

CITY OF NORWICH
COMMUNITY DEVELOPMENT BLOCK GRANT • APPLICATION FOR FUNDING
PUBLIC SERVICES
PROGRAM YEAR 2022 (PY 48) • SEPTEMBER 1, 2022 – AUGUST 31, 2023

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DUE: THURSDAY FEBRUARY 10, 2022 AT 4 PM AT 23 UNION STREET, NORWICH, 2ND FLOOR

Office of Community Development
23 Union Street, 2nd floor • Tel (860) 823-3770 • Fax (860) 823-3715

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PART I: GENERAL INFORMATION

AGENCY: Thames Valley Council for Community Action, Inc.
LEGAL NAME
(if different from Agency) _____
ADDRESS: 1 Sylvandale Road, Jewett City, CT 06351

E-MAIL: mmilanese@tvcca.org
EXECUTIVE DIRECTOR: Deborah Monahan, CEO
CONTACT NAME AND TITLE: Mary Milanese, Development Director
TELEPHONE: 860-425-6508
AGENCY FISCAL YEAR: April 1, 2022 March 31, 2023
Begin End
PROGRAM OR PROJECT NAME: TVCCA Homelessness Prevention Program

CDBG REQUEST & AWARD AMOUNTS:

	REQUEST	AWARD
UPCOMING FISCAL YEAR (This Request) (September 1, 2022 – August 31, 2023)	\$ <u>20,000</u>	\$ _____
CURRENT FISCAL YEAR (Prior Year Award) (September 1, 2021 – August 31, 2022)	\$ <u>20,000</u>	\$ <u>20,000</u>

The information contained herein and attached as exhibits hereto is, to the best of our knowledge and belief, true, correct and complete and that the City of Norwich can rely upon these statements in determining whether to fund this project. We certify that the Agency Board of Directors has approved this application.

Deborah Monahan
EXECUTIVE DIRECTOR/DEPT. HEAD
Deborah Monahan
Printed Name
1/28/2022
DATE

Tammie Hullivan
PRESIDENT, BOARD OF DIRECTORS
Tammie Hullivan
Printed Name 1/28/2022
DATE

A. INTRODUCTION/AGENCY INFORMATION

1. Brief history, mission, structure, membership of TVCCA

Incorporated in 1965 as New London County's Community Action Agency, Thames Valley Council for Community Action, Inc. (TVCCA) is a 501(c)(3) not-for-profit organization providing low-income area residents with programs and services to address social and economic disparities, and mitigate both the causes and consequences of poverty. TVCCA's mission is to provide services and partner with other organizations to address the social determinants of health – housing, food security, employment, education, and basic needs – of low-income and vulnerable households in Eastern Connecticut, with a focus on building the community's self-sufficiency and resiliency.

From a single service in 1965, TVCCA has developed a comprehensive network of 30 programs to assist people with great needs but few resources. Our annual operating budget of \$28,411,214 funds the following programs and services: **Housing Services** (Homelessness Prevention and Diversion, Rapid Re-Housing, Permanent Supportive Housing, Rental Assistance, Section 8 Housing); **Community Services** (Low-Income Heating and Energy Assistance, Case Management, Financial Literacy, Volunteer Income Tax Assistance); **Early Childhood Education** (Head Start, Early Head Start, Little Learners); **Nutrition Programs** (Meals on Wheels, Senior Congregate Meals, SNAP/Supplemental Nutrition Assistance Program, WIC/Women, Infants and Children Supplemental Nutrition); **Retired & Senior Volunteer Program (RSVP)**; **Employment and Training Programs** (Jobs First, Youth services, Workforce Innovation and Opportunity Act services), and our newest service, the **Alliance for Family Support**, a collaborative of home visiting programs that provides young families with education and resources for prenatal health, child health and development, positive parenting, and community connections. While New London County's 21 municipalities constitute TVCCA's primary service area, our Senior Nutrition, Housing, Employment & Training, RSVP, and Alliance programs are also available in all 15 Windham County towns and parts of Tolland County.

