Thereafter | <u>24,144</u> |
| Total undiscounted lease liability | 90,149 |
| Less imputed interest | <u>(8,837)</u> |
| Total lease liability | <u>\$ 81,312</u> |

NOTE 13. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2023 and 2022 totaled \$33,241 and \$32,526, respectively.

NOTE 14. CONCENTRATION OF RISK

The Agency receives a majority of its support from federal and state governments. For the years ended December 31, 2023 and 2022, approximately 89% and 96%, respectively, of the Agency's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Agency's programs and activities.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 15. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 16. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2023 and 2022.

NOTE 17. RENTAL INCOME RECEIVABLE

During the year ended December 31, 2023, and subsequent to year end, Academy Street entered into four separate rental agreements for use of their four apartments. The rental agreements have differing expirations ranging from April 2024 through April 2025. Monthly payments for the agreements ranged from \$1,168 to \$1,394 and are due the first day of each month. At December 31, 2023 and 2022, \$2,587 and \$1,412, respectively, is outstanding from tenants for rent and is included in accounts receivable in the accompanying consolidated statements of financial position.

The approximate future rental payments owed on the above leases are as follows:

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------|
| 2024 | \$ 51,598 |
| 2025 | <u>15,824</u> |
| Total | <u>\$ 67,422</u> |

NOTE 18. ACQUISITION OF PROPERTY AND LAND

During the year ended December 31, 2023, the Agency acquired property and land relating to a transitional housing program from another nonprofit organization. The value of the building and land received in the acquisition totaled \$675,570 and \$269,944, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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As part of the acquisition of the property and land, the Agency also acquired the related note payable of \$225,000, payable to New Hampshire Housing Finance Authority (see **Note 10**). The Agency has been running the operations of the transitional housing program since the acquisition.

NOTE 19. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through June 5, 2024, the date the consolidated financial statements were available for issuance.

Subsequent to year end, on May 1, 2024, the Agency acquired the Home for Now Shelter, which is a homeless center in Strafford County, from another nonprofit organization. The value of the property acquired totaled \$1,502,600. The Agency will acquire all other remaining assets from the nonprofit organization once their dissolution is finalized.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | Total | Consolidating Adjustments | Consolidated |
|--|---|---|----------------------|--------------------------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,742,370 | \$ 64,003 | \$ 1,806,373 | \$ - | \$ 1,806,373 |
| Accounts receivable | 1,872,749 | 2,587 | 1,875,336 | - | 1,875,336 |
| Contributions receivable | 20,000 | - | 20,000 | - | 20,000 |
| Due from affiliate | 5,065 | - | 5,065 | (5,065) | - |
| Due from Gafney Home, L.P. | 519,890 | - | 519,890 | - | 519,890 |
| Inventory | 413,604 | - | 413,604 | - | 413,604 |
| Prepaid expenses | 11,972 | - | 11,972 | - | 11,972 |
| Total current assets | <u>4,585,650</u> | <u>66,590</u> | <u>4,652,240</u> | <u>(5,065)</u> | <u>4,647,175</u> |
| NONCURRENT ASSETS | | | | | |
| Restricted cash | - | 36,215 | 36,215 | - | 36,215 |
| Security deposits | 5,172 | 3,203 | 8,375 | - | 8,375 |
| Property, net of accumulated depreciation | 5,536,103 | 838,237 | 6,374,340 | - | 6,374,340 |
| Other noncurrent assets | 25,503 | - | 25,503 | - | 25,503 |
| Right of use asset | 81,312 | - | 81,312 | - | 81,312 |
| Total noncurrent assets | <u>5,648,090</u> | <u>877,655</u> | <u>6,525,745</u> | <u>-</u> | <u>6,525,745</u> |
| TOTAL ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current portion of long term debt | \$ 79,216 | \$ 19,905 | \$ 99,121 | \$ - | \$ 99,121 |
| Accounts payable | 1,290,169 | 5,336 | 1,295,505 | - | 1,295,505 |
| Accrued payroll and related taxes | 128,546 | - | 128,546 | - | 128,546 |
| Accrued compensated absences | 193,093 | - | 193,093 | - | 193,093 |
| Due to affiliate | - | 5,065 | 5,065 | (5,065) | - |
| Refundable advances | 849,145 | - | 849,145 | - | 849,145 |
| Other current liabilities | 36,292 | 17 | 36,309 | - | 36,309 |
| Current portion of right of use liability | 36,264 | - | 36,264 | - | 36,264 |
| Total current liabilities | <u>2,612,725</u> | <u>30,323</u> | <u>2,643,048</u> | <u>(5,065)</u> | <u>2,637,983</u> |
| NONCURRENT LIABILITIES | | | | | |
| Long term debt, less current portion shown above | 2,281,290 | 776,686 | 3,057,976 | - | 3,057,976 |
| Security deposits | - | 2,853 | 2,853 | - | 2,853 |
| Right of use liability, less current portion shown above | 45,048 | - | 45,048 | - | 45,048 |
| Total noncurrent liabilities | <u>2,326,338</u> | <u>779,539</u> | <u>3,105,877</u> | <u>-</u> | <u>3,105,877</u> |
| Total liabilities | <u>4,939,063</u> | <u>809,862</u> | <u>5,748,925</u> | <u>(5,065)</u> | <u>5,743,860</u> |
| NET ASSETS | | | | | |
| Without donor restrictions | 5,118,692 | 134,383 | 5,253,075 | - | 5,253,075 |
| With donor restrictions | 175,985 | - | 175,985 | - | 175,985 |
| Total net assets | <u>5,294,677</u> | <u>134,383</u> | <u>5,429,060</u> | <u>-</u> | <u>5,429,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | <u>Consolidated</u> |
|---|---|---|----------------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | - | 65,397 | 65,397 |
| Public support | 361,132 | - | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 235 | 854 | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | <u>21,126,489</u> | <u>66,251</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,392,053 | 83,088 | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,621,472 | 83,088 | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,341,753</u> | <u>83,088</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | <u>(215,264)</u> | <u>(16,837)</u> | <u>(232,101)</u> |
| ACQUISITION OF PROPERTY AND LAND | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 505,250 | (16,837) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,789,427</u> | <u>151,220</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,294,677</u> | <u>\$ 134,383</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|---|-----------------------------------|--|
| <u>U.S. Department of Agriculture</u> | | | | |
| Child and Adult Care Food Program | 10.558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10.559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10.555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10.569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> 458,049 |
| Total U.S. Department of Agriculture | | | | <u>\$ 721,711</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| Supportive Housing for the Elderly | 14.157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> 145,328 |
| CV - Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> 221,461 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> 574,014 |
| Supportive Housing Program | 14.235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>\$ 995,151</u> |
| <u>U.S. Department of Homeland Security</u> | | | | |
| Emergency Food and Shelter National Program | 97.024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | <u>\$ 4,600</u> |
| <u>U.S. Department of Energy</u> | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XXXX0000-074-50 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> \$ 549,149 |
| Total U.S. Department of Energy | | | | <u>\$ 549,149</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| Total U.S. Department of the Treasury | | | | <u>\$ 4,265,620</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|--|--|--|
| <u>U.S. Department of Health & Human Services</u> | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93.044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93.870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93.658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93.556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93.558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| | | | | 3,994,061 |
| Low-Income Water Assistance Program | 93.499 | State of New Hampshire Governor's Office of Energy & Planning | 02-52-52-52010-19880000-500587 | 66,413 |
| Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93.569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| | | | | 318,777 |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93.575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93.600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93.600 | Direct Funding | 01CH01149601C3, 01HE00051501C6 | <u>144,403</u> |
| | | | | 4,056,167 |
| Substance Abuse and Mental Health Services Administration | 93.243 | Hope on Haven Hill | H79TI084759 | 40,136 |
| Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | 93.043 | National Council on Aging | 90HDCR008 | 3,774 |
| Social Services Research and Demonstration | 93.647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EDA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93.994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93.645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93.667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29660000-102-500734-42106603 | <u>129,421</u> |
| | | | | 9,563,701 |
| Total U.S. Department of Health & Human Services | | | | \$ <u>9,563,701</u> |
| TOTAL | | | | \$ <u>16,099,932</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

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

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2023.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Partnership of Strafford County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County’s 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2023. Community Action Partnership of Strafford County'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, Community Action Partnership of Strafford County 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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.

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Community Action Partnership of Strafford County and Affiliate were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the consolidated financial statements is 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 financial statements of Community Action Partnership of Strafford County, 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 Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that would be required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major were: U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program, ALN 93.568 and U.S. Department of the Treasury, Emergency Rental Assistance Program, ALN 21.023, Coronavirus State and Local Fiscal Recovery Funds, ALN 21.027, U.S Department of Energy, Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2023-001

Condition: Accounts receivable was not reconciled to the aging report and uncollectible amounts were not written off timely. Bad debt expense was recognized in the current year as a result.

Criteria: Internal controls should be in place to ensure that accounts receivable are reconciled frequently to the aging report and accounts receivable are reviewed for collectability regularly. This reconciliation should be reviewed and approved by the CFO.

Cause: There has been a great deal of staff turnover in the Agency and the difficulty in hiring qualified people into the fiscal department has made proper accounting controls hard to achieve.

Effect: An entry in the amount of \$97,154 was posted to the current year bad debt expense. As nearly all accounts receivable is driven by billing for expenses under grants, it is normally deemed 100% collectible. As such, revenue in a prior year was overstated by the \$97,154.

Recommendation: We recommend that accounts receivable be reviewed regularly and any amounts that are deemed uncollectible are written off timely and/or establish an allowance for doubtful accounts. We also recommend that procedures are implemented to ensure that monthly reconciliations for accounts receivable are being performed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: As previously discussed during the fieldwork and noted in the report, staff turnover at CAPSC caused delays in some reconciliations due to training and hiring processes. There were no incorrect actions or processes; the delay in writing off outstanding accounts receivable was primarily due to staff turnover. With our newly completed fiscal team, we are now positioned to thoroughly research and resolve all outstanding accounts receivable balances. We are confident that our established procedures for monthly reviews and follow-up activities will effectively address this issue.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

Community Action Partnership

Air Source Heat Pump Upgrades

Home for Now

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|---------------------------------------|
| Organization Community Action Partnership of Strafford County | |
| Name of Activity Air Source Heat Pump Upgrades | |
| Name of Executive Director Betsey Andrews Parker, CEO | |
| Mailing Address 577 Central Avenue, Suite 10, Dover NH 03820 | |
| Physical Address 577 Central Avenue, Suite 10, Dover, NH 03820 | |
| Contact Person Carrie DiGeorge, Director of Housing Development | Phone 603-767-5392 |
| E-Mail cdigeorge@straffordcap.org | Website www.straffordcap.org |
| Please Identify the Type of Organization Applying for Funds (Note: More than one may apply) <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Other (Explain): <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Unit of | |
| Tax ID # 02-0268636 | |
| SAM UEI # Z3KKLWND4993 | SAM Expiration Date 02/27/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|---|
| Amount of Dover CDBG funds requested for activity: \$ 14,800 |
| Provide a <u>very brief</u> summary of the <u>activity</u> for which the funds are requested. Keep responses to one or two sentences (i.e. <i>After School Care for K-4th grade students. Repair of homeless shelter roof.</i>) Funds will be used to complete a heat pump upgrade to our 24/7 family shelter shelter located at 202 Washington Street, Rochester, NH. Formerly known as Homeless Center of Strafford County. |

| PROJECT LOCATION |
|---|
| Location(s) where activity will occur. 202 Washington Street, Rochester, NH. |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Homeless individuals, low-income individuals |
| Beneficiaries: Homeless Individuals |
| For FY 2026 (7/1/2025 – 6/30/2026) please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 12 |

| CLIENT POPULATION |
|---|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, are the criteria/protocols in writing?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| NARRATIVE – <u>PUBLIC FACILITY</u> ACTIVITY |
|--|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: |
| This will be an installation of an 18k BTU air-source heat pump system in the main living area of the shelter as well as two (2) 18k BTU air-source heat pump systems in the basement. The basement is currently without a heat source, making the space unavailable for use in the winter months. CAPSC is currently working with the City of Rochester to utilize approximately 1,000 square feet in the walk-out basement as an emergency family shelter. Rochester provided \$14,900 toward the installation of heat pumps in the basement, however the size that was requested by the previous owners of the shelter is not sufficient for the space. The main living space of the shelter does not have a cooling system, making it uncomfortable for clients and their children to attend weekly meetings, one-on-one counseling, and to prepare meals. |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations: |
| The shelter provides housing, case management, and access to other CAPSC services to Dover Residents and those throughout Strafford County. The main living space in the shelter does not have a cooling system, making it uncomfortable for clients and their children to attend weekly house meetings, one-on-one counseling, and to prepare meals. |
| The air-source heat pumps will provide relief during the cooling season as cooling degree days continue their upward trend. The Weatherization package includes a strong health and safety component with emphasis on healthy air exchange rates, reduced ambient carbon monoxide being generated for heating and safe egress for clients, staff and emergency responders. |
| Heat related deaths are the leading cause of weather-related deaths in the U.S. Cooling degree days have seen an increase since 2015 and are directly related to heat related deaths. Air source heat pump systems such as the one proposed provide energy efficient cooling with greater longevity than traditional conventional cooling systems. Air source heat pumps improve the comfort, reduce energy costs and increase the health and safety of the building occupants. |
| Proposed activity starting date: 01/15/2025 |
| Proposed activity completion date: 03/15/2025 |

Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.):

The submittal deadline will be January 5th, 2025. A contract will be awarded no later than January 30th, 2025 with an April 15th, 2025 construction completion date.

CAPSC has long-standing relationships with local contractors specializing in heat pump systems. Over the past 36 months CAPSC Weatherization has installed over 140 systems in Strafford County. More recently CAPSC Weatherization completed a full heat pump conversion of the Head Start facility in Rochester, NH within budget and within schedule. CAPSC releases detailed RFP's which include building schematics, load requirements and other information relevant to the systems requested to be installed. The CAPSC Weatherization staff have experience managing projects of this size and will act as the general contractor.

Provide a total activity cost broken down by major phases of the project:

Heat pumps: A total of 2 Mitsubishi condensers servicing 3-4 air handlers, with line sets, electric cutoffs, wiring, leak down testing will cost approximately \$29,700.00. This cost is based on an average historical cost of \$.55 per BTU with a total BTU sizing demand of 54,000 BTU. **This is all-in pricing which includes both HVAC and electrical work.**

| PERFORMANCE OUTCOME MEASURES | |
|--|--|
| Provide the <i>outcomes</i> proposed & the <i>method of measurement</i> . You may list multiple outcomes. | |
| Outcome | Measurement |
| Example 1: Decrease in number of "latch-key kids" Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Decreased electric costs associated with cooling | Historic electric usage reported by Eversource |
| Decreased propane consumption | Historic liquid propane usage |
| Decreased risk of death and illness due to weather related temperatures and reduction in carbon monoxide emissions | Fire rescue emergency calls to the site |
| | |

| DESCRIPTION OF ORGANIZATION |
|--|
| <p>Please provide a description for the <u>organization or agency</u> that is undertaking the activity or project.</p> <p>At Community Action Partnership of Strafford County (CAPSC), we strongly believe no one should go without having their basic needs met. As the leading anti-poverty agency in Strafford County, we strive to empower individuals and families to achieve self-sufficiency by opening the doors to resources and opportunities that offer a hand up, not a handout. When we achieve this goal, we reduce the impact of poverty and build a stronger community. Our mission at CAPSC is to reduce barriers to help clients improve their economic stability and well-being through education, advocacy, and partnerships. In accordance with its mission, CAPSC offers over 60+ coordinated programs designed to have a measurable impact on poverty and health status among our community's most vulnerable residents, specifically children under the age of six, people with disabilities, seniors and those experiencing low incomes. Programs include nutrition, housing, fuel and electric assistance, weatherization, parent and child education, childcare, and transportation, all of which are locally defined, planned and managed in partnership with other community agencies. All programs are designed to increase self-sufficiency and help clients become socially and financially independent. CAPSC's goal is to interrupt the cycle of poverty and empower children, working families and seniors to live more secure, stable and healthier lives.</p> <p>CAPSC is governed by a volunteer Board of Directors, one-third of whom are consumers of services. We have nearly 150 employees and a nearly \$20 million operating budget which includes federal, state, and local funds in addition to foundation and United Way grants, fees for service, and individual and corporate donations.</p> <p>CAPSC helps individuals to meet basic needs like housing, heat, food, transportation, childcare, and more. In 2022-2023, CAPSC served over 18,000 households and provided over \$33 million in goods and services to Strafford County residents, thereby reducing the burden on other County and community services and changing countless lives for the better. Some of what the programs at CAPSC were able to accomplish includes:</p> <ul style="list-style-type: none"> • Paying nearly \$20 million in emergency rental assistance to landlords and utility companies to help 5,332 households avoid eviction and utility disconnections. • Providing 2,265 safe, accessible rides for seniors • Providing 5,699 households with fuel assistance, valued at over \$4.5 million. • Providing 33,359 free summer meals to children experiencing food insecurity. • Weatherizing 349 homes. • Providing 289 children and their families with services through our Early Childhood Education |

programs.

