

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: \$83,800.00
2. Available FY24 Entitlement Funding: \$229,509.00

Total funding pool: **\$313,309.00**

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: \$79,800.00

- 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

Staff 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

Staff Recommendation: \$20,000.00

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

3. CAP / Covered Bridge Manor – ADA Upgrades

Amount Requested: \$16,400.00

Staff 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

Staff 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

Staff Recommendation: \$75,000.00

Roof Replacement

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

Amount Requested: \$14,800.00

Staff 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

Staff Recommendation: \$136,709.00

Heat Pump Upgrade and exterior building improvements

ACTIVITY ADMINISTRATION

1. Activity Administration

Amount Requested: \$7,000.00

Staff 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 Grant	\$83,800.00
FY24 Entitlement Grant	\$229,509.00
Total Funding Pool:	\$313,309.00

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	\$20,000.00
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	\$79,800.00

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	\$83,800.00
--------------------	---------------------	--------------------

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
--------------------	---------------------	---------------------

Grand Total FY23 & FY24	\$393,309.00	\$313,309.00
------------------------------------	---------------------	---------------------

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

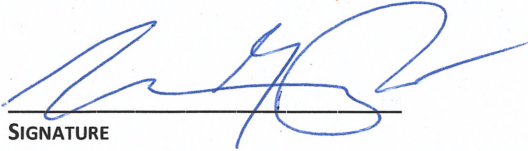
Please provide a breakdown of your organization's overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

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 (Note: More than one may apply) <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

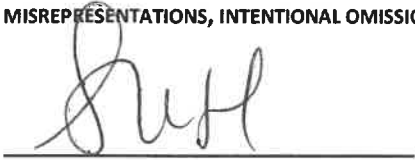
Please provide a breakdown of your *organization's* overall annual budget. Please indicate the dates of your budget period, i.e. July 1 to June 30 or January 1 to December 31.

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 <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 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**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statements of Functional Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Consolidated Notes to Financial Statements	10 - 23
Supplementary Information:	
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Expenditures of Federal Awards	26 - 27
Notes to Schedule of Expenditures of Federal Awards	28
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	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34 - 35

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>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
AND AFFILIATE**

**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

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 C 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**

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**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statements of Functional Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Consolidated Notes to Financial Statements	10 - 23
Supplementary Information:	
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Expenditures of Federal Awards	26 - 27
Notes to Schedule of Expenditures of Federal Awards	28
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	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34 - 35

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)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>615,049</u>	<u>77,091</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property	(100,594)	(506,141)
Proceeds on sale of property	19,023	600,000
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(81,571)</u>	<u>93,859</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments made on long term debt	(75,453)	(355,915)
NET CASH USED IN FINANCING ACTIVITIES	<u>(75,453)</u>	<u>(355,915)</u>
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
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 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
AND AFFILIATE**

**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	<u>\$ 4,600</u>
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

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
<p>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</p>	<p>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.</p>
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; Unifil; 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**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statements of Functional Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Consolidated Notes to Financial Statements	10 - 23
Supplementary Information:	
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Expenditures of Federal Awards	26 - 27
Notes to Schedule of Expenditures of Federal Awards	28
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	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34 - 35

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)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>615,049</u>	<u>77,091</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property	(100,594)	(506,141)
Proceeds on sale of property	19,023	600,000
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(81,571)</u>	<u>93,859</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments made on long term debt	(75,453)	(355,915)
NET CASH USED IN FINANCING ACTIVITIES	<u>(75,453)</u>	<u>(355,915)</u>
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
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 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
AND AFFILIATE**

**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
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>
				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
<p>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.</p>

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		<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**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statements of Functional Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Consolidated Notes to Financial Statements	10 - 23
Supplementary Information:	
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Expenditures of Federal Awards	26 - 27
Notes to Schedule of Expenditures of Federal Awards	28
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	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34 - 35

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	<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	\$ 5,120,775	\$ 2,123,402	\$ 4,158,324	\$ 31,536,296	\$ 1,791,979	\$ 44,730,776	\$ -	\$ 1,179,649	\$ 219,246	\$ 46,129,671

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
AND AFFILIATE**

**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>
				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 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 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. 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			
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	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**

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 3
Financial Statements:	
Consolidated Statements of Financial Position	4
Consolidated Statements of Activities	5 - 6
Consolidated Statements of Functional Expenses	7 - 8
Consolidated Statements of Cash Flows	9
Consolidated Notes to Financial Statements	10 - 23
Supplementary Information:	
Consolidating Statement of Financial Position	24
Consolidating Statement of Activities	25
Schedule of Expenditures of Federal Awards	26 - 27
Notes to Schedule of Expenditures of Federal Awards	28
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	29 - 30
Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	31 - 33
Schedule of Findings and Questioned Costs	34 - 35

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			
	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
AND AFFILIATE**

**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>
				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