All programs are administered using the statewide Human Services Infrastructure (HSI). HSI is a comprehensive, customer-focused, integrated service delivery system that connects clients to the tools, resources, programs, and services they require – within TVCCA as well as through other community-based agencies – all in an effort to promote self-reliance, and help people achieve both short- and long-term economic security. Designed to address client needs holistically and comprehensively, the Human Services Infrastructure coordinates provision of services across all agencies, tracks/monitors outcomes, guards against the duplication of efforts, and works to gradually reduce clients' dependence on support programs over time.

The agency's Chief Executive Officer reports directly a 20-member, tripartite Board of Trustees, composed of representatives from seven New London County municipalities, seven individuals representing the low-to mid-income clientele TVCCA serves, and six members of the local business and nonprofit community. The unique composition of TVCCA's Board reflects the diversity of the agency's efforts, its breadth of support within the communities it serves, and its innately collaborative nature. TVCCA's Board is a "hands-on" group which meets ten times a year. Meetings require a quorum, and detailed minutes are kept. The Board is kept apprised of and must approve all TVCCA activities, initiatives, plans and financial matters. Each contract,

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grant, and agreement must be reviewed and ratified by the Board.

The Chief Executive Officer oversees senior management team of five – Chief Operations Officer, Chief Fiscal Officer, Chief Human Resources Officer, and Senior Directors of Marketing/Development and Finance – who supervise essential agency functions and oversee the administration of all programs.

ACCOMPLISHMENTS: The impact of TVCCA's comprehensive services can be seen in the lives of 23,813 people in 39 towns in Eastern Connecticut town who turned to TVCCA for help. Some notable examples in the past year:

- * 413 unemployed adults obtained employment through TVCCA's Employment & Training Services;
- * 408 employed adults completed TVCCA career-advancement training to qualify for higher wages and/or increased benefits;
- * 925 children participated in TVCCA's Early Head Start, Head Start and Little Learners Early Education programs, providing them with skills for school readiness;
- * 3,003 seniors (age 65+) received assistance to maintain their independent living status;
- * 225,404 meals were delivered to the homebound elderly by TVCCA's Meals on Wheels;
- * 1,250 households maintained safe and affordable housing for 180+ days;
- * 6,990 households received Energy Assistance to keep their homes warm in the winter;
- * 3,140 individuals enrolled in TVCCA's WIC program increased their nutrition skills -- cooking, shopping, and growing food;
- * 33,394 service hours were volunteered by local citizens working with TVCCA to improve the well-being of their neighbors.

2. What are the hours of operation for your agency?

TVCCA program office hours are 8 am - 4:30 pm Monday through Thursday, and 8 am - 4 pm Friday. Client appointments are available until 6 pm on Monday and Wednesday, and on Saturday from 8 am – noon; evening appointments are also available to accommodate clients' work schedules. Our Early Childhood Education Centers operate from 7 am – 5 pm.

3. What is the total number of persons employed by your agency?

TVCCA currently employs 240 full-time and 142 part-time staff members, and we benefit greatly from the assistance of approximately 600 volunteers.

4. Person responsible for compliance with Section 504 of Rehabilitation Act of 1973 - Nondiscrimination under Federal Programs:

Deborah Monahan, TVCCA Chief Executive Officer

5. Do you receive more than \$500,000 Federal Funding through any means, including grants & loans?

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Yes, TVCCA provides a wide range of government-funded programs to address low-income area residents' basic needs. Although the agency's largest funders are Federal and State entities, these sources offer only limited support for housing efforts aimed at averting homelessness.

Even now, in the wake of the Covid-19 pandemic and the ensuing economic collapse, the use of government resources to prevent evictions and homelessness is subject to narrow and often confusing eligibility requirements, including household income, employment status, amount of rent arrearages, and whether the client is enrolled in another government funded housing program. In most instances, landlords must agree to participate before tenants can receive rental assistance.