Together, these programs provide a holistic approach to self-sufficiency, and offer clients the resources needed to move out of poverty.

AUDIT AND EVALUATION

Does your organization have an annual CPA audit or other financial statement? Yes

If yes, please submit most recent audit or financial statements as an attachment to this application.

Is your organization evaluated by outside agencies or programs? Yes

If yes, please note the agency/program and how often the evaluation occurs.

CAPSC is evaluated by the Region One Office of Head Start; Department of Health and Human Services; NH Office of Strategic Initiatives (OSI); Eversource; Unitil; and the United Way for program and financial performance. Evaluations occur annually at minimum. The Weatherization Program is evaluated annually to ensure the program is following all federal guidelines. Each Weatherization job is audited to ensure all Weatherization measures are done correctly. The most recent Weatherization audit occurred in June, 2024.

BOARD OF DIRECTORS

| Name | Residence (city/town) |
|---------------------|-----------------------|
| Terry Jarvis | New Durham, NH |
| Jean Miccolo | Rochester, NH |
| Steve Trozinski | Dover, NH |
| Alan Brown | Rochester, NH |
| Anthony Carr | Dover, NH |
| Leah Crouser | Dover, NH |
| Heather Blumenfeld | Dover, NH |
| Maureen Staples | Dover, NH |
| Brandi McKay-Berry | Barrington, NH |
| Mark Toussaint | Rochester, NH |
| Robert Harrington | Dover, NH |
| Robert Warach | Dover, NH |
| Ian Oneail | Raymond, NH |
| Sarah Kuhl | Dover, NH |
| Christine McCluskey | Farmington, NH |
| Katrin Kasper | Lee, NH |
| James Rathbun | Farmington, NH |
| Nicki Gearwar | Dover, NH |
| | |

| | |
|--|--|
| | |
|--|--|

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. Public Facilities | | | |
|---|----------------------------|---------------|-----------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | | | |
| Heat pump installation and testing | | | |
| | | | |
| <i>Total Hard Costs</i> | \$29,700 | | \$29,700 |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| <i>TOTAL PROPOSED BUDGET:</i> | \$29,700 | | \$29,700 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|--|--|-------------|
| | Committed: | | |
| | Pending: | | |
| | Proposed: | | |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used for this activity. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|-----------------|-------------------|-------------|
| Federal: | Committed: Pending: Proposed: | | | |
| State: | Committed: Pending: Proposed: | | | |
| Local: | Committed: Pending: Proposed: | | | |
| Private: | Committed: Pending: Proposed: | | | |
| Portsmouth CDBG: | Committed: Pending: Proposed: | | | |
| Rochester CDBG: | Committed: Pending: Proposed: | \$14,900 | | |
| Other: | Committed: Pending: Proposed: | | | |
| Total: | Committed: Pending: Proposed: | \$14,900 | | |

BUDGET: ORGANIZATION

Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from Jan 1 to Dec 31 | Current Year | Next Year (projected) |
|---|------------------------|------------------------|
| REVENUES | | |
| Federal Funds | \$17,601,251.62 | \$14,076,457.56 |
| State Funds | | |
| Foundations/Private Contributions | Included w/Fundraising | Included w/Fundraising |
| United Way | \$30,000.00 | \$30,000.00 |
| Fundraising or other income | \$435,785.50 | \$602,700.43 |
| Other (describe) | \$1,512,256.68 | \$2,314,291.94 |
| Community Dev. Block Grant (include anticipated request) | \$25,000.00 | \$25,000.00 |
| TOTAL REVENUE | \$19,604,293.80 | \$17,048,449.93 |
| EXPENSES | | |
| Salaries | \$5,156,666.76 | \$6,700,568.50 |
| Payroll Taxes | \$398,090.94 | \$278,786.24 |
| Employee Benefits | \$472,712.70 | \$557,254.33 |
| Retirement | \$49,344.58 | \$43,272.66 |
| Direct Client Assistance | \$9,048,739.76 | \$5,340,627.09 |
| In-Kind | \$1,337,886.68 | \$1,600,761.33 |
| Professional Fees | \$500,549.13 | \$254,186.76 |
| Supplies | \$426,647.77 | \$838,078.22 |
| Occupancy | \$824,035.08 | \$365,250.08 |
| Repairs and Maintenance | \$23,945.69 | \$99,689.75 |
| Insurance | \$84,324.80 | \$104,002.72 |
| Training and Conferences | \$114,122.01 | \$215,315.40 |
| Depreciation | \$180,000.00 | \$244,140.00 |
| Travel and Transportation | \$74,400.42 | \$66,388.25 |
| Printing and Postage | \$16,265.00 | \$20,166.00 |
| Equipment | \$51,379.00 | \$29,711.00 |
| Interest Expense | \$23,318.59 | \$18,835.90 |
| Other Program Support | \$816,931.88 | \$261,441.89 |
| TOTAL EXPENSES | \$19,599,360.79 | \$17,038,476.11 |
| NET (Income - Expenses) | \$4,933.01 | \$9,973.82 |

ORGANIZATION: SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|--|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Total Expenditure of Federal Awards | | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| Local Assistance: | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$ | \$ |

| | | | | | |
|---|--|--|--|----|----|
| | | | | | |
| Total State and Local Awards | | | | \$ | \$ |
| | | | | | |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$ | \$ |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.

EO A Parker
SIGNATURE

7/29/24
DATE

BESSY ANDREWS PARKER
PRINTED NAME

CEO
TITLE

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| <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 EXPENDITURES</u> |
|--|--|---|-----------------------------------|---------------------------------|
| U.S. Department of Agriculture | | | | |
| Child and Adult Care Food Program | 10,558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10,559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10,555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> |
| | | | | 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10,569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10,569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> |
| | | | | <u>458,049</u> |
| Total U.S. Department of Agriculture | | | | \$ 721,711 |
| U.S. Department of Housing and Urban Development | | | | |
| Supportive Housing for the Elderly | 14,157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> |
| | | | | 145,328 |
| CV - Emergency Solutions Grant Program | | | | |
| Emergency Solutions Grant Program | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> |
| | | | | 221,461 |
| Continuum of Care | | | | |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> |
| | | | | 574,014 |
| Supportive Housing Program | 14,235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| | | | | 595,151 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 995,151 |
| U.S. Department of Homeland Security | | | | |
| Emergency Food and Shelter National Program | 97,024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | \$ 4,600 |
| U.S. Department of Energy | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XX0000-074-60 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> |
| | | | | 549,149 |
| Total U.S. Department of Energy | | | | \$ 549,149 |
| U.S. Department of the Treasury | | | | |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> |
| | | | | 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21,027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| | | | | 4,265,620 |
| Total U.S. Department of the Treasury | | | | \$ 4,265,620 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|--|---------------------------------|
| U.S. Department of Health & Human Services | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93,044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93,870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93,658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93,556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93,558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93,499 | State of New Hampshire Governor's Office of Energy & Planning | 02-62-62-62010-19880000-600587 | 66,413 |
| Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93,569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93,575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93,600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93,600 | Direct Funding | 01CH01149601 C3, 01HE00051501 C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93,243 | Hope on Haven Hill | H79T084759 | 40,136 |
| Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services | 93,043 | National Council on Aging | 90HRC008 | 3,774 |
| Social Services Research and Demonstration | 93,647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EAD0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93,994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93,645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93,667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29650000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ 9,563,701 |
| TOTAL | | | | \$ 16,099,932 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY AND AFFILIATE

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Action Partnership of Strafford County and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County and Affiliate as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy Street Family Housing, LLC a wholly owned subsidiary, for the year ended December 31, 2023, which statements reflect total assets constituting 8.45 percent of consolidated total assets at December 31, 2023, and total revenues constituting 0.31 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Academy Street Family Housing, LLC, is based solely on the report of the other auditors.

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 Community Action Partnership of Strafford County and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County 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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leon, McDonnell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 30,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Inventory | 413,604 | 501,752 |
| Prepaid expenses | <u>11,972</u> | <u>52,046</u> |
| Total current assets | <u>4,647,175</u> | <u>4,495,758</u> |
| NONCURRENT ASSETS | | |
| Restricted cash | 36,215 | 29,455 |
| Contributions receivable | - | 20,000 |
| Security deposits | 8,375 | 8,427 |
| Property, net of accumulated depreciation | 6,374,340 | 5,804,619 |
| Other noncurrent assets | 25,503 | 25,503 |
| Right of use asset | <u>81,312</u> | <u>146,825</u> |
| Total noncurrent assets | <u>6,525,745</u> | <u>6,034,829</u> |
| TOTAL ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Current portion of long term debt | \$ 99,121 | \$ 95,690 |
| Accounts payable | 1,295,505 | 445,958 |
| Accrued payroll and related taxes | 128,546 | 129,018 |
| Accrued compensated absences | 193,093 | 205,528 |
| Refundable advances | 849,145 | 1,581,774 |
| Other current liabilities | 36,309 | 73,462 |
| Current portion of right of use liability | <u>36,264</u> | <u>65,513</u> |
| Total current liabilities | <u>2,637,983</u> | <u>2,596,943</u> |
| NONCURRENT LIABILITIES | | |
| Long term debt, less current portion shown above | 3,057,976 | 2,908,484 |
| Security deposits | 2,853 | 3,201 |
| Right of use liability, less current portion shown above | <u>45,048</u> | <u>81,312</u> |
| Total noncurrent liabilities | <u>3,105,877</u> | <u>2,992,997</u> |
| Total liabilities | <u>5,743,860</u> | <u>5,589,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 5,253,075 | 4,634,862 |
| With donor restrictions | <u>175,985</u> | <u>305,785</u> |
| Total net assets | <u>5,429,060</u> | <u>4,940,647</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | 65,397 | - | 65,397 |
| Public support | 329,618 | 31,514 | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 1,089 | - | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | 21,161,226 | 31,514 | 21,192,740 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | <u>161,314</u> | <u>(161,314)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>21,322,540</u> | <u>(129,800)</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,475,141 | - | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,704,560 | - | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,424,841</u> | <u>-</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | | | |
| | (102,301) | (129,800) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | | | |
| | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 618,213 | (129,800) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,634,862</u> | <u>305,785</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,253,075</u> | <u>\$ 175,985</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Without Donor</u> <u>Restrictions</u> | <u>With Donor</u> <u>Restrictions</u> | <u>Total</u> |
|--|---|--|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 42,329,510 | \$ - | \$ 42,329,510 |
| Fees for service | 1,976,344 | - | 1,976,344 |
| Rent revenue | 58,600 | - | 58,600 |
| Public support | 514,628 | 113,717 | 628,345 |
| In-kind donations | 988,080 | - | 988,080 |
| Interest | 402 | - | 402 |
| Fundraising | 167,764 | - | 167,764 |
| Other revenue | 1,216 | - | 1,216 |
| Gain on disposal of property | 27,491 | - | 27,491 |
| | <u>46,064,035</u> | <u>113,717</u> | <u>46,177,752</u> |
| Total revenues and other support | | | |
| | <u>166,561</u> | <u>(166,561)</u> | <u>-</u> |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| Total revenues, other support, and net assets released from restrictions | <u>46,230,596</u> | <u>(52,844)</u> | <u>46,177,752</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,120,775 | - | 5,120,775 |
| Community services | 2,123,402 | - | 2,123,402 |
| Energy assistance | 4,158,324 | - | 4,158,324 |
| Housing | 31,536,296 | - | 31,536,296 |
| Weatherization | 1,791,979 | - | 1,791,979 |
| | <u>44,730,776</u> | <u>-</u> | <u>44,730,776</u> |
| Total program services | | | |
| Supporting activities | | | |
| Management and general | 1,179,649 | - | 1,179,649 |
| Fundraising | 219,246 | - | 219,246 |
| | <u>46,129,671</u> | <u>-</u> | <u>46,129,671</u> |
| Total expenses | | | |
| CHANGE IN NET ASSETS | 100,925 | (52,844) | 48,081 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,533,937</u> | <u>358,629</u> | <u>4,892,566</u> |
| NET ASSETS, END OF YEAR | <u>\$ 4,634,862</u> | <u>\$ 305,785</u> | <u>\$ 4,940,647</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|---------------------------|-------------------------------|------------------------------|---------------------|-----------------------|-----------------------------------|--|---------------------------------------|--------------------|----------------------|
| Payroll | \$ 3,562,846 | \$ 276,618 | \$ 503,425 | \$ 628,100 | \$ 220,327 | \$ 5,191,316 | \$ 24,927 | \$ 854,406 | \$ 79,711 | \$ 6,150,360 |
| Payroll taxes | 293,123 | 23,014 | 41,585 | 51,302 | 17,595 | 426,619 | 2,305 | 40,988 | 6,452 | 476,364 |
| Fringe benefits | 233,618 | 18,544 | 42,466 | 49,182 | 23,018 | 366,828 | - | 63,255 | 5,369 | 435,452 |
| Retirement | 16,331 | 1,769 | 2,362 | 5,463 | 1,837 | 27,762 | 274 | 4,914 | 291 | 33,241 |
| Weatherization material, fuel and client assistance | 29,635 | 32,082 | 3,413,724 | 4,394,593 | 2,977,588 | 10,847,622 | - | - | - | 10,847,622 |
| In-kind expenses | 167,453 | 565,933 | - | 19,827 | 500 | 753,713 | - | - | 13,511 | 767,224 |
| Consultants and contract labor | 58,298 | 6,383 | 151 | 41,791 | 336 | 106,959 | 77,946 | 167,622 | 19,414 | 371,941 |
| Consumable supplies | 223,160 | 154,240 | 5,563 | 39,621 | 4,738 | 427,322 | 51,654 | 18,436 | 4,875 | 502,287 |
| Occupancy | 700,964 | 46,498 | 55,377 | 130,160 | 21,160 | 954,159 | (621,635) | 84,260 | 11,291 | 428,075 |
| Repairs and maintenance | 52,295 | 9,782 | 5,971 | 17,494 | 1,133 | 86,675 | 400,030 | 5,810 | 1,675 | 494,190 |
| Insurance | 33,359 | 3,256 | 1,325 | 8,559 | 955 | 47,454 | 15,170 | 56,416 | 185 | 119,225 |
| Training and conferences | 86,945 | 12,467 | 5,012 | 21,405 | 19,194 | 145,023 | 62 | 66,709 | 41,212 | 253,006 |
| Depreciation | 76,962 | 42,021 | 391 | 37,528 | 4,328 | 161,230 | - | 87,399 | - | 248,629 |
| Travel and transportation | 44,974 | 4,203 | 224 | 16,382 | 6,491 | 72,274 | (12,307) | 6,983 | 894 | 67,844 |
| Printing and postage | 1,074 | 3,098 | 2,051 | 60 | 19 | 6,302 | - | 6,091 | 10,295 | 22,688 |
| Equipment and computer | 6,952 | 728 | - | 2,525 | 6,628 | 16,833 | 16,357 | 3,458 | 60 | 36,708 |
| Interest expense | 17,629 | 6,819 | 9,144 | 11,149 | 3,256 | 47,997 | 2,834 | 42,163 | 1,280 | 94,274 |
| Other program support | 12,896 | 5,576 | - | - | - | 18,472 | 42,383 | 13,902 | 954 | 75,711 |
| Total expenses | \$ 5,618,514 | \$ 1,213,031 | \$ 4,088,771 | \$ 5,475,141 | \$ 3,309,103 | \$ 19,704,560 | \$ - | \$ 1,522,812 | \$ 197,469 | \$ 21,424,841 |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|----------------------------|-------------------------------|------------------------------|-----------------------------|----------------------------|-----------------------------------|--|---------------------------------------|--------------------------|-----------------------------|
| Payroll | \$ 2,951,365 | \$ 644,816 | \$ 388,986 | \$ 920,193 | \$ 164,650 | \$ 5,070,010 | \$ 73,067 | \$ 681,722 | \$ 121,545 | \$ 5,946,344 |
| Payroll taxes | 247,208 | 57,069 | 32,974 | 75,584 | 12,672 | 425,507 | 6,311 | 63,162 | 9,833 | 504,813 |
| Fringe benefits | 205,921 | 34,528 | 30,366 | 72,552 | 19,799 | 363,166 | 82 | 37,953 | 5,220 | 406,421 |
| Retirement | 14,995 | 2,162 | 1,569 | 6,445 | 761 | 25,932 | 752 | 5,767 | 75 | 32,526 |
| Weatherization material, fuel and client assistance | 119,381 | 20,588 | 3,606,402 | 29,909,257 | 1,514,988 | 35,170,616 | - | - | - | 35,170,616 |
| In-kind expenses | 14,772 | 968,268 | - | - | - | 983,040 | - | - | 5,040 | 988,080 |
| Consultants and contract labor | 166,829 | 14,565 | 2,692 | 212,431 | 1,597 | 398,114 | 99,599 | 139,998 | 12,755 | 650,466 |
| Consumable supplies | 206,399 | 205,366 | 9,582 | 35,892 | 8,549 | 465,788 | 42,120 | 18,091 | 3,958 | 529,957 |
| Occupancy | 704,886 | 70,467 | 41,243 | 141,580 | 18,043 | 976,219 | (670,668) | 69,769 | 6,201 | 381,521 |
| Repairs and maintenance | 39,766 | 23,938 | 7,541 | 10,406 | 2,763 | 84,414 | 440,423 | 660 | 2,194 | 527,691 |
| Insurance | 71,667 | 11,150 | 1,610 | 22,841 | 2,431 | 109,699 | 25,811 | 52,785 | 259 | 188,554 |
| Training and conferences | 80,246 | 5,551 | 2,526 | 7,834 | 17,205 | 113,362 | 119 | 26,440 | 41,454 | 181,375 |
| Depreciation | 80,133 | 34,099 | 391 | 34,641 | 4,328 | 153,592 | - | 85,443 | - | 239,035 |
| Travel and transportation | 42,327 | 4,808 | 89 | 11,836 | 6,722 | 65,782 | (12,356) | 4,699 | 769 | 58,894 |
| Printing and postage | 3,723 | 55 | 10,850 | 348 | 96 | 15,072 | - | 11,043 | 5,576 | 31,691 |
| Equipment and computer | - | - | 6,588 | 24,285 | 10,544 | 41,417 | 29,326 | - | 1,310 | 72,053 |
| Interest expense | - | 10,658 | 10,141 | 12,037 | 3,070 | 35,906 | 5,982 | 81,815 | 1,438 | 125,141 |
| Indirect | 105,441 | - | - | - | - | 105,441 | - | (105,441) | - | - |
| Other program support | 65,716 | 15,314 | 4,774 | 38,134 | 3,761 | 127,699 | (40,568) | 5,743 | 1,619 | 94,493 |
| Total expenses | <u>\$ 5,120,775</u> | <u>\$ 2,123,402</u> | <u>\$ 4,158,324</u> | <u>\$ 31,536,296</u> | <u>\$ 1,791,979</u> | <u>\$ 44,730,776</u> | <u>\$ -</u> | <u>\$ 1,179,649</u> | <u>\$ 219,246</u> | <u>\$ 46,129,671</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 488,413 | \$ 48,081 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 248,629 | 239,035 |
| Amortization of debt issuance costs | 3,376 | 3,376 |
| Acquisition of property and land | (945,514) | - |
| Acquisition of long term debt | 225,000 | - |
| Transfer of property to Gafney Home, L.P. | 129,397 | - |
| Loss (gain) on disposal of property | 79,338 | (27,491) |
| Decrease (increase) in assets: | | |
| Accounts receivable | 681,516 | (426,641) |
| Contributions receivable | 30,000 | (37,400) |
| Due from Gafney Home, L.P. | (519,890) | - |
| Inventory | 88,148 | 9,780 |
| Prepaid expenses | 40,074 | (15,380) |
| Other noncurrent assets | - | 1,334 |
| Security deposits | 52 | 42 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 849,547 | (475,081) |
| Accrued payroll and related taxes | (472) | (7,229) |
| Accrued compensated absences | (12,435) | 60,294 |
| Refundable advances | (732,629) | 630,909 |
| Other current liabilities | (37,153) | 73,462 |
| Security deposits | (348) | - |
| | <u>615,049</u> | <u>77,091</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property | (100,594) | (506,141) |
| Proceeds on sale of property | 19,023 | 600,000 |
| | <u>(81,571)</u> | <u>93,859</u> |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments made on long term debt | (75,453) | (355,915) |
| | <u>(75,453)</u> | <u>(355,915)</u> |
| NET CASH USED IN FINANCING ACTIVITIES | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 458,025 | (184,965) |
| CASH AND RESTRICTED CASH, BEGINNING OF YEAR | <u>1,384,563</u> | <u>1,569,528</u> |
| CASH AND RESTRICTED CASH, END OF YEAR | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| CASH AND RESTRICTED CASH | | |
| Cash | \$ 1,806,373 | \$ 1,355,108 |
| Restricted cash: | | |
| Insurance escrow | 13,477 | 9,193 |
| Tax escrow | 5,931 | 5,952 |
| Replacement reserves | 6,580 | 4,363 |
| Operating reserve | 10,227 | 9,947 |
| | <u>36,215</u> | <u>39,455</u> |
| Total cash and restricted cash | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | <u>\$ 90,898</u> | <u>\$ 121,765</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND AND FINANCING ACTIVITIES | | |
| Acquired property and land | <u>\$ 945,514</u> | <u>\$ -</u> |
| Acquired long term debt | <u>\$ 225,000</u> | <u>\$ -</u> |

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Principles of Consolidation

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

Academy Street Family Housing, LLC (Academy Street) is a limited liability company which is consolidated because the Agency is the sole member of Academy Street. All significant intercompany items and transactions have been eliminated from the consolidated financial statements.

In addition to the Agency's administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency 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 increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2023 and 2022, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Unless otherwise indicated, fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Inventory

Inventory materials are fixtures for installation and recorded at cost or net realizable value or if donated, at approximate fair value at date of donation, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

| | |
|------------------------------------|---------------|
| Buildings and improvements | 15 - 40 years |
| Furniture, equipment and machinery | 3 - 10 years |
| Vehicles | 5 - 7 years |

Depreciation expense aggregated \$248,629 and \$239,035 for the years ended December 31, 2023 and 2022, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$193,093 and \$205,528 at December 31, 2023 and 2022, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

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

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition Policy

The Agency derives revenue from grants, fees for services, donations, public support, and fundraising. Revenues are recognized when control of these services are transferred to customers, in an amount that reflects the consideration the Agency expects to be entitled to in exchange for those services. Cost incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Academy Street derives revenue 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. Control of the leased units is transferred to the lessee in an exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2023 and 2022 amounted to \$10,426 and \$72,759, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense for the years ended December 31, 2023 and 2022 amounted to \$3,376 and has been included with interest expense in the consolidated statement of activities for each year. The unamortized deferred financing costs have been included as a reduction of the long term debt (see Note 10).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying consolidated financial statements. The estimated fair value of the donation was determined to be \$103,356 and \$14,772 for the years ended December 31, 2023 and 2022, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$457,049 and \$116,368, respectively, for the year ended December 31, 2023. For the year ended December 31, 2022, the estimated fair value of these food commodities and goods was determined to be \$968,268 and \$5,040, respectively.

The Agency also receives contributed professional services and volunteer time that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$90,451 for the year ended December 31, 2023. There were no contributed professional services for the year ended December 31, 2022.

Functional Allocation of Expenses

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

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of allocation</u> |
|-----------------------|------------------------------------|
| Salaries and benefits | Time and effort |
| Occupancy | Square footage/revenues |
| Depreciation | Square footage |
| All other expenses | Approved indirect rate |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

New Accounting Pronouncement

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Agency adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Agency’s financial statements.

NOTE 2. PROPERTY

As of December 31, 2023 and 2022, property consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|----------------------------|----------------------------|
| Land, buildings and improvements | \$ 6,900,857 | \$ 6,181,672 |
| Furniture, equipment and machinery | 418,949 | 398,645 |
| Vehicles | <u>315,682</u> | <u>350,136</u> |
| Total | 7,635,488 | 6,930,453 |
| Less accumulated depreciation | <u>1,261,148</u> | <u>1,125,834</u> |
| Net property | <u>\$ 6,374,340</u> | <u>\$ 5,804,619</u> |

NOTE 3. RESTRICTED CASH BALANCES

Certain cash accounts have been established and are being funded in accordance with a regulatory agreement entered into between Academy Street and New Hampshire Housing as discussed below. All reserves are required to be held in qualified New Hampshire financial institutions that are insured by the FDIC.

Operating Reserve

Under the regulatory agreement, Academy Street is required to establish an operating reserve. The operating reserve was funded properly during the years ended December 31, 2023 and 2022.

Replacement Reserve

Under the regulatory agreement, Academy Street is required to set aside amounts for the replacement of property and other expenditures approved by New Hampshire Housing. Additionally, Academy Street is required to make monthly payments to the reserve. The reserve was properly funded during 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Insurance and Real Estate Tax Escrows

Academy Street is required to establish a reserve to fund tax and insurance payments in the project. Amounts are to be deposited on a monthly basis to accrue a sufficient balance to pay future tax and insurance bills of the project. As of December 31, 2023 and 2022, the balance in the reserves for tax and insurance escrows was properly funded.

NOTE 4. LIQUIDITY AND AVAILABILITY

The following represents the Agency's financial assets as of December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--|----------------------------|----------------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 50,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Restricted cash | <u>36,215</u> | <u>29,455</u> |
| Total financial assets | 4,254,814 | 3,991,415 |
| Less amounts not available to be used within one year: | | |
| Restricted cash | 36,215 | 29,455 |
| Board designated funds | <u>-</u> | <u>307,315</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 4,221,599</u> | <u>\$ 3,654,645</u> |

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Agency uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

The allowance for uncollectible accounts was estimated to be zero at December 31, 2023 and 2022. The Agency has no policy for charging interest on overdue accounts.

NOTE 6. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------------------|-------------------------|
| Within one year | \$ 20,000 | \$ 30,000 |
| In two to five years | <u>-</u> | <u>20,000</u> |
| | <u>\$ 20,000</u> | <u>\$ 50,000</u> |

NOTE 7. DUE FROM GAFNEY HOME, L.P.

Gafney Home, L.P. (Gafney) is a low-income housing tax credit property. The general partner (0.01%) of Gafney is 100% owned by the Agency. The \$519,890 included in due from Gafney Home, L.P. on the consolidated statement of financial position for the year ended December 31, 2023 represents amounts that the Agency has paid on behalf of Gafney for the construction that is underway.

NOTE 8. PLEDGED ASSETS

As described in **Note 9**, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in **Note 10**, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 9. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$750,000. Prior to November 2023, \$250,000 was the amount available on the revolving line of credit. The note is payable upon demand. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 9.50% at December 31, 2023 and 8.50% at December 31, 2022. The note is collateralized by all the assets of the Agency. There was no outstanding balance on the demand note payable as of December 31, 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 10. LONG TERM DEBT

The long term debt at December 31, 2023 and 2022 consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| Mortgage payable to Kennebunk Savings Bank which had interest only payments for 36 months followed by principal and interest payments for 264 months. During the year ended December 31, 2022 the note was refinanced to a fixed interest rate of 4.25% for the first ten years resulting in monthly principal and interest payments of \$11,170. On April 26, 2032, and on that date every year thereafter, principal and interest payments will adjust to 1.50% above the highest U.S Prime Rate as published in the Wall Street Journal on the applicable change date, with a floor rate of 4%. The note matures in 2043. The mortgage payable is secured by real estate. | \$ 1,790,164 | \$ 1,846,509 |
| 5.00% notes payable to the New Hampshire Community Loan Fund with monthly principal and interest payments of \$3,251, maturing October 2037. The notes are secured by real estate. | 387,745 | 406,854 |
| Note payable to New Hampshire Housing Finance Authority. The note is not subject to interest or principal amortization and will be forgiven in 2028 provided that the property is used for transitional housing. The note is secured by real estate. | 225,000 | - |
| Non-interest bearing note payable to New Hampshire Housing deferred until April 21, 2060 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | 785,889 | 785,889 |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Non-interest bearing note payable to New Hampshire Housing deferred until July 1, 2051 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | <u>25,755</u> | <u>25,755</u> |
| Total long term debt before current portion of long term debt and unamortized debt issuance costs | 3,214,553 | 3,065,007 |
| Current portion of long term debt | (99,121) | (95,690) |
| Unamortized debt issuance costs | <u>(57,457)</u> | <u>(60,833)</u> |
| Total long term debt | <u>\$ 3,057,975</u> | <u>\$ 2,908,484</u> |

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

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------------|
| 2024 | \$ 99,121 |
| 2025 | 82,809 |
| 2026 | 86,562 |
| 2027 | 90,488 |
| 2028 | 319,591 |
| Thereafter | <u>2,535,982</u> |
| Total | <u>\$ 3,214,553</u> |

NOTE 11. NET ASSETS

At December 31, 2023 and 2022, net assets with donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|-----------------|--------------------------|--------------------------|
| Whole family | \$ 39,286 | \$ 42,755 |
| COVID related | - | 120,546 |
| Fuel assistance | <u>136,699</u> | <u>142,484</u> |
| Total | <u>\$ 175,985</u> | <u>\$ 305,785</u> |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

At December 31, 2023 and 2022, net assets without donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Undesignated | \$ 5,253,075 | \$ 4,327,547 |
| Board designated | <u>-</u> | <u>307,315</u> |
| Total net assets without donor restrictions | <u>\$ 5,253,075</u> | <u>\$ 4,634,862</u> |

NOTE 12. OPERATING LEASES

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases with expiration dates through 2032. For the years ended December 31, 2023 and 2022, the annual lease/rent expense for the leased facilities was \$69,901 and \$90,501, respectively.

The Agency accounts for its operating leases under ASU 2016-02, *Leases (Topic 842)*. As such, the right of use (ROU) assets represent the Agency's right to use underlying assets for the lease term, and the lease liabilities represent the Agency's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The discount rate related to the Agency's lease liability as of December 31, 2023 was 3.75%, which is based upon the risk-free borrowing rates commensurate with the lease terms. At December 31, 2023, the ROU asset and lease liability is \$81,312. At December 31, 2022, the ROU asset and lease liability is \$146,825.

The weighted average lease term at December 31, 2023 is 5.44 years. The weighted average discount rate at December 31, 2023 is 3.75%.

Common expenses, classified as occupancy costs in the accompanying consolidated financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs as incurred.

Academy Street leases property from the Agency under a lease agreement for an annual rent amount of \$1. The lease expires during April 2045. Unless either party serves the other with a 180 day written notice prior to the expiration of the initial term, at the end of the initial term, the lease shall be automatically extended for an additional 25 year term.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Lease liability maturities as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Amount</u> |
|---|----------------------|
| 2024 | \$ 38,401 |
| 2025 | 6,901 |
| 2026 | 6,901 |
| 2027 | 6,901 |
| 2028 | 6,901 |
| Thereafter | <u>24,144</u> |
| Total undiscounted lease liability | 90,149 |
| Less imputed interest | <u>(8,837)</u> |
| Total lease liability | <u>\$ 81,312</u> |

NOTE 13. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2023 and 2022 totaled \$33,241 and \$32,526, respectively.