TVCCA's Homelessness Prevention/Diversion program targets both poverty-level households as well as the "gap group" of individuals and families who are disqualified from government housing programs because of these arcane requirements.

B. STATEMENT OF NEED

1. Define the problem or need to be addressed through your program and provide evidence to support the need as well as citing resources for verification of any statistical information provided.

Well before the pandemic shattered Eastern Connecticut's once-robust economy, life was a struggle for low-income Norwich residents. Pre-Covid, about half of our Norwich clientele lived at or below the Federal Poverty Level (\$12,880 for a single person; \$26,500 for a family of four). The other 50% are identified as "working poor," aptly described by the acronym ALICE: Asset-Limited, Income Constrained, Employed. Even in good economic times, the adults in these households earn barely enough to support their families, but often too much to qualify for government assistance programs. Few of these households have the financial reserves to carry them through a crisis as severe as the current one.

The economic downturn generated by Covid has devastated the City's rental households, which for the most part are headed by unskilled workers whose low-wage hourly jobs were first to disappear when Covid hit. The state Department of Labor reports that two-thirds of Eastern Connecticut residents filing for unemployment since March 2020 earned less than \$35,000 a year – a clear indication that the weight of this crisis has fallen on those least equipped to ride it out.

While unemployment in Norwich has declined from a peak of 21.5% in May 2020, the current 6.4% is the second highest in New London County, and well above 4.4% rate for the state as a whole. The Department of Labor reported that as of December 2021, Connecticut had recovered 75% of positions lost during the Covid lockdown; however, it is unclear whether many of the low-paying service sector jobs held by our clients help will ever return. The U.S. Census Bureau's most recent Household Pulse Survey (12/29/21-1/10/22) reports that 28% of Connecticut low-income tenants (<\$35,000) are in arrears, and that more than half (54%) expect to be evicted within the next two months.

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Compounding the problem is Norwich's long-standing shortage of rental housing, particularly for asset-limited residents. Unlike New London County as a whole, where owner-occupied households outnumber rentals two to one, nearly half of Norwich's housing units are tenant-occupied. A vacancy rate of less than 5% and little new construction in recent years has made for a tight housing market in Norwich, where rents are rising much faster than wages, especially for lower-income tenants. The 2020 U.S. Census reports that nearly 50% of Norwich renters – more than 7,700 households – are cost-burdened; that is, housing expenses take up one-third of their income. Nearly 3,800 of these households are extremely cost burdened, meaning that 50% or more of their pre-tax income is spent on housing.

On top of that, another challenge has come from local landlords and property managers. In an attempt to recoup some of their own pandemic-related losses, landlords have recently upped the ante, now requiring security deposits equal to two month's rent. A family signing a lease for a market rate 2-bedroom apartment (\$1,300/month) will need \$4,000 up-front, before considering the expense of moving, connection fees/deposits for utilities and other incidentals. For Norwich residents barely getting by paycheck to paycheck, this presents a practically insurmountable barrier.

For the first 18 months of the pandemic, a series of state and federal eviction moratoria ensured tenants would not be forced out of their homes for non-payment of rent. (But even with these protections in place, more than 1,400 evictions have been filed in New London County since spring 2020, with Norwich accounting for 414 of them.) An unforeseen consequence of this policy was a diminished sense of urgency among some clients. They knew eventually they would have to make good on back rent, but the continually extended deadlines provided a rationale for putting off the day of reckoning – a day that has now arrived: Connecticut's eviction ban ended last June, the federal moratorium on August 26. Since then, local eviction filings have increased 35%. Last fall, Connecticut announced additional but temporary protections for renters in arrears; however, these safeguards are set to expire later this month.

Our constituents' lack of financial acumen, coupled with constantly shifting eviction moratoria deadlines, meant that some people simply tuned out and settled into a state of denial. Given the unprecedented nature of the pandemic, as well as how severely it is impacting those least equipped to deal with it, it is perhaps not surprising that more than a few struggling households chose to ignore their situation for as long as possible.

Meanwhile, significant logistical problems have held up the disbursement of billions in federal emergency rental assistance authorized through the 2020 CARES Act and the 2021 American Rescue Plan. The situation has been exacerbated by the strict (and often confusing) eligibility parameters attached to various government resources. Each has specifics regarding income, duration of unemployment, amount of rent arrearages, "affordability" of unit, timeframe in which funds can be used, etc. Furthermore, funding sources have varying caps for assistance, from the CARES Act maximum of two months' rent for households at <50% area median income (AMI), to ARPA's more generous allotment: up to \$15,000 for back rent and utilities available to residents with AMI <80%. In almost all cases, applicants must not be receiving any other government funded Covid-related rental mitigation assistance, and landlords must agree before tenants can access aid.

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Such restrictions often disqualify our neediest clients, e.g., debt-burdened renters, or formerly stable households now at risk of homelessness in the wake of the Covid economic crisis. Similarly, credit checks run on tenants renewing their leases can provide landlords with reasonable cause to deny a new lease. Also, government funds can't be used for ancillary but essential housing costs, like temporary motel stays or utility reconnections fees. In the past six months, Housing Services has seen a noticeable uptick in requests for security deposit assistance from clients who fall outside eligibility criteria for government emergency housing aid.

It still remains to be seen whether even this massive infusion of federal dollars will be sufficient to address the enormity of this crisis, which comes after years of reductions in government housing assistance for low-income renters – clear evidence of a decades-long pattern of disinvestment in our nation's social safety net.

The 2020 U.S. Census noted an overall drop in poverty: New London County's rate dropped from 10% to 9%, and in Norwich, the rate fell two full points, from 15% to 13%. This decline is understood to be the result of the massive infusion of government assistance at the height of the pandemic – economic impact payments to individuals, more generous unemployment benefits, increased SNAP allowances, and the enhanced child tax credit, with its advanced monthly payments for half the credit from July - December 2021, a boon to low-income families. The reprieve of those temporary measures has already begun to dissipate. With the end of supplemental unemployment insurance benefits, the eviction moratoria, and the upfront child tax credit payments, it is likely the poverty rate will increase in 2022. Rising inflation, along with Norwich Public Utilities' rate increase of nearly 7%, will present further challenge for low-income households in the coming year.

2. Are the services you provide offered by other agencies serving Norwich? If yes, please explain uniqueness.

TVCCA has long collaborated with other area providers to resolve housing problems faced by low-income Norwich residents. The agency and three New London County partners launched the state's first Coordinated Access Network in 2011, with the goal of unifying intake and evaluation for residents at risk of homelessness. Today, TVCCA is the main provider of homelessness prevention and shelter diversion services within the Eastern Connecticut Coordinated Access Network (ECAN), whose 30+ member agencies work in concert to resolve housing crises for individuals and families throughout the region.

Coordinated Access Network (CANs) are essentially working groups of regional human service organizations, healthcare providers and municipal/state government agencies that meet regularly to review client cases and determine which agency is best positioned to resolve each housing crisis, based on household location, available funding, and agency caseloads. Affiliates in regional CANs collaborate to standardize intake, organization, planning, and to streamline the provision of housing services in their area. Over the past decade, the statewide CAN system has not only significantly enhanced services to at-risk households; it has also increased the effectiveness and efficiencies of participating agencies.

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The ongoing process of collaboration among ECAN members – their collective expertise and willingness to pool resources – is integral to continued progress toward our common goal to end homelessness in our area and provide adequate housing as a first step to help our shared clientele achieve self-sufficiency and economic autonomy. All ECAN participants share a commitment to the service delivery model known as **Housing First**, which prioritizes stable housing as the optimal starting point for clients working to achieve self-sufficiency.