NOTE 14. CONCENTRATION OF RISK

The Agency receives a majority of its support from federal and state governments. For the years ended December 31, 2023 and 2022, approximately 89% and 96%, respectively, of the Agency's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Agency's programs and activities.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 15. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 16. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2023 and 2022.

NOTE 17. RENTAL INCOME RECEIVABLE

During the year ended December 31, 2023, and subsequent to year end, Academy Street entered into four separate rental agreements for use of their four apartments. The rental agreements have differing expirations ranging from April 2024 through April 2025. Monthly payments for the agreements ranged from \$1,168 to \$1,394 and are due the first day of each month. At December 31, 2023 and 2022, \$2,587 and \$1,412, respectively, is outstanding from tenants for rent and is included in accounts receivable in the accompanying consolidated statements of financial position.

The approximate future rental payments owed on the above leases are as follows:

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------|
| 2024 | \$ 51,598 |
| 2025 | <u>15,824</u> |
| Total | <u>\$ 67,422</u> |

NOTE 18. ACQUISITION OF PROPERTY AND LAND

During the year ended December 31, 2023, the Agency acquired property and land relating to a transitional housing program from another nonprofit organization. The value of the building and land received in the acquisition totaled \$675,570 and \$269,944, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

As part of the acquisition of the property and land, the Agency also acquired the related note payable of \$225,000, payable to New Hampshire Housing Finance Authority (see **Note 10**). The Agency has been running the operations of the transitional housing program since the acquisition.

NOTE 19. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through June 5, 2024, the date the consolidated financial statements were available for issuance.

Subsequent to year end, on May 1, 2024, the Agency acquired the Home for Now Shelter, which is a homeless center in Strafford County, from another nonprofit organization. The value of the property acquired totaled \$1,502,600. The Agency will acquire all other remaining assets from the nonprofit organization once their dissolution is finalized.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | Total | Consolidating Adjustments | Consolidated |
|--|---|---|----------------------|--------------------------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,742,370 | \$ 64,003 | \$ 1,806,373 | \$ - | \$ 1,806,373 |
| Accounts receivable | 1,872,749 | 2,587 | 1,875,336 | - | 1,875,336 |
| Contributions receivable | 20,000 | - | 20,000 | - | 20,000 |
| Due from affiliate | 5,065 | - | 5,065 | (5,065) | - |
| Due from Gafney Home, L.P. | 519,890 | - | 519,890 | - | 519,890 |
| Inventory | 413,604 | - | 413,604 | - | 413,604 |
| Prepaid expenses | 11,972 | - | 11,972 | - | 11,972 |
| Total current assets | <u>4,585,650</u> | <u>66,590</u> | <u>4,652,240</u> | <u>(5,065)</u> | <u>4,647,175</u> |
| NONCURRENT ASSETS | | | | | |
| Restricted cash | - | 36,215 | 36,215 | - | 36,215 |
| Security deposits | 5,172 | 3,203 | 8,375 | - | 8,375 |
| Property, net of accumulated depreciation | 5,536,103 | 838,237 | 6,374,340 | - | 6,374,340 |
| Other noncurrent assets | 25,503 | - | 25,503 | - | 25,503 |
| Right of use asset | 81,312 | - | 81,312 | - | 81,312 |
| Total noncurrent assets | <u>5,648,090</u> | <u>877,655</u> | <u>6,525,745</u> | <u>-</u> | <u>6,525,745</u> |
| TOTAL ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current portion of long term debt | \$ 79,216 | \$ 19,905 | \$ 99,121 | \$ - | \$ 99,121 |
| Accounts payable | 1,290,169 | 5,336 | 1,295,505 | - | 1,295,505 |
| Accrued payroll and related taxes | 128,546 | - | 128,546 | - | 128,546 |
| Accrued compensated absences | 193,093 | - | 193,093 | - | 193,093 |
| Due to affiliate | - | 5,065 | 5,065 | (5,065) | - |
| Refundable advances | 849,145 | - | 849,145 | - | 849,145 |
| Other current liabilities | 36,292 | 17 | 36,309 | - | 36,309 |
| Current portion of right of use liability | 36,264 | - | 36,264 | - | 36,264 |
| Total current liabilities | <u>2,612,725</u> | <u>30,323</u> | <u>2,643,048</u> | <u>(5,065)</u> | <u>2,637,983</u> |
| NONCURRENT LIABILITIES | | | | | |
| Long term debt, less current portion shown above | 2,281,290 | 776,686 | 3,057,976 | - | 3,057,976 |
| Security deposits | - | 2,853 | 2,853 | - | 2,853 |
| Right of use liability, less current portion shown above | 45,048 | - | 45,048 | - | 45,048 |
| Total noncurrent liabilities | <u>2,326,338</u> | <u>779,539</u> | <u>3,105,877</u> | <u>-</u> | <u>3,105,877</u> |
| Total liabilities | <u>4,939,063</u> | <u>809,862</u> | <u>5,748,925</u> | <u>(5,065)</u> | <u>5,743,860</u> |
| NET ASSETS | | | | | |
| Without donor restrictions | 5,118,692 | 134,383 | 5,253,075 | - | 5,253,075 |
| With donor restrictions | 175,985 | - | 175,985 | - | 175,985 |
| Total net assets | <u>5,294,677</u> | <u>134,383</u> | <u>5,429,060</u> | <u>-</u> | <u>5,429,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | <u>Consolidated</u> |
|---|---|---|----------------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | - | 65,397 | 65,397 |
| Public support | 361,132 | - | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 235 | 854 | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | <u>21,126,489</u> | <u>66,251</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,392,053 | 83,088 | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,621,472 | 83,088 | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,341,753</u> | <u>83,088</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | <u>(215,264)</u> | <u>(16,837)</u> | <u>(232,101)</u> |
| ACQUISITION OF PROPERTY AND LAND | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 505,250 | (16,837) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,789,427</u> | <u>151,220</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,294,677</u> | <u>\$ 134,383</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|---|-----------------------------------|--|
| <u>U.S. Department of Agriculture</u> | | | | |
| Child and Adult Care Food Program | 10.558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10.559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10.555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10.569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> 458,049 |
| Total U.S. Department of Agriculture | | | | <u>\$ 721,711</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| Supportive Housing for the Elderly | 14.157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> 145,328 |
| CV - Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> 221,461 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> 574,014 |
| Supportive Housing Program | 14.235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>\$ 995,151</u> |
| <u>U.S. Department of Homeland Security</u> | | | | |
| Emergency Food and Shelter National Program | 97.024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | <u>\$ 4,600</u> |
| <u>U.S. Department of Energy</u> | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XXXX0000-074-50 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> \$ 549,149 |
| Total U.S. Department of Energy | | | | <u>\$ 549,149</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| Total U.S. Department of the Treasury | | | | <u>\$ 4,265,620</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|--|--|--|---------------------------------|
| <u>U.S. Department of Health & Human Services</u> | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93.044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93.870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93.658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93.556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93.558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| | | | | 3,994,061 |
| Low-Income Water Assistance Program | 93.499 | State of New Hampshire Governor's Office of Energy & Planning | 02-52-52-52010-19880000-500587 | 66,413 |
| Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93.569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| | | | | 318,777 |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93.575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93.600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93.600 | Direct Funding | 01CH01149601C3, 01HE00051501C6 | <u>144,403</u> |
| | | | | 4,056,167 |
| Substance Abuse and Mental Health Services Administration | 93.243 | Hope on Haven Hill | H79TI084759 | 40,136 |
| Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | 93.043 | National Council on Aging | 90HDCR008 | 3,774 |
| Social Services Research and Demonstration | 93.647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EDA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93.994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93.645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93.667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29660000-102-500734-42106603 | <u>129,421</u> |
| | | | | 9,563,701 |
| Total U.S. Department of Health & Human Services | | | | <u>\$ 9,563,701</u> |
| TOTAL | | | | <u>\$ 16,099,932</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

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

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2023.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Partnership of Strafford County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County’s 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2023. Community Action Partnership of Strafford County'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, Community Action Partnership of Strafford County 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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.

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Community Action Partnership of Strafford County and Affiliate were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the consolidated financial statements is 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 financial statements of Community Action Partnership of Strafford County, 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 Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that would be required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major were: U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program, ALN 93.568 and U.S. Department of the Treasury, Emergency Rental Assistance Program, ALN 21.023, Coronavirus State and Local Fiscal Recovery Funds, ALN 21.027, U.S Department of Energy, Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2023-001

Condition: Accounts receivable was not reconciled to the aging report and uncollectible amounts were not written off timely. Bad debt expense was recognized in the current year as a result.

Criteria: Internal controls should be in place to ensure that accounts receivable are reconciled frequently to the aging report and accounts receivable are reviewed for collectability regularly. This reconciliation should be reviewed and approved by the CFO.

Cause: There has been a great deal of staff turnover in the Agency and the difficulty in hiring qualified people into the fiscal department has made proper accounting controls hard to achieve.

Effect: An entry in the amount of \$97,154 was posted to the current year bad debt expense. As nearly all accounts receivable is driven by billing for expenses under grants, it is normally deemed 100% collectible. As such, revenue in a prior year was overstated by the \$97,154.

Recommendation: We recommend that accounts receivable be reviewed regularly and any amounts that are deemed uncollectible are written off timely and/or establish an allowance for doubtful accounts. We also recommend that procedures are implemented to ensure that monthly reconciliations for accounts receivable are being performed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: As previously discussed during the fieldwork and noted in the report, staff turnover at CAPSC caused delays in some reconciliations due to training and hiring processes. There were no incorrect actions or processes; the delay in writing off outstanding accounts receivable was primarily due to staff turnover. With our newly completed fiscal team, we are now positioned to thoroughly research and resolve all outstanding accounts receivable balances. We are confident that our established procedures for monthly reviews and follow-up activities will effectively address this issue.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

Community Action Partnership

Air Source Heat Pump Upgrades & Building Repair

Transitional Shelter
576 Central Avenue, Dover NH

APPLICATION: DOVER CDBG FUNDING – PUBLIC FACILITIES ACTIVITY

| APPLICANT INFORMATION | |
|---|---|
| Organization Community Action Partnership of Strafford County | |
| Name of Activity Air Source Heat Pump Upgrades | |
| Name of Executive Director Betsey Andrews Parker, CEO | |
| Mailing Address 577 Central Avenue, Suite 10, Dover NH 03820 | |
| Physical Address 577 Central Avenue, Suite 10, Dover, NH 03820 | |
| Contact Person Bob Arnold, Housing Development and Revitalization Director | Phone 603-435-2500 Ext 2350 |
| E-Mail barnold@straffordcap.org | Website www.straffordcap.org |
| Please Identify the Type of Organization Applying for Funds (Note: More than one may apply) <input checked="" type="checkbox"/> 501(c)(3) Government <input type="checkbox"/> Faith-based Organization <input type="checkbox"/> Other (Explain): <input type="checkbox"/> For-profit authorized under 570.201(o) <input type="checkbox"/> Institution of Higher Education <input type="checkbox"/> Unit of | |
| Tax ID # 02-0268636 | |
| SAM UEI # Z3KKLWND4993 | SAM Expiration Date 02/27/2025 |

ACTIVITY INFORMATION

| ACTIVITY OR PROJECT INFORMATION |
|--|
| Amount of Dover CDBG funds requested for activity: \$ 136,709.00 |
| Provide a <u>very brief</u> summary of the <u>activity</u> for which the funds are requested. Keep responses to one or two sentences (i.e. After School Care for K-4th grade students. Repair of homeless shelter roof.) Funds will be used to complete a heat pump upgrade to transitional shelter located at 576 Central Avenue, Dover NH. Formerly known as Families In Transition. |

| PROJECT LOCATION |
|--|
| Location(s) where activity will occur. 576 Central Avenue, Dover NH |

| BENEFICIARIES |
|--|
| Beneficiary type: (e.g. Homeless Individuals, Low-Income Households, etc.) Homeless individuals, low-income individuals |
| Beneficiaries: For <u>FY 2026 (7/1/2025 – 6/30/2026)</u> please provide the <i>estimated</i> number of unduplicated Dover beneficiaries that will benefit from this CDBG funded activity. Not your entire client population: 12 |

| CLIENT POPULATION |
|---|
| Does your organization have criteria/protocols in place that are used to determine when clients will or will not receive assistance for this program or activity?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| If yes, are the criteria/protocols in writing?: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

| NARRATIVE – <u>PUBLIC FACILITY</u> ACTIVITY |
|--|
| Please provide the following information for the proposed activity (not the organization): |
| Describe the nature of the activity: |
| <p>Phase I: This will be a Weatherization project prescribed by an energy audit completed in 2023. The project will include heating/cooling upgrades, repairs to the existing gutter system to shed water away from the building and achieve dewatering goals and installation of an Energy Recovery Ventilator (ERV). The heating/cooling upgrade will be achieved with the installation of multiple air-source heat pump systems with the purpose of providing energy efficient heating and cooling to the upper and lower living areas. The building is currently heated with a central natural gas fired boiler system. The system operates at 89% efficiency and lacks the architecture to supply heat to all rooms of the building. Cooling is currently achieved through use of low-SEER window air conditioning units. The window units are problematic due to their increased baseload consumption, seasonal labor to install and remove, store and maintain. A new air-source heat pump system will deliver higher efficient heating and cooling, reach areas the current system is unable to deliver heat to and reduce the natural gas/carbon footprint of the project. Current annual gas consumption is 3546 therms/yr or 3546Mbtu’s. Current electric consumption of 22,343kwh.y. TREAT modeling predicts that the proposed heat pump system would reduce gas consumption by 1200Mbtu’s or 33% and electric consumption by 3922 kwh/y or 17%. As part of the upgrade an Energy Recovery Ventilation (ERV) unit will be installed which will provide first floor ventilation in order to meet ASHRAE guidelines. Repairs to the porch for safety reasons is part of this package. An existing rain gutter system will need minor repairs for dewatering purposes and ensure system longevity for the heat pump condensers which will be located outdoors.</p> |
| Describe how the activity will ultimately benefit Dover low/moderate income individuals or Dover presumed benefit populations : |
| <p>The property provides transitional housing to Dover Residents. As part of CAPSC’s long-term investment in this project we are committed to ensuring the building is code compliant, meets minimum energy code standards and provides safe, carbon monoxide-free shelter to area residents. Improvements to this portion of Dover’s housing stock benefits all current and future Dover residents for generations to come. The air-source heat pumps will provide relief during the cooling season as cooling degree days continue their upward trend. The Weatherization package includes a strong health and safety component with emphasis on healthy air exchange rates, reduced ambient carbon monoxide being generated for heating and safe egress for clients, staff and emergency responders.</p> |

Heat related deaths are the leading cause of weather-related deaths in the U.S. Cooling degree days have seen an increase since 2015 and are directly related to heat related deaths. Air source heat pump systems such as the one proposed provide energy efficient cooling with greater longevity than traditional conventional cooling systems. Air source heat pumps improve the comfort, reduce energy costs and increase the health and safety of the building occupants.

Proposed activity starting date: 01/15/2025

Proposed activity completion date: 03/15/2025

Describe how the proposed activity will be able to meet the required stages of completion (can begin no sooner than January of 2025, be 50% complete by April 15, 2025 and be 90% complete by June 30, 2025.):

CAPSC Weatherization completed a full energy audit of this building in 2023 which included 3D modeling. Information collected from the audit will be incorporated into an RFP which will be released in late 2024. The submittal deadline will be January 5th, 2025. A contract will be awarded no later than January 30th, 2025 with an April 15th, 2025 construction completion date.

CAPSC has long-standing relationships with local contractors specializing in heat pump systems. Over the past 36 months CAPSC Weatherization has installed over 140 systems in Strafford County. More recently CAPSC Weatherization completed a full heat pump conversion of the Head Start facility in Rochester, NH within budget and within schedule. CAPSC releases detailed RFP's which include building schematics, load requirements and other information relevant to the systems requested to be installed. The CAPSC Weatherization staff have experience managing projects of this size and will act as the general contractor.

Provide a total activity cost broken down by major phases of the project:

Heat pumps: A total of 4 Mitsubishi condensers servicing 16 air handlers, with line sets, electric cutoffs, wiring, leak down testing will cost approximately \$129,600.00. This cost is based on an average historical cost of \$.90 per BTU with a total BTU sizing demand of 144,000 BTU. **This is all-in pricing which includes both HVAC and electrical work.**

Gutter improvements: Total cost of \$5,525.00 based on 1105 linear feet of existing gutter at \$5 per linear foot.

Energy Recovery Ventilator: Total cost will be \$1,584.00 which includes \$792.00 for the cost of the unit and associated materials for installation. Materials cost times two was used to arrive at the total estimated cost

| | |
|--|--|
| | |
|--|--|

| PERFORMANCE OUTCOME MEASURES | |
|--|--|
| Provide the <i>outcomes</i> proposed & the <i>method of measurement</i> . You may list multiple outcomes. | |
| Outcome | Measurement |
| Example 1: Decrease in number of "latch-key kids" Example 2: Decreased dependence on emergency care facilities for non-emergency care of low/mod adults | Example 1: # of children who participate in afterschool program Example 2: Increase in number of low/mod income residents that seek care from health program. |
| Decreased electric costs associated with cooling | Historic electric usage reported by Eversource |
| Decreased natural gas consumption | Historic gas usage as reported by Unitil |
| Decreased risk of death and illness due to weather related temperatures and reduction in carbon monoxide emissions | Fire rescue emergency calls to the site |
| | |

DESCRIPTION OF ORGANIZATION

Please provide a description for the organization or agency that is undertaking the activity or project.

At Community Action Partnership of Strafford County (CAPSC), we strongly believe no one should go without having their basic needs met. As the leading anti-poverty agency in Strafford County, we strive to empower individuals and families to achieve self-sufficiency by opening the doors to resources and opportunities that offer a hand up, not a handout. When we achieve this goal, we reduce the impact of poverty and build a stronger community.

Our mission at CAPSC is to reduce barriers to help clients improve their economic stability and well-being through education,

advocacy, and partnerships. In accordance with its mission, CAPSC offers over 60+ coordinated programs designed to have a measurable impact on poverty and health status among our community's most vulnerable residents, specifically

children under the age of six, people with disabilities, seniors and those experiencing low incomes. Programs include nutrition, housing, fuel and electric assistance, weatherization, parent and child education, childcare, and transportation, all of which are locally defined, planned and managed in partnership with other community agencies. All programs are designed to increase self-sufficiency and help clients become socially and financially independent. CAPSC's goal is to interrupt the cycle of poverty and empower children, working families and seniors to live more secure, stable and healthier lives.

CAPSC is governed by a volunteer Board of Directors, one-third of whom are consumers of services. We have nearly 150 employees and a nearly \$20 million operating budget which includes federal, state, and local funds in addition to foundation and United Way grants, fees for service, and individual and corporate donations.

CAPSC helps individuals to meet basic needs like housing, heat, food, transportation, childcare, and more. In 2022-2023, CAPSC served over 18,000 households and provided over \$33 million in goods and services to Strafford County residents, thereby reducing the burden on other County and community services and changing countless lives for the better. Some of what the programs at CAPSC were able to accomplish includes:

- Paying nearly \$20 million in emergency rental assistance to landlords and utility companies to help 5,332 households avoid eviction and utility disconnections.
- Providing 2,265 safe, accessible rides for seniors
- Providing 5,699 households with fuel assistance, valued at over \$4.5 million.
- Providing 33,359 free summer meals to children experiencing food insecurity.
- Weatherizing 349 homes.
- Providing 289 children and their families with services through our Early Childhood Education

programs.

Together, these programs provide a holistic approach to self-sufficiency, and offer clients the resources needed to move out of poverty.

AUDIT AND EVALUATION

Does your organization have an annual CPA audit or other financial statement? Yes

If yes, please submit most recent audit or financial statements as an attachment to this application.

Is your organization evaluated by outside agencies or programs? Yes

If yes, please note the agency/program and how often the evaluation occurs.

CAPSC is evaluated by the Region One Office of Head Start; Department of Health and Human Services; NH Office of Strategic Initiatives (OSI); Eversource; Unital; and the United Way for program and financial performance. Evaluations occur annually at minimum. The Weatherization Program is evaluated annually to ensure the program is following all federal guidelines. Each Weatherization job is audited to ensure all Weatherization measures are done correctly. The most recent Weatherization audit occurred in June, 2024.

| BOARD OF DIRECTORS | |
|---------------------|-----------------------|
| Name | Residence (city/town) |
| Terry Jarvis | New Durham, NH |
| Jean Miccolo | Rochester, NH |
| Steve Trozinski | Dover, NH |
| Alan Brown | Rochester, NH |
| Anthony Carr | Dover, NH |
| Leah Crouser | Dover, NH |
| Heather Blumenfeld | Dover, NH |
| Maureen Staples | Dover, NH |
| Brandi McKay-Berry | Barrington, NH |
| Mark Toussaint | Rochester, NH |
| Robert Harrington | Dover, NH |
| Robert Warach | Dover, NH |
| Ian Oneail | Raymond, NH |
| Sarah Kuhl | Dover, NH |
| Christine McCluskey | Farmington, NH |
| Katrin Kasper | Lee, NH |
| James Rathbun | Farmington, NH |
| Nicki Gearwar | Dover, NH |
| | |
| | |

BUDGET: ACTIVITY or PROJECT

Use box 1 below to provide a budget for the proposed activity. Include all proposed expenses. Note: Documentation must be kept that clearly tracks the use of the CDBG funds for the requested activity.

| 1. <u>Public Facilities</u> | | | |
|---|----------------------------|---------------|-----------------------|
| | A | B | A + B |
| | Dover CDBG Funds Requested | Other Funding | Total Proposed Budget |
| Hard Costs <u>Note:</u> Federal wage rates and Buy America Build America requirements may apply. Applicants are encouraged to factor both in generating estimates. | | | |
| Construction | | | |

| | | | |
|------------------------------------|--|---------------------|---------------------|
| Heat pump installation and testing | | | |
| Gutter repairs | | | |
| <i>Total Hard Costs</i> | | \$136,709.00 | \$136,709.00 |
| Soft Costs | | | |
| Acquisition | | | |
| Appraisals | | | |
| Design/Engineering | | | |
| Other(list): | | | |
| | | | |
| | | | |
| <i>Total Soft Costs</i> | | | |
| <i>TOTAL PROPOSED BUDGET:</i> | | \$136,709.00 | \$136,709.00 |

ACTIVITY FUNDING SOURCES

Organizational Commitment: Indicate the amount of funds that the organization will be contributing to the activity.

| Funding Source (Name of Parent Organization) | Committed, Pending or Proposed Amount (\$) | | Explanation |
|---|---|--|-------------|
| | Committed: | | |
| | Pending: | | |
| | Proposed: | | |
| Total: | | | |

Other Funding Sources - please indicate the source and amount of other funding committed, pending or proposed that will be used ***for this activity***. Do not include Dover CDBG amount requested.

| Funding Source (Name(s) of funding source(s)) | Committed, Pending or Proposed Amount (\$): | | Total Amount (\$) | Explanation |
|--|--|--|-------------------|-------------|
| Federal: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |
| State: | Committed: | | | |
| | Pending: | | | |
| | Proposed: | | | |

| | | | | |
|------------------|-------------------------------------|--|--|--|
| Local: | Committed: Pending: Proposed: | | | |
| Private: | Committed: Pending: Proposed: | | | |
| Portsmouth CDBG: | Committed: Pending: Proposed: | | | |
| Rochester CDBG: | Committed: Pending: Proposed: | | | |
| Other: | Committed: Pending: Proposed: | | | |
| Total: | Committed: Pending: Proposed: | | | |

BUDGET: ORGANIZATION

Please provide a breakdown of your *organization's* overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

| Budget Period: from Jan 1 to Dec 31 | Current Year | Next Year (projected) |
|-------------------------------------|-----------------|-----------------------|
| REVENUES | | |
| Federal Funds | \$17,601,251.62 | \$14,076,457.56 |
| State Funds | | |

| Foundations/Private Contributions | Included w/Fundraising | Included w/Fundraising |
|---|------------------------|------------------------|
| United Way | \$30,000.00 | \$30,000.00 |
| Fundraising or other income | \$435,785.50 | \$602,700.43 |
| Other (describe) | \$1,512,256.68 | \$2,314,291.94 |
| Community Dev. Block Grant (include anticipated request) | \$25,000.00 | \$25,000.00 |
| TOTAL REVENUE | \$19,604,293.80 | \$17,048,449.93 |
| EXPENSES | | |
| Salaries | \$5,156,666.76 | \$6,700,568.50 |
| Payroll Taxes | \$398,090.94 | \$278,786.24 |
| Employee Benefits | \$472,712.70 | \$557,254.33 |
| Retirement | \$49,344.58 | \$43,272.66 |
| Direct Client Assistance | \$9,048,739.76 | \$5,340,627.09 |
| In-Kind | \$1,337,886.68 | \$1,600,761.33 |
| Professional Fees | \$500,549.13 | \$254,186.76 |
| Supplies | \$426,647.77 | \$838,078.22 |
| Occupancy | \$824,035.08 | \$365,250.08 |
| Repairs and Maintenance | \$23,945.69 | \$99,689.75 |
| Insurance | \$84,324.80 | \$104,002.72 |
| Training and Conferences | \$114,122.01 | \$215,315.40 |
| Depreciation | \$180,000.00 | \$244,140.00 |
| Travel and Transportation | \$74,400.42 | \$66,388.25 |
| Printing and Postage | \$16,265.00 | \$20,166.00 |
| Equipment | \$51,379.00 | \$29,711.00 |
| Interest Expense | \$23,318.59 | \$18,835.90 |
| Other Program Support | \$816,931.88 | \$261,441.89 |
| TOTAL EXPENSES | \$19,599,360.79 | \$17,038,476.11 |
| NET (Income - Expenses) | \$4,933.01 | \$9,973.82 |

| | Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Federal CFDA Number | Pass-Through Entity's Identifying Number | Passed Through to Subrecipient | Total Federal Expenditures |
|---|---|---------------------|--|--------------------------------|----------------------------|
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| Direct Program | [Program Name] | | | | |
| Passed Through | [Entity Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total U.S. Dept. of | [Agency Name] | | | \$ | \$ |
| | | | | | |
| | | | | \$ | \$ |
| Total Expenditure of Federal Awards | | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| NH Dept. of | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total NH Dept. of | [Agency Name] | | | \$ | \$ |
| Local Assistance: | [Agency Name] | | | \$ | \$ |
| | [Program Name] | | | | |
| Total Local Assistance: | [Agency Name] | | | \$ | \$ |
| Total State and Local Awards | | | | \$ | \$ |
| TOTAL FEDERAL, STATE, & LOCAL ASSISTANCE | | | | \$ | \$ |

I CERTIFY THAT THE INFORMATION CONTAINED IN THIS APPLICATION IS TRUE AND CORRECT AND THAT IT CONTAINS NO FALSIFICATIONS, MISREPRESENTATIONS, INTENTIONAL OMISSIONS, OR CONCEALMENT OF MATERIAL FACTS.

Ed A Paul
SIGNATURE

7/29/24
DATE

BESSY ANDREWS PARKER
PRINTED NAME

CEO
TITLE

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2021**

| <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 EXPENDITURES</u> |
|--|--|---|-----------------------------------|---------------------------------|
| U.S. Department of Agriculture | | | | |
| Child and Adult Care Food Program | 10,558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10,559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10,555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> |
| | | | | 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10,569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10,569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> |
| | | | | <u>458,049</u> |
| Total U.S. Department of Agriculture | | | | \$ 721,711 |
| U.S. Department of Housing and Urban Development | | | | |
| Supportive Housing for the Elderly | 14,157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14,218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> |
| | | | | 145,328 |
| CV - Emergency Solutions Grant Program | | | | |
| Emergency Solutions Grant Program | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| | 14,231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> |
| | | | | 221,461 |
| Continuum of Care | | | | |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>230,377</u> |
| Continuum of Care | 14,267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> |
| | | | | 574,014 |
| Supportive Housing Program | 14,235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| | | | | 595,151 |
| Total U.S. Department of Housing and Urban Development | | | | \$ 995,151 |
| U.S. Department of Homeland Security | | | | |
| Emergency Food and Shelter National Program | 97,024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | \$ 4,600 |
| U.S. Department of Energy | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XX0000-074-60 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81,042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> |
| | | | | 549,149 |
| Total U.S. Department of Energy | | | | \$ 549,149 |
| U.S. Department of the Treasury | | | | |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21,023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> |
| | | | | 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21,027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| | | | | 4,265,620 |
| Total U.S. Department of the Treasury | | | | \$ 4,265,620 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE | ASSISTANCE LISTING NUMBER | PASS-THROUGH GRANTOR'S NAME | GRANTOR'S NUMBER | FEDERAL EXPENDITURES |
|--|--|---|--|---------------------------------|
| U.S. Department of Health & Human Services | | | | |
| Aging Cluster | | | | |
| Special Programs for the Aging - Title III, Part B | 93,044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93,870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93,658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93,556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93,558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93,568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93,499 | State of New Hampshire Governor's Office of Energy & Planning | 02-62-62-62010-19880000-600587 | 66,413 |
| Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93,569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93,569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster | | | | |
| ARPA - Child Care and Development Block Grant | 93,575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster | | | | |
| Head Start | 93,600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93,600 | Direct Funding | 01CH01149601 C3, 01HE00051501 C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93,243 | Hope on Haven Hill | H79T084759 | 40,136 |
| Special Programs for the Aging - Title III, Part D, Disease Prevention and Health Promotion Services | 93,043 | National Council on Aging | 90HRC008 | 3,774 |
| Social Services Research and Demonstration | 93,647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EADA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93,994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93,645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93,667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29650000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ 9,563,701 |
| TOTAL | | | | \$ 16,099,932 |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF
STRAFFORD COUNTY AND AFFILIATE

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

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Community Action Partnership of Strafford County and Affiliate

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements present fairly, in all material respects, the financial position of Community Action Partnership of Strafford County and Affiliate as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Academy Street Family Housing, LLC a wholly owned subsidiary, for the year ended December 31, 2023, which statements reflect total assets constituting 8.45 percent of consolidated total assets at December 31, 2023, and total revenues constituting 0.31 percent of consolidated total revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Academy Street Family Housing, LLC, is based solely on the report of the other auditors.

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 Community Action Partnership of Strafford County and Affiliate and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Community Action Partnership of Strafford County 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 consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's internal control over financial reporting and compliance.