Although several of our Norwich ECAN partners – Norwich Human Services, Thames River Community Services, Catholic Charities, Salvation Army – offer rental assistance programs similar to TVCCA, their financial assistance is generally capped at \$500 per household. ECAN members are aware that TVCCA is one of the few local organizations raising private funds for Homelessness Prevention/Diversion services, so we are often sought out to help clients with especially high housing barriers.

In fact, member agencies often pool resources to ensure clients with greatest needs receive assistance promptly. Rather than focus on the success of any one agency, ECAN members engage in ongoing collaboration to solve problems and develop creative housing solutions for their shared clientele. Working collectively, partner agencies can accomplish much more than they could as separate entities.

This collaborative approach has never been more essential than in during Covid-19. The benefits of ensuring housing security for our low-income clientele extend to all local residents by mitigating the spread of the virus and safeguarding the health and well-being of everyone in Eastern Connecticut.

3. Describe how the program will address the needs of the community and help solve the need.

When an extenuating circumstance – job loss, domestic dispute, medical emergency, or the ongoing economic downturn set off by Covid-19 – endangers a family's housing, TVCCA's Homelessness Prevention/Diversion Financial Assistance Program offers a hand-up (not a hand-out) to help individuals and families avert eviction and shelter entry. In addressing the needs of poverty level households as well as the working poor (people who make too much to qualify for government housing assistance but nowhere near subsistence level for the area), TVCCA's Homelessness Prevention/Diversion Financial Assistance Program offers a safety net in the form of monetary assistance for rent, security deposits, overdue utility bills, rent arrearages and ancillary expenses, and promotes stable housing for struggling families.

This financial assistance is bundled with comprehensive case management to identify and address any underlying issues that may be contributing to constituents' housing instability. Depending on individual needs, case managers can refer clients to a range of TVCCA services, including employment/job training programs, heat & energy assistance, childcare and early education, nutritional resources (SNAP, WIC, area food banks), transportation vouchers, and even free income tax preparation. Case management also provides a portal to services offered by other local agencies to meet clients' needs for healthcare, counseling, and treatment programs.

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By creating a pathway to stable housing, the program benefits the most vulnerable members of our society. It supports family cohesion, helps households build and maintain social continuity within neighborhoods, and ultimately enhances the vitality of our communities as a whole.

From a community perspective, TVCCA's Homelessness Prevention program enables local government to avoid eviction-related expenses; these include costs associated with storing an evicted family's belongings, temporary hotel stays for evictees with children, transporting evicted children to school once the family is placed in emergency housing. Similarly, the program enables small business owners (landlords) to avoid the considerable expense of a full eviction process, which can total \$5,000 or more for a single eviction: for example, cleaning service, income foregone while unit is empty, advertising and cost to screen new tenants.

4. Does your program have a waiting list? If yes, how many people are on the waiting list?

TVCCA's Homelessness Prevention/Diversion Program does not have a waiting list.

C. PROGRAM DESCRIPTION

1. Provide a general description of the program for which you are requesting funding by identifying the specific activities and/or services provided.

TVCCA's Homelessness Prevention/Diversion Financial Assistance Program is an essential resource for struggling families who lack the wherewithal to weather unexpected setbacks, the economic collapse triggered by the Covid-19 pandemic being a prime example. This program delivers financial assistance and programmatic interventions that form a vital safety net to keep families safely housed and help them regain their economic equilibrium.

Preventing homelessness has been central to TVCCA's Housing Services for more than 30 years, as has finding alternatives to shelter entry for clients in danger of losing their homes. Our Homelessness Prevention/Diversion program became even more important when the agency's Norwich Family Shelter closed in 2016, as we transitioned from the temporary fix of homeless shelters to a concerted effort to stop homelessness in its tracks.

The program provides a range of practical strategies to help families in housing crises. Case managers first determine whether it's possible to preserve the family's current housing. If needed, we provide mediation and conflict resolution (e.g., negotiating with landlords to create a payment plan and forestall eviction), and/or financial assistance (i.e., payment of back rent or utility arrearages). Housing staff can also help clients identify alternative living arrangements – for example, doubling up with a friend or relative. If these efforts are unproductive, TVCCA offers housing navigation services to find a new unit, as well as advocacy and financial assistance for security deposit and first month's rent.