Leon, McDonnell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|-----------------------------|-----------------------------|
| <u>ASSETS</u> | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 30,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Inventory | 413,604 | 501,752 |
| Prepaid expenses | <u>11,972</u> | <u>52,046</u> |
| Total current assets | <u>4,647,175</u> | <u>4,495,758</u> |
| NONCURRENT ASSETS | | |
| Restricted cash | 36,215 | 29,455 |
| Contributions receivable | - | 20,000 |
| Security deposits | 8,375 | 8,427 |
| Property, net of accumulated depreciation | 6,374,340 | 5,804,619 |
| Other noncurrent assets | 25,503 | 25,503 |
| Right of use asset | <u>81,312</u> | <u>146,825</u> |
| Total noncurrent assets | <u>6,525,745</u> | <u>6,034,829</u> |
| TOTAL ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | |
| CURRENT LIABILITIES | | |
| Current portion of long term debt | \$ 99,121 | \$ 95,690 |
| Accounts payable | 1,295,505 | 445,958 |
| Accrued payroll and related taxes | 128,546 | 129,018 |
| Accrued compensated absences | 193,093 | 205,528 |
| Refundable advances | 849,145 | 1,581,774 |
| Other current liabilities | 36,309 | 73,462 |
| Current portion of right of use liability | <u>36,264</u> | <u>65,513</u> |
| Total current liabilities | <u>2,637,983</u> | <u>2,596,943</u> |
| NONCURRENT LIABILITIES | | |
| Long term debt, less current portion shown above | 3,057,976 | 2,908,484 |
| Security deposits | 2,853 | 3,201 |
| Right of use liability, less current portion shown above | <u>45,048</u> | <u>81,312</u> |
| Total noncurrent liabilities | <u>3,105,877</u> | <u>2,992,997</u> |
| Total liabilities | <u>5,743,860</u> | <u>5,589,940</u> |
| NET ASSETS | | |
| Without donor restrictions | 5,253,075 | 4,634,862 |
| With donor restrictions | <u>175,985</u> | <u>305,785</u> |
| Total net assets | <u>5,429,060</u> | <u>4,940,647</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 11,172,920</u> | <u>\$ 10,530,587</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | <u>Without Donor Restrictions</u> | <u>With Donor Restrictions</u> | <u>Total</u> |
|---|--|---|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | 65,397 | - | 65,397 |
| Public support | 329,618 | 31,514 | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 1,089 | - | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | 21,161,226 | 31,514 | 21,192,740 |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| | <u>161,314</u> | <u>(161,314)</u> | <u>-</u> |
| Total revenues, other support, and net assets released from restrictions | <u>21,322,540</u> | <u>(129,800)</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,475,141 | - | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,704,560 | - | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,424,841</u> | <u>-</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | | | |
| | (102,301) | (129,800) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | | | |
| | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | | | |
| | 618,213 | (129,800) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | | | |
| | <u>4,634,862</u> | <u>305,785</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | | | |
| | <u>\$ 5,253,075</u> | <u>\$ 175,985</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

| | <u>Without Donor</u> <u>Restrictions</u> | <u>With Donor</u> <u>Restrictions</u> | <u>Total</u> |
|--|---|--|---------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 42,329,510 | \$ - | \$ 42,329,510 |
| Fees for service | 1,976,344 | - | 1,976,344 |
| Rent revenue | 58,600 | - | 58,600 |
| Public support | 514,628 | 113,717 | 628,345 |
| In-kind donations | 988,080 | - | 988,080 |
| Interest | 402 | - | 402 |
| Fundraising | 167,764 | - | 167,764 |
| Other revenue | 1,216 | - | 1,216 |
| Gain on disposal of property | 27,491 | - | 27,491 |
| | <u>46,064,035</u> | <u>113,717</u> | <u>46,177,752</u> |
| Total revenues and other support | | | |
| | <u>166,561</u> | <u>(166,561)</u> | <u>-</u> |
| NET ASSETS RELEASED FROM RESTRICTIONS | | | |
| Total revenues, other support, and net assets released from restrictions | <u>46,230,596</u> | <u>(52,844)</u> | <u>46,177,752</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,120,775 | - | 5,120,775 |
| Community services | 2,123,402 | - | 2,123,402 |
| Energy assistance | 4,158,324 | - | 4,158,324 |
| Housing | 31,536,296 | - | 31,536,296 |
| Weatherization | 1,791,979 | - | 1,791,979 |
| | <u>44,730,776</u> | <u>-</u> | <u>44,730,776</u> |
| Total program services | | | |
| Supporting activities | | | |
| Management and general | 1,179,649 | - | 1,179,649 |
| Fundraising | 219,246 | - | 219,246 |
| | <u>46,129,671</u> | <u>-</u> | <u>46,129,671</u> |
| Total expenses | | | |
| CHANGE IN NET ASSETS | 100,925 | (52,844) | 48,081 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,533,937</u> | <u>358,629</u> | <u>4,892,566</u> |
| NET ASSETS, END OF YEAR | <u>\$ 4,634,862</u> | <u>\$ 305,785</u> | <u>\$ 4,940,647</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|---------------------------|-------------------------------|------------------------------|---------------------|-----------------------|-----------------------------------|--|---------------------------------------|--------------------|----------------------|
| Payroll | \$ 3,562,846 | \$ 276,618 | \$ 503,425 | \$ 628,100 | \$ 220,327 | \$ 5,191,316 | \$ 24,927 | \$ 854,406 | \$ 79,711 | \$ 6,150,360 |
| Payroll taxes | 293,123 | 23,014 | 41,585 | 51,302 | 17,595 | 426,619 | 2,305 | 40,988 | 6,452 | 476,364 |
| Fringe benefits | 233,618 | 18,544 | 42,466 | 49,182 | 23,018 | 366,828 | - | 63,255 | 5,369 | 435,452 |
| Retirement | 16,331 | 1,769 | 2,362 | 5,463 | 1,837 | 27,762 | 274 | 4,914 | 291 | 33,241 |
| Weatherization material, fuel and client assistance | 29,635 | 32,082 | 3,413,724 | 4,394,593 | 2,977,588 | 10,847,622 | - | - | - | 10,847,622 |
| In-kind expenses | 167,453 | 565,933 | - | 19,827 | 500 | 753,713 | - | - | 13,511 | 767,224 |
| Consultants and contract labor | 58,298 | 6,383 | 151 | 41,791 | 336 | 106,959 | 77,946 | 167,622 | 19,414 | 371,941 |
| Consumable supplies | 223,160 | 154,240 | 5,563 | 39,621 | 4,738 | 427,322 | 51,654 | 18,436 | 4,875 | 502,287 |
| Occupancy | 700,964 | 46,498 | 55,377 | 130,160 | 21,160 | 954,159 | (621,635) | 84,260 | 11,291 | 428,075 |
| Repairs and maintenance | 52,295 | 9,782 | 5,971 | 17,494 | 1,133 | 86,675 | 400,030 | 5,810 | 1,675 | 494,190 |
| Insurance | 33,359 | 3,256 | 1,325 | 8,559 | 955 | 47,454 | 15,170 | 56,416 | 185 | 119,225 |
| Training and conferences | 86,945 | 12,467 | 5,012 | 21,405 | 19,194 | 145,023 | 62 | 66,709 | 41,212 | 253,006 |
| Depreciation | 76,962 | 42,021 | 391 | 37,528 | 4,328 | 161,230 | - | 87,399 | - | 248,629 |
| Travel and transportation | 44,974 | 4,203 | 224 | 16,382 | 6,491 | 72,274 | (12,307) | 6,983 | 894 | 67,844 |
| Printing and postage | 1,074 | 3,098 | 2,051 | 60 | 19 | 6,302 | - | 6,091 | 10,295 | 22,688 |
| Equipment and computer | 6,952 | 728 | - | 2,525 | 6,628 | 16,833 | 16,357 | 3,458 | 60 | 36,708 |
| Interest expense | 17,629 | 6,819 | 9,144 | 11,149 | 3,256 | 47,997 | 2,834 | 42,163 | 1,280 | 94,274 |
| Other program support | 12,896 | 5,576 | - | - | - | 18,472 | 42,383 | 13,902 | 954 | 75,711 |
| | | | | | | | | | | |
| Total expenses | <u>\$ 5,618,514</u> | <u>\$ 1,213,031</u> | <u>\$ 4,088,771</u> | <u>\$ 5,475,141</u> | <u>\$ 3,309,103</u> | <u>\$ 19,704,560</u> | <u>\$ -</u> | <u>\$ 1,522,812</u> | <u>\$ 197,469</u> | <u>\$ 21,424,841</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>Child Services</u> | <u>Community Services</u> | <u>Energy Assistance</u> | <u>Housing</u> | <u>Weatherization</u> | <u>Total Program Services</u> | <u>Intermediate (Allocation) Pools</u> | <u>Management and General</u> | <u>Fundraising</u> | <u>Total</u> |
|--|----------------------------------|--------------------------------------|-------------------------------------|-----------------------------|------------------------------|--|---|--|---------------------------|-----------------------------|
| Payroll | \$ 2,951,365 | \$ 644,816 | \$ 388,986 | \$ 920,193 | \$ 164,650 | \$ 5,070,010 | \$ 73,067 | \$ 681,722 | \$ 121,545 | \$ 5,946,344 |
| Payroll taxes | 247,208 | 57,069 | 32,974 | 75,584 | 12,672 | 425,507 | 6,311 | 63,162 | 9,833 | 504,813 |
| Fringe benefits | 205,921 | 34,528 | 30,366 | 72,552 | 19,799 | 363,166 | 82 | 37,953 | 5,220 | 406,421 |
| Retirement | 14,995 | 2,162 | 1,569 | 6,445 | 761 | 25,932 | 752 | 5,767 | 75 | 32,526 |
| Weatherization material, fuel and client assistance | 119,381 | 20,588 | 3,606,402 | 29,909,257 | 1,514,988 | 35,170,616 | - | - | - | 35,170,616 |
| In-kind expenses | 14,772 | 968,268 | - | - | - | 983,040 | - | - | 5,040 | 988,080 |
| Consultants and contract labor | 166,829 | 14,565 | 2,692 | 212,431 | 1,597 | 398,114 | 99,599 | 139,998 | 12,755 | 650,466 |
| Consumable supplies | 206,399 | 205,366 | 9,582 | 35,892 | 8,549 | 465,788 | 42,120 | 18,091 | 3,958 | 529,957 |
| Occupancy | 704,886 | 70,467 | 41,243 | 141,580 | 18,043 | 976,219 | (670,668) | 69,769 | 6,201 | 381,521 |
| Repairs and maintenance | 39,766 | 23,938 | 7,541 | 10,406 | 2,763 | 84,414 | 440,423 | 660 | 2,194 | 527,691 |
| Insurance | 71,667 | 11,150 | 1,610 | 22,841 | 2,431 | 109,699 | 25,811 | 52,785 | 259 | 188,554 |
| Training and conferences | 80,246 | 5,551 | 2,526 | 7,834 | 17,205 | 113,362 | 119 | 26,440 | 41,454 | 181,375 |
| Depreciation | 80,133 | 34,099 | 391 | 34,641 | 4,328 | 153,592 | - | 85,443 | - | 239,035 |
| Travel and transportation | 42,327 | 4,808 | 89 | 11,836 | 6,722 | 65,782 | (12,356) | 4,699 | 769 | 58,894 |
| Printing and postage | 3,723 | 55 | 10,850 | 348 | 96 | 15,072 | - | 11,043 | 5,576 | 31,691 |
| Equipment and computer | - | - | 6,588 | 24,285 | 10,544 | 41,417 | 29,326 | - | 1,310 | 72,053 |
| Interest expense | - | 10,658 | 10,141 | 12,037 | 3,070 | 35,906 | 5,982 | 81,815 | 1,438 | 125,141 |
| Indirect | 105,441 | - | - | - | - | 105,441 | - | (105,441) | - | - |
| Other program support | 65,716 | 15,314 | 4,774 | 38,134 | 3,761 | 127,699 | (40,568) | 5,743 | 1,619 | 94,493 |
| Total expenses | <u>\$ 5,120,775</u> | <u>\$ 2,123,402</u> | <u>\$ 4,158,324</u> | <u>\$ 31,536,296</u> | <u>\$ 1,791,979</u> | <u>\$ 44,730,776</u> | <u>\$ -</u> | <u>\$ 1,179,649</u> | <u>\$ 219,246</u> | <u>\$ 46,129,671</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

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

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in net assets | \$ 488,413 | \$ 48,081 |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 248,629 | 239,035 |
| Amortization of debt issuance costs | 3,376 | 3,376 |
| Acquisition of property and land | (945,514) | - |
| Acquisition of long term debt | 225,000 | - |
| Transfer of property to Gafney Home, L.P. | 129,397 | - |
| Loss (gain) on disposal of property | 79,338 | (27,491) |
| Decrease (increase) in assets: | | |
| Accounts receivable | 681,516 | (426,641) |
| Contributions receivable | 30,000 | (37,400) |
| Due from Gafney Home, L.P. | (519,890) | - |
| Inventory | 88,148 | 9,780 |
| Prepaid expenses | 40,074 | (15,380) |
| Other noncurrent assets | - | 1,334 |
| Security deposits | 52 | 42 |
| Increase (decrease) in liabilities: | | |
| Accounts payable | 849,547 | (475,081) |
| Accrued payroll and related taxes | (472) | (7,229) |
| Accrued compensated absences | (12,435) | 60,294 |
| Refundable advances | (732,629) | 630,909 |
| Other current liabilities | (37,153) | 73,462 |
| Security deposits | (348) | - |
| | <u>615,049</u> | <u>77,091</u> |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | | |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property | (100,594) | (506,141) |
| Proceeds on sale of property | 19,023 | 600,000 |
| | <u>(81,571)</u> | <u>93,859</u> |
| NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES | | |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Payments made on long term debt | (75,453) | (355,915) |
| | <u>(75,453)</u> | <u>(355,915)</u> |
| NET CASH USED IN FINANCING ACTIVITIES | | |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 458,025 | (184,965) |
| CASH AND RESTRICTED CASH, BEGINNING OF YEAR | <u>1,384,563</u> | <u>1,569,528</u> |
| CASH AND RESTRICTED CASH, END OF YEAR | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| CASH AND RESTRICTED CASH | | |
| Cash | \$ 1,806,373 | \$ 1,355,108 |
| Restricted cash: | | |
| Insurance escrow | 13,477 | 9,193 |
| Tax escrow | 5,931 | 5,952 |
| Replacement reserves | 6,580 | 4,363 |
| Operating reserve | 10,227 | 9,947 |
| | <u>\$ 1,842,588</u> | <u>\$ 1,384,563</u> |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the year for interest | <u>\$ 90,898</u> | <u>\$ 121,765</u> |
| SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND AND FINANCING ACTIVITIES | | |
| Acquired property and land | <u>\$ 945,514</u> | <u>\$ -</u> |
| Acquired long term debt | <u>\$ 225,000</u> | <u>\$ -</u> |

See Notes to Financial Statements

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization and Principles of Consolidation

Community Action Partnership of Strafford County (the Agency) is a 501(c)(3) private New Hampshire non-profit organization established under the provisions of the Equal Opportunity Act of 1964. Without services provided by the Agency, many local residents would be without a means to provide for their basic needs, including food, education, child care, utilities assistance, transportation, housing, emergency shelter and access to other services. The mission of the Agency is to educate, advocate and assist people in Strafford County to help meet their basic needs and promote self-sufficiency. The vision of the Agency is to eliminate poverty in Strafford County through compassion, education, self-sufficiency, transparency, accountability, team work, client focus and professionalism.

Academy Street Family Housing, LLC (Academy Street) is a limited liability company which is consolidated because the Agency is the sole member of Academy Street. All significant intercompany items and transactions have been eliminated from the consolidated financial statements.

In addition to the Agency's administrative office located in Dover, the Agency maintains its outreach capacity by operating program offices in Farmington, Milton, Rochester, Dover and Somersworth. The Agency is funded by Federal, state, county and local funds, as well as United Way grants, public utilities, foundation and charitable grant funds, fees for service, private business donations, and donations from individuals. The Agency is governed by a tripartite board of directors made up of elected officials, community leaders from for-profit and non-profit organizations and residents who are low income. The board is responsible for assuring that the Agency continues to assess and respond to the causes and conditions of poverty in its community, achieve anticipated family and community outcomes, and remain administratively and fiscally sound. The Agency administers a wide range of coordinated programs to more than 15,000 people annually, and the programs are designed to have a measurable impact on poverty and health status among the most vulnerable residents: those under the age of 6, the elderly and those living in poverty. This coordinated approach is accomplished by providing a broad array of services that are locally defined, planned and managed with community agencies.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Basis of Accounting

The consolidated financial statements have been prepared using the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) of the United States.

Financial Statement Presentation

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

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

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency 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 increases in net assets with donor restrictions. When restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

At December 31, 2023 and 2022, the Agency had net assets without donor and with donor restrictions.

Refundable Advances

Grants received in advance are recorded as refundable advances and recognized as revenue in the period in which the related services are performed or expenditures are incurred.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as temporarily restricted or permanently restricted support, depending on the nature of the restriction. However, if a restriction is fulfilled in the same period in which the contribution is received, the Agency reports the support as unrestricted.

Contributed Services

Donated services are recognized as contributions in accordance with FASB ASC No. 958, *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance non-financial assets or (b) require specialized skills and would otherwise be purchased by the Agency.