Norwich residents in housing crises can access Homelessness Prevention services by calling United Way's 211 helpline; all requests are forwarded to ECAN, where clients are assigned to a Housing Placement team for screening, assessment and evaluation (usually within 24 hours) to determine the most appropriate course of action. Here TVCCA Housing staffers collaborate with

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their counterparts from other agencies to analyze the scope and severity of needs, and implement the most suitable housing recommendations for each client's circumstances and preferences.

When financial assistance is required, TVCCA staff thoroughly vets and documents requests, issuing payments directly to landlords, property managers, utility companies, et al, on behalf of clients. Households are expected to contribute towards these payments; we find that most are eager to share in such settlements, perhaps because it provides a way to regain a sense of agency and self-reliance in difficult times.

The program incorporates comprehensive case management services to identify and resolve less apparent issues that may be interfering with clients' ability to progress toward stable housing. Among these services are coaching sessions (e.g., guidance on how to budget, manage a checking account, be a successful tenant), recommendations for additional services within TVCCA, (e.g., employment/job training, WIC, Head Start, heat/energy assistance, free income tax preparation), and/or services from other community agencies to meet clients' physical and mental wellness needs.

Such well-timed interventions – whether through financial assistance or support services – are essential to restoring vulnerable households' housing stability. Prevention/Diversion not only costs far less than the alternative – eviction and shelter entry – it also leads to better overall outcomes. It goes without saying that living in a shelter during Covid-19 increases the risk of contracting the highly contagious virus. It is also worth noting the detrimental effect shelters have on children: any time kids spend in homeless shelters can negatively impact their development and educational achievement over the long-term.

The Homelessness Prevention/Diversion Financial Assistance Program is focused on ensuring housing security for local residents brought to the brink of homelessness by the Covid-19 economic collapse. It is not, however, a one-off program: it does not hand clients housing assistance and walk away. Rather, TVCCA wraps its arms around each household, working with them to help them find a way forward. Many of our constituents are lacking in the area of financial literacy; they have no experience with budgeting, setting goals, managing credit card debt, or devising a savings plan. TVCCA case managers offer such guidance, meeting individuals where they are, building on each person's competence, and moving them forward to reach their individual goals.

Furthermore, housing interventions can often be catalysts for change. Clients facing eviction are in a very vulnerable position, and it is human nature to be most open to change when a one's defenses are down. Housing staff also lay the groundwork for the next stage of the process: working with clients to set longer-term goals and create evidence-based plans to achieve these objectives. In short, TVCCA stands ready to help disadvantaged local residents meet the many challenges of the ongoing pandemic and its economic upheavals.

While Housing Services staff are guided by policies and observe protocols, they recognize each constituent is unique and that the circumstances of their housing crises are equally diverse. Homelessness Prevention/Diversion is not a "one-size-fits-all" program; especially in the time of Covid, every case must be approached with an eye to innovation and flexibility. Whether it's devising a creative, non-monetary plan to preserve a family's housing situation, or offering just

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enough financial assistance by covering security deposit and first month's rent, our goal in working with each client is to identify and deploy the right intervention at the right time.

In providing housing services to literally homeless and at-risk of becoming homeless households, TVCCA follows all state and federal regulations regarding housing cost (fair market rents), inspections of apartments, lead paint rules, confidentially managing client housing files and records, etc. Housing staff has expertise in rent calculations, utility allowances, assisting tenants and landlords with leasing agreements, and the leasing renewal process under Section 8 guidelines.