Volunteers provided various services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria under FASB ASC No. 958 were not met.

Fair Value of Financial Instruments

Unless otherwise indicated, fair values of all reported assets and liabilities that are financial instruments approximate the carrying values of such amounts.

Inventory

Inventory materials are fixtures for installation and recorded at cost or net realizable value or if donated, at approximate fair value at date of donation, using the first-in, first-out method.

Property and Depreciation

Property and equipment, which have a cost greater than \$5,000, are capitalized at cost or, if donated, at the approximate fair value at the date of donation. Specific grants and awards may have a threshold lower than this amount and that program will abide by those guidelines. Assets are depreciated over their estimated useful lives using the straight-line method as follows:

| | |
|------------------------------------|---------------|
| Buildings and improvements | 15 - 40 years |
| Furniture, equipment and machinery | 3 - 10 years |
| Vehicles | 5 - 7 years |

Depreciation expense aggregated \$248,629 and \$239,035 for the years ended December 31, 2023 and 2022, respectively.

Accrued Earned Time

The Agency has accrued a liability of \$193,093 and \$205,528 at December 31, 2023 and 2022, respectively, for future compensated leave time that its employees have earned and which is vested with the employee.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Income Taxes

The Agency is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined the Agency to be other than a private foundation. The Agency is also exempt from the New Hampshire Business Enterprise Tax.

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

Cash and Cash Equivalents

The Agency considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition Policy

The Agency derives revenue from grants, fees for services, donations, public support, and fundraising. Revenues are recognized when control of these services are transferred to customers, in an amount that reflects the consideration the Agency expects to be entitled to in exchange for those services. Cost incurred to obtain a contract will be expensed as incurred when the amortization period is less than a year.

Academy Street derives revenue 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. Control of the leased units is transferred to the lessee in an exchange for the leased units. The cost incurred to obtain a lease will be expensed as incurred.

Use of Estimates

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

Advertising Expenses

The Agency expenses advertising costs as they are incurred. Total advertising costs for the years ended December 31, 2023 and 2022 amounted to \$10,426 and \$72,759, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Debt Issuance Costs

As required under FASB Accounting Standards Update No. 2015-03, amortization expense for the years ended December 31, 2023 and 2022 amounted to \$3,376 and has been included with interest expense in the consolidated statement of activities for each year. The unamortized deferred financing costs have been included as a reduction of the long term debt (see Note 10).

In-kind Donations

The Agency pays below-market rent for the use of certain facilities. In accordance with generally accepted accounting principles, the difference between amounts paid for the use of the facilities and the fair value of the rental space has been recorded as an in-kind donation and as an in-kind expense in the accompanying consolidated financial statements. The estimated fair value of the donation was determined to be \$103,356 and \$14,772 for the years ended December 31, 2023 and 2022, respectively.

The Agency also receives contributed food commodities and other goods that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these food commodities and goods was determined to be \$457,049 and \$116,368, respectively, for the year ended December 31, 2023. For the year ended December 31, 2022, the estimated fair value of these food commodities and goods was determined to be \$968,268 and \$5,040, respectively.

The Agency also receives contributed professional services and volunteer time that are required to be recorded in accordance with FASB ASC No. 958. The estimated fair value of these services was determined to be \$90,451 for the year ended December 31, 2023. There were no contributed professional services for the year ended December 31, 2022.

Functional Allocation of Expenses

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

The expenses that are allocated include the following:

| <u>Expense</u> | <u>Method of allocation</u> |
|-----------------------|------------------------------------|
| Salaries and benefits | Time and effort |
| Occupancy | Square footage/revenues |
| Depreciation | Square footage |
| All other expenses | Approved indirect rate |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

New Accounting Pronouncement

At the beginning of 2023, the Organization adopted FASB ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Agency adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Agency’s financial statements.

NOTE 2. PROPERTY

As of December 31, 2023 and 2022, property consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|------------------------------------|----------------------------|----------------------------|
| Land, buildings and improvements | \$ 6,900,857 | \$ 6,181,672 |
| Furniture, equipment and machinery | 418,949 | 398,645 |
| Vehicles | <u>315,682</u> | <u>350,136</u> |
| Total | 7,635,488 | 6,930,453 |
| Less accumulated depreciation | <u>1,261,148</u> | <u>1,125,834</u> |
| Net property | <u>\$ 6,374,340</u> | <u>\$ 5,804,619</u> |

NOTE 3. RESTRICTED CASH BALANCES

Certain cash accounts have been established and are being funded in accordance with a regulatory agreement entered into between Academy Street and New Hampshire Housing as discussed below. All reserves are required to be held in qualified New Hampshire financial institutions that are insured by the FDIC.

Operating Reserve

Under the regulatory agreement, Academy Street is required to establish an operating reserve. The operating reserve was funded properly during the years ended December 31, 2023 and 2022.

Replacement Reserve

Under the regulatory agreement, Academy Street is required to set aside amounts for the replacement of property and other expenditures approved by New Hampshire Housing. Additionally, Academy Street is required to make monthly payments to the reserve. The reserve was properly funded during 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Insurance and Real Estate Tax Escrows

Academy Street is required to establish a reserve to fund tax and insurance payments in the project. Amounts are to be deposited on a monthly basis to accrue a sufficient balance to pay future tax and insurance bills of the project. As of December 31, 2023 and 2022, the balance in the reserves for tax and insurance escrows was properly funded.

NOTE 4. LIQUIDITY AND AVAILABILITY

The following represents the Agency's financial assets as of December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|--|---------------------|---------------------|
| Financial assets at year end: | | |
| Cash and cash equivalents | \$ 1,806,373 | \$ 1,355,108 |
| Accounts receivable | 1,875,336 | 2,556,852 |
| Contributions receivable | 20,000 | 50,000 |
| Due from Gafney Home, L.P. | 519,890 | - |
| Restricted cash | <u>36,215</u> | <u>29,455</u> |
| Total financial assets | 4,254,814 | 3,991,415 |
| Less amounts not available to be used within one year: | | |
| Restricted cash | 36,215 | 29,455 |
| Board designated funds | <u>-</u> | <u>307,315</u> |
| Financial assets available to meet general expenditures over the next twelve months | <u>\$ 4,221,599</u> | <u>\$ 3,654,645</u> |

The Agency's goal is generally to maintain financial assets to meet 30 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

NOTE 5. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Agency uses historical loss information based on the aging of receivables as the basis to determine expected credit losses for receivables and believes that the composition of receivables at year-end is consistent with historical conditions.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

The allowance for uncollectible accounts was estimated to be zero at December 31, 2023 and 2022. The Agency has no policy for charging interest on overdue accounts.

NOTE 6. CONTRIBUTIONS RECEIVABLE

Contributions receivable represent promises to give, which have been made by donors but have not yet been received by the Agency. The Agency considers contributions receivable to be fully collectible; accordingly, no allowance for contributions receivable has been recorded.

Total unconditional promises to give were as follows at December 31, 2023 and 2022:

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------------------|-------------------------|
| Within one year | \$ 20,000 | \$ 30,000 |
| In two to five years | <u>-</u> | <u>20,000</u> |
| | <u>\$ 20,000</u> | <u>\$ 50,000</u> |

NOTE 7. DUE FROM GAFNEY HOME, L.P.

Gafney Home, L.P. (Gafney) is a low-income housing tax credit property. The general partner (0.01%) of Gafney is 100% owned by the Agency. The \$519,890 included in due from Gafney Home, L.P. on the consolidated statement of financial position for the year ended December 31, 2023 represents amounts that the Agency has paid on behalf of Gafney for the construction that is underway.

NOTE 8. PLEDGED ASSETS

As described in **Note 9**, all assets of the Agency are pledged as collateral under the Agency's demand note payable agreement. As described in **Note 10**, the building of the Agency is pledged as collateral under the Agency's mortgage note payable agreement.

NOTE 9. DEMAND NOTE PAYABLE

The Agency has available a revolving line of credit with a bank in the amount of \$750,000. Prior to November 2023, \$250,000 was the amount available on the revolving line of credit. The note is payable upon demand. Interest is stated at the prime rate plus 1% which resulted in an interest rate of 9.50% at December 31, 2023 and 8.50% at December 31, 2022. The note is collateralized by all the assets of the Agency. There was no outstanding balance on the demand note payable as of December 31, 2023 and 2022.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 10. LONG TERM DEBT

The long term debt at December 31, 2023 and 2022 consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|--|--------------------|--------------------|
| Mortgage payable to Kennebunk Savings Bank which had interest only payments for 36 months followed by principal and interest payments for 264 months. During the year ended December 31, 2022 the note was refinanced to a fixed interest rate of 4.25% for the first ten years resulting in monthly principal and interest payments of \$11,170. On April 26, 2032, and on that date every year thereafter, principal and interest payments will adjust to 1.50% above the highest U.S Prime Rate as published in the Wall Street Journal on the applicable change date, with a floor rate of 4%. The note matures in 2043. The mortgage payable is secured by real estate. | \$ 1,790,164 | \$ 1,846,509 |
| 5.00% notes payable to the New Hampshire Community Loan Fund with monthly principal and interest payments of \$3,251, maturing October 2037. The notes are secured by real estate. | 387,745 | 406,854 |
| Note payable to New Hampshire Housing Finance Authority. The note is not subject to interest or principal amortization and will be forgiven in 2028 provided that the property is used for transitional housing. The note is secured by real estate. | 225,000 | - |
| Non-interest bearing note payable to New Hampshire Housing deferred until April 21, 2060 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | 785,889 | 785,889 |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Non-interest bearing note payable to New Hampshire Housing deferred until July 1, 2051 or until the project is sold, refinanced or surplus cash is available. The note is secured by real estate. | <u>25,755</u> | <u>25,755</u> |
| Total long term debt before current portion of long term debt and unamortized debt issuance costs | 3,214,553 | 3,065,007 |
| Current portion of long term debt | (99,121) | (95,690) |
| Unamortized debt issuance costs | <u>(57,457)</u> | <u>(60,833)</u> |
| Total long term debt | <u>\$ 3,057,975</u> | <u>\$ 2,908,484</u> |

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

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------------|
| 2024 | \$ 99,121 |
| 2025 | 82,809 |
| 2026 | 86,562 |
| 2027 | 90,488 |
| 2028 | 319,591 |
| Thereafter | <u>2,535,982</u> |
| Total | <u>\$ 3,214,553</u> |

NOTE 11. NET ASSETS

At December 31, 2023 and 2022, net assets with donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|-----------------|--------------------------|--------------------------|
| Whole family | \$ 39,286 | \$ 42,755 |
| COVID related | - | 120,546 |
| Fuel assistance | <u>136,699</u> | <u>142,484</u> |
| Total | <u>\$ 175,985</u> | <u>\$ 305,785</u> |

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

At December 31, 2023 and 2022, net assets without donor restrictions consisted of the following:

| | <u>2023</u> | <u>2022</u> |
|---|----------------------------|----------------------------|
| Undesignated | \$ 5,253,075 | \$ 4,327,547 |
| Board designated | <u>-</u> | <u>307,315</u> |
| Total net assets without donor restrictions | <u>\$ 5,253,075</u> | <u>\$ 4,634,862</u> |

NOTE 12. OPERATING LEASES

Facilities occupied by the Agency for its community service programs are rented under the terms of various leases with expiration dates through 2032. For the years ended December 31, 2023 and 2022, the annual lease/rent expense for the leased facilities was \$69,901 and \$90,501, respectively.

The Agency accounts for its operating leases under ASU 2016-02, *Leases (Topic 842)*. As such, the right of use (ROU) assets represent the Agency's right to use underlying assets for the lease term, and the lease liabilities represent the Agency's obligation to make lease payments arising from these leases. The ROU assets and lease liabilities, all of which arise from operating leases, were calculated based on the present value of future lease payments over the lease terms. The discount rate related to the Agency's lease liability as of December 31, 2023 was 3.75%, which is based upon the risk-free borrowing rates commensurate with the lease terms. At December 31, 2023, the ROU asset and lease liability is \$81,312. At December 31, 2022, the ROU asset and lease liability is \$146,825.

The weighted average lease term at December 31, 2023 is 5.44 years. The weighted average discount rate at December 31, 2023 is 3.75%.

Common expenses, classified as occupancy costs in the accompanying consolidated financial statements, are considered a non-lease component under FASB ASC 842 and are recognized as costs as incurred.

Academy Street leases property from the Agency under a lease agreement for an annual rent amount of \$1. The lease expires during April 2045. Unless either party serves the other with a 180 day written notice prior to the expiration of the initial term, at the end of the initial term, the lease shall be automatically extended for an additional 25 year term.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

Lease liability maturities as of December 31, 2023 is as follows:

| <u>Year Ending December 31</u> | <u>Amount</u> |
|---|----------------------|
| 2024 | \$ 38,401 |
| 2025 | 6,901 |
| 2026 | 6,901 |
| 2027 | 6,901 |
| 2028 | 6,901 |
| Thereafter | <u>24,144</u> |
| Total undiscounted lease liability | 90,149 |
| Less imputed interest | <u>(8,837)</u> |
| Total lease liability | <u>\$ 81,312</u> |

NOTE 13. RETIREMENT PLAN

The Agency maintains a 403(b) Plan and Trust (the Plan) covering substantially all employees. Employee contributions to the Plan are made at predetermined rates elected by employees. Additionally, the Agency provides a matching contribution equal to 25% of the employee's contribution up to 5% of the employee's compensation. Effective April 1, 2016, the Agency instituted an auto enrollment feature mandating a minimum 1% employee contribution; however, employees reserve the right to decline the auto enrollment. Employer matching contributions for the years ended December 31, 2023 and 2022 totaled \$33,241 and \$32,526, respectively.

NOTE 14. CONCENTRATION OF RISK

The Agency receives a majority of its support from federal and state governments. For the years ended December 31, 2023 and 2022, approximately 89% and 96%, respectively, of the Agency's total revenue was received from federal and state governments. If a significant reduction in the level of support were to occur, it would have a significant effect on the Agency's programs and activities.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

NOTE 15. CONCENTRATION OF CREDIT RISK

The Agency maintains its cash balances at several financial institutions in New Hampshire. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Agency maintains an agreement with its primary financial institution to collateralize the balances in excess of \$250,000.

NOTE 16. CONTINGENCIES

The Agency receives grant funding from various sources. Under the terms of these agreements, the Agency is required to use the funds within a certain period and for purposes specified by the governing laws and regulations. If expenditures were found not to have been made in compliance with the laws and regulations, the Agency might be required to repay the funds. No provisions have been made for this contingency because specific amounts, if any, have not been determined or assessed as of December 31, 2023 and 2022.

NOTE 17. RENTAL INCOME RECEIVABLE

During the year ended December 31, 2023, and subsequent to year end, Academy Street entered into four separate rental agreements for use of their four apartments. The rental agreements have differing expirations ranging from April 2024 through April 2025. Monthly payments for the agreements ranged from \$1,168 to \$1,394 and are due the first day of each month. At December 31, 2023 and 2022, \$2,587 and \$1,412, respectively, is outstanding from tenants for rent and is included in accounts receivable in the accompanying consolidated statements of financial position.

The approximate future rental payments owed on the above leases are as follows:

| <u>Year Ended December 31</u> | <u>Amount</u> |
|--|----------------------|
| 2024 | \$ 51,598 |
| 2025 | <u>15,824</u> |
| Total | <u>\$ 67,422</u> |

NOTE 18. ACQUISITION OF PROPERTY AND LAND

During the year ended December 31, 2023, the Agency acquired property and land relating to a transitional housing program from another nonprofit organization. The value of the building and land received in the acquisition totaled \$675,570 and \$269,944, respectively.

**COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY
AND AFFILIATE**

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

As part of the acquisition of the property and land, the Agency also acquired the related note payable of \$225,000, payable to New Hampshire Housing Finance Authority (see **Note 10**). The Agency has been running the operations of the transitional housing program since the acquisition.

NOTE 19. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date but arose after that date. Management has evaluated subsequent events through June 5, 2024, the date the consolidated financial statements were available for issuance.

Subsequent to year end, on May 1, 2024, the Agency acquired the Home for Now Shelter, which is a homeless center in Strafford County, from another nonprofit organization. The value of the property acquired totaled \$1,502,600. The Agency will acquire all other remaining assets from the nonprofit organization once their dissolution is finalized.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | Total | Consolidating Adjustments | Consolidated |
|--|---|---|----------------------|--------------------------------------|----------------------|
| <u>ASSETS</u> | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | \$ 1,742,370 | \$ 64,003 | \$ 1,806,373 | \$ - | \$ 1,806,373 |
| Accounts receivable | 1,872,749 | 2,587 | 1,875,336 | - | 1,875,336 |
| Contributions receivable | 20,000 | - | 20,000 | - | 20,000 |
| Due from affiliate | 5,065 | - | 5,065 | (5,065) | - |
| Due from Gafney Home, L.P. | 519,890 | - | 519,890 | - | 519,890 |
| Inventory | 413,604 | - | 413,604 | - | 413,604 |
| Prepaid expenses | 11,972 | - | 11,972 | - | 11,972 |
| Total current assets | <u>4,585,650</u> | <u>66,590</u> | <u>4,652,240</u> | <u>(5,065)</u> | <u>4,647,175</u> |
| NONCURRENT ASSETS | | | | | |
| Restricted cash | - | 36,215 | 36,215 | - | 36,215 |
| Security deposits | 5,172 | 3,203 | 8,375 | - | 8,375 |
| Property, net of accumulated depreciation | 5,536,103 | 838,237 | 6,374,340 | - | 6,374,340 |
| Other noncurrent assets | 25,503 | - | 25,503 | - | 25,503 |
| Right of use asset | 81,312 | - | 81,312 | - | 81,312 |
| Total noncurrent assets | <u>5,648,090</u> | <u>877,655</u> | <u>6,525,745</u> | <u>-</u> | <u>6,525,745</u> |
| TOTAL ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |
| <u>LIABILITIES AND NET ASSETS</u> | | | | | |
| CURRENT LIABILITIES | | | | | |
| Current portion of long term debt | \$ 79,216 | \$ 19,905 | \$ 99,121 | \$ - | \$ 99,121 |
| Accounts payable | 1,290,169 | 5,336 | 1,295,505 | - | 1,295,505 |
| Accrued payroll and related taxes | 128,546 | - | 128,546 | - | 128,546 |
| Accrued compensated absences | 193,093 | - | 193,093 | - | 193,093 |
| Due to affiliate | - | 5,065 | 5,065 | (5,065) | - |
| Refundable advances | 849,145 | - | 849,145 | - | 849,145 |
| Other current liabilities | 36,292 | 17 | 36,309 | - | 36,309 |
| Current portion of right of use liability | 36,264 | - | 36,264 | - | 36,264 |
| Total current liabilities | <u>2,612,725</u> | <u>30,323</u> | <u>2,643,048</u> | <u>(5,065)</u> | <u>2,637,983</u> |
| NONCURRENT LIABILITIES | | | | | |
| Long term debt, less current portion shown above | 2,281,290 | 776,686 | 3,057,976 | - | 3,057,976 |
| Security deposits | - | 2,853 | 2,853 | - | 2,853 |
| Right of use liability, less current portion shown above | 45,048 | - | 45,048 | - | 45,048 |
| Total noncurrent liabilities | <u>2,326,338</u> | <u>779,539</u> | <u>3,105,877</u> | <u>-</u> | <u>3,105,877</u> |
| Total liabilities | <u>4,939,063</u> | <u>809,862</u> | <u>5,748,925</u> | <u>(5,065)</u> | <u>5,743,860</u> |
| NET ASSETS | | | | | |
| Without donor restrictions | 5,118,692 | 134,383 | 5,253,075 | - | 5,253,075 |
| With donor restrictions | 175,985 | - | 175,985 | - | 175,985 |
| Total net assets | <u>5,294,677</u> | <u>134,383</u> | <u>5,429,060</u> | <u>-</u> | <u>5,429,060</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 10,233,740</u> | <u>\$ 944,245</u> | <u>\$ 11,177,985</u> | <u>\$ (5,065)</u> | <u>\$ 11,172,920</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY AND AFFILIATE

**CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

| | Community Action Partnership of Strafford County | Academy Street Family Housing, LLC | <u>Consolidated</u> |
|---|---|---|----------------------------|
| CHANGE IN NET ASSETS | | | |
| REVENUES AND OTHER SUPPORT | | | |
| Grant revenue | \$ 16,787,565 | \$ - | \$ 16,787,565 |
| Fees for service | 3,030,181 | - | 3,030,181 |
| Rent revenue | - | 65,397 | 65,397 |
| Public support | 361,132 | - | 361,132 |
| In-kind donations | 767,224 | - | 767,224 |
| Interest | 235 | 854 | 1,089 |
| Fundraising | 227,539 | - | 227,539 |
| Other revenue | 31,951 | - | 31,951 |
| Loss on disposal of property | <u>(79,338)</u> | <u>-</u> | <u>(79,338)</u> |
| Total revenues and other support | <u>21,126,489</u> | <u>66,251</u> | <u>21,192,740</u> |
| EXPENSES | | | |
| Program services | | | |
| Child services | 5,618,514 | - | 5,618,514 |
| Community services | 1,213,031 | - | 1,213,031 |
| Energy assistance | 4,088,771 | - | 4,088,771 |
| Housing | 5,392,053 | 83,088 | 5,475,141 |
| Weatherization | <u>3,309,103</u> | <u>-</u> | <u>3,309,103</u> |
| Total program services | 19,621,472 | 83,088 | 19,704,560 |
| Supporting activities | | | |
| Management and general | 1,522,812 | - | 1,522,812 |
| Fundraising | <u>197,469</u> | <u>-</u> | <u>197,469</u> |
| Total expenses | <u>21,341,753</u> | <u>83,088</u> | <u>21,424,841</u> |
| CHANGE IN NET ASSETS BEFORE ACQUISITION OF PROPERTY AND LAND | (215,264) | (16,837) | (232,101) |
| ACQUISITION OF PROPERTY AND LAND | <u>720,514</u> | <u>-</u> | <u>720,514</u> |
| CHANGE IN NET ASSETS | 505,250 | (16,837) | 488,413 |
| NET ASSETS, BEGINNING OF YEAR | <u>4,789,427</u> | <u>151,220</u> | <u>4,940,647</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,294,677</u> | <u>\$ 134,383</u> | <u>\$ 5,429,060</u> |

See Notes to Financial Statements

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|---|-----------------------------------|--|
| <u>U.S. Department of Agriculture</u> | | | | |
| Child and Adult Care Food Program | 10.558 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 124,546 |
| Child Nutrition Cluster | | | | |
| Summer Food Service Program for Children | 10.559 | State of New Hampshire Department of Education | 4300-ZZZ | \$ 96,893 |
| National School Lunch Program | 10.555 | State of New Hampshire Department of Education | At-Risk After School Care Centers | <u>42,223</u> 139,116 |
| Food Distribution Cluster | | | | |
| Emergency Food Assistance Program | 10.569 | Belknap-Merrimack Community Action Partnership | None | 1,000 |
| Emergency Food Assistance Program (Food Commodities) | 10.569 | Belknap-Merrimack Community Action Partnership | None | <u>457,049</u> 458,049 |
| Total U.S. Department of Agriculture | | | | <u>\$ 721,711</u> |
| <u>U.S. Department of Housing and Urban Development</u> | | | | |
| Supportive Housing for the Elderly | 14.157 | Dover Housing Authority | Dover Housing Authority | \$ 31,433 |
| CDBG Entitlement Grants Cluster | | | | |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Dover, New Hampshire | City of Dover | 47,431 |
| Community Development Block Grants / Entitlement Grants | 14.218 | City of Rochester, New Hampshire | City of Rochester | <u>97,897</u> 145,328 |
| CV - Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | 134,363 |
| Emergency Solutions Grant Program | 14.231 | State of New Hampshire Department of Health and Human Services | 05-95-42-423010-7927 | <u>87,098</u> 221,461 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | SS-2020-BHS-04PERNA-11 | 111,064 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | 230,377 |
| Continuum of Care | 14.267 | State of New Hampshire Department of Health and Human Services | | <u>232,573</u> 574,014 |
| Supportive Housing Program | 14.235 | State of New Hampshire Department of Health and Human Services | 010-092-7176-102-0415 | <u>22,915</u> |
| Total U.S. Department of Housing and Urban Development | | | | <u>\$ 995,151</u> |
| <u>U.S. Department of Homeland Security</u> | | | | |
| Emergency Food and Shelter National Program | 97.024 | United Way | 593800-035 | \$ 4,600 |
| Total U.S. Department of Homeland Security | | | | <u>\$ 4,600</u> |
| <u>U.S. Department of Energy</u> | | | | |
| BIL - Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 02-52-52-520010-XXXX0000-074-50 | 371,634 |
| Weatherization Assistance for Low-Income Persons | 81.042 | State of New Hampshire Governor's Office of Energy & Community Services | 01-02-02-024010-7706-074-500587 | <u>177,515</u> \$ 549,149 |
| Total U.S. Department of Energy | | | | <u>\$ 549,149</u> |
| <u>U.S. Department of the Treasury</u> | | | | |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | | 1,564,073 |
| Emergency Rental Assistance Program | 21.023 | State of New Hampshire, NHHFA | HSS | <u>183,044</u> \$ 1,747,117 |
| Coronavirus State and Local Fiscal Recovery Funds | 21.027 | State of New Hampshire, NHHFA | | <u>2,518,503</u> |
| Total U.S. Department of the Treasury | | | | <u>\$ 4,265,620</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

| <u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/PROGRAM TITLE</u> | <u>ASSISTANCE LISTING NUMBER</u> | <u>PASS-THROUGH GRANTOR'S NAME</u> | <u>GRANTOR'S NUMBER</u> | <u>FEDERAL EXPENDITURES</u> |
|---|---|--|--|--|
| <u>U.S. Department of Health & Human Services</u> | | | | |
| Aging Cluster Special Programs for the Aging - Title III, Part B | 93.044 | State of New Hampshire Department of Health and Human Services, NTS | 05-95-48-48010-78720000-512-500352 | \$ 19,610 |
| Maternal, Infant, Early Childhood Homevisiting Program | 93.870 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5896 | 267,195 |
| Foster Care - Title IV - E | 93.658 | State of New Hampshire Department of Health and Human Services, DPH, BPHCS, Maternal & Health Section | 05-95-90-902010-5897 | 205,598 |
| Promoting Safe and Stable Families | 93.556 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29730000-102-500734-42107306 | 34,503 |
| Temporary Assistance for Needy Families | 93.558 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-045-450010-61460000-502-500891-42106603 | 60,862 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | 3,692,755 |
| Low-Income Home Energy Assistance | 93.568 | State of New Hampshire Governor's Office of Energy & Planning | 01-02-02-024010-77050000-074-500587 | <u>301,306</u> |
| Low-Income Water Assistance Program | 93.499 | State of New Hampshire Governor's Office of Energy & Planning | 02-52-52-52010-19880000-500587 | 66,413 |
| Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | 010-045-7148-093-0415 | 234,452 |
| Community Services Block Grant | 93.569 | Southern NH Services | RPIC | 7,463 |
| CV-Community Services Block Grant | 93.569 | State of New Hampshire, DHHS, DFA | G-19B1NHCOSR | <u>76,862</u> |
| CCDF Cluster ARPA - Child Care and Development Block Grant | 93.575 | State of New Hampshire, DHHS | 177200 | 354,862 |
| Head Start Cluster Head Start | 93.600 | Direct Funding | 01CH01149602 & 603, 01HP00025002 | 3,911,764 |
| CV - Head Start | 93.600 | Direct Funding | 01CH01149601C3, 01HE00051501C6 | <u>144,403</u> |
| Substance Abuse and Mental Health Services Administration | 93.243 | Hope on Haven Hill | H79TI084759 | 40,136 |
| Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | 93.043 | National Council on Aging | 90HDCR008 | 3,774 |
| Social Services Research and Demonstration | 93.647 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 9EDA0017 | 1,755 |
| Maternal and Child Health Services Block Grant to States | 93.994 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-090-51900000-102-500731-90004009 | 9,202 |
| Stephanie Tubbs Jones Child Welfare Program | 93.645 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29680000-102-500734-42106802 | 1,365 |
| Social Services Block Grant | 93.667 | State of New Hampshire, DHHS, Division for Children, Youth and Families | 05-095-042-421010-29660000-102-500734-42106603 | <u>129,421</u> |
| Total U.S. Department of Health & Human Services | | | | \$ <u>9,563,701</u> |
| TOTAL | | | | \$ <u>16,099,932</u> |

See Notes to Schedule of Expenditures of Federal Awards

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. INDIRECT COST RATE

Community Action Partnership of Strafford County has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4. FOOD DONATION

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

NOTE 5. SUBRECIPIENTS

Community Action Partnership of Strafford County had no subrecipients for the year ended December 31, 2023.

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Community Action Partnership of Strafford County (a New Hampshire nonprofit organization) and Affiliate, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 5, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Community Action Partnership of Strafford County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Action Partnership of Strafford County's internal control. Accordingly, we do not express an opinion on the effectiveness of Community Action Partnership of Strafford County'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Action Partnership of Strafford County’s 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

**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
Community Action Partnership of Strafford County

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County's major federal programs for the year ended December 31, 2023. Community Action Partnership of Strafford County'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, Community Action Partnership of Strafford County 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 December 31, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of Community Action Partnership of Strafford County 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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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 Community Action Partnership of Strafford County'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.

Leon, McDannell & Roberts
Professional Association

Dover, New Hampshire
June 5, 2024

COMMUNITY ACTION PARTNERSHIP OF STRAFFORD COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2023

A. SUMMARY OF AUDITORS' RESULTS

1. The auditors' report expresses an unmodified opinion on whether the consolidated financial statements of Community Action Partnership of Strafford County and Affiliate were prepared in accordance with GAAP.
2. One significant deficiency relating to the audit of the consolidated financial statements is 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 financial statements of Community Action Partnership of Strafford County, 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 Community Action Partnership of Strafford County expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that would be required to be reported in accordance with 2 CFR section 200.516(a).
7. The programs tested as major were: U.S. Department of Health and Human Services, Low Income Home Energy Assistance Program, ALN 93.568 and U.S. Department of the Treasury, Emergency Rental Assistance Program, ALN 21.023, Coronavirus State and Local Fiscal Recovery Funds, ALN 21.027, U.S Department of Energy, Weatherization Assistance for Low-Income Persons, ALN 81.042.
8. The threshold used for distinguishing between Type A and B programs was \$750,000.
9. Community Action Partnership of Strafford County was determined to not be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

2023-001

Condition: Accounts receivable was not reconciled to the aging report and uncollectible amounts were not written off timely. Bad debt expense was recognized in the current year as a result.

Criteria: Internal controls should be in place to ensure that accounts receivable are reconciled frequently to the aging report and accounts receivable are reviewed for collectability regularly. This reconciliation should be reviewed and approved by the CFO.

Cause: There has been a great deal of staff turnover in the Agency and the difficulty in hiring qualified people into the fiscal department has made proper accounting controls hard to achieve.

Effect: An entry in the amount of \$97,154 was posted to the current year bad debt expense. As nearly all accounts receivable is driven by billing for expenses under grants, it is normally deemed 100% collectible. As such, revenue in a prior year was overstated by the \$97,154.

Recommendation: We recommend that accounts receivable be reviewed regularly and any amounts that are deemed uncollectible are written off timely and/or establish an allowance for doubtful accounts. We also recommend that procedures are implemented to ensure that monthly reconciliations for accounts receivable are being performed in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: As previously discussed during the fieldwork and noted in the report, staff turnover at CAPSC caused delays in some reconciliations due to training and hiring processes. There were no incorrect actions or processes; the delay in writing off outstanding accounts receivable was primarily due to staff turnover. With our newly completed fiscal team, we are now positioned to thoroughly research and resolve all outstanding accounts receivable balances. We are confident that our established procedures for monthly reviews and follow-up activities will effectively address this issue.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None