TVCCA carefully vets every application for financial assistance to prevent duplication and verify that funds are used only for approved activities. All monies are passed through to landlords, property managers, utility companies, etc. on behalf of struggling households to mitigate shortfalls in rents/security deposits, utility arrearages, and sundry client support expenses. The program follows procedures developed and continually refined over TVCCA's 31 years of administering multiple housing programs, including Section 8 rental assistance, HUD Housing Choice Vouchers, Rapid Rehousing, Permanent Supportive Housing (the Homeless Collaborative Network), DMHAS-funded Next Steps Supportive Housing, as well as Homelessness Prevention/Diversion.

Finally, we should note that in administering every program, TVCCA adheres to the principle of **Constituent Choice**, which works to maximize individuals' preferences. Therefore we do not coerce clients to deal with a problem on our timeline; rather, we encourage them to take responsibility for their decisions, and provide them with guidance and access to resources accordingly. At the same time, case managers promote community integration, household stability, and individually-defined goals, both long- and short-term.

- a. Explain how this program aligns with the 5-year Consolidated Plan (see www.norwichct.org)

TVCCA's Homelessness Prevention/Diversion program aligns with the priorities of the City of Norwich's Consolidated Plan 2020-2024. We share the City's overarching commitment to ensuring decent, safe and affordable housing for the City's low-income residents, as well as its interest in mitigating cost burdens for Norwich renters. We are especially attuned to the needs of the lower-income residents, particularly households that make too much to qualify for government housing assistance, but not enough to support their families, much less build up financial reserves to cope with everyday emergencies, and certainly not an unprecedented crisis like Covid-19. The program for which we seek funding addresses and endeavors to make progress in three areas, and provides a portal for constituents to access services that will improve their short- and long-term prospects, including employment & training, early care and education, nutrition, as well as referrals to healthcare, counseling and much more.

- b. Describe how this program collaborates with other programs and organizations

As noted earlier, TVCCA is a founding member and major provider of housing services within the framework of the Eastern Connecticut Coordinated Access Network, a consortium that draws on the experience and resources of 30+ providers in the eastern third of the state. TVCCA and

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its ECAN partners are committed to the **Housing First** service delivery model, which makes housing stability a priority for clients on the road to self-sufficiency and economic security. ECAN's weekly Housing Team meetings (still conducted virtually) provide a forum for ongoing, inter-agency collaborations, enabling providers to enhance overall provision of services and maximizing each agency's limited resources. Not only does ECAN streamline access for people needing housing assistance, it also strengthens collaboration, communication, efficiency, and transparency among participating agencies – all in an effort to promote housing stability for the region's most vulnerable residents.

Participating ECAN agencies ensure the clear dissemination of information on eligibility guidelines, walk clients through the application and referral processes, and raise community awareness of the goals and achievements of housing programs. The ongoing process of collaboration among ECAN members – their collective expertise and willingness to share resources – is integral to continued progress toward our common goal to end homelessness in our area and provide adequate housing as a starting point in guiding our clients towards self-reliance and financial independence.

Among our New London County ECAN partners are Thames River Community Services, Norwich Human Services, Catholic Charities, Salvation Army, St. Vincent de Paul, Always Home, New London Homeless Hospitality Center, Southeastern Mental Health Authority, Safe Futures, Reliance Health, Covenant Shelter, The Connection, Sound Community Services, United Way of Southeastern Connecticut, Community Health Resources (CHR), and the Alliance for Living. In the northeast area, we work closely with Access Agency, Windham Regional Community Council, Holy Family Shelter, Perception Programs, United Services, and the Windham Region No Freeze Project.

Our Homelessness Prevention/Diversion program is totally integrated into ECAN services; all member agencies can access it for their various constituencies – families, singles, disabled individuals, those living with chronic physical or mental health conditions, people HIV/AIDS, women, victims of domestic violence. Similarly, TVCCA clients receiving Homelessness Prevention services are often referred to other agencies' programs for help dealing with specific issues.

c. Elaborate on how this program links with local or regional plans

As noted above, our Homelessness Prevention program is closely aligned with Norwich's 5-Year Consolidated Plan, 2020-2024: its goals, objectives, outcomes, and its efforts to improve the quality of life for all Norwich residents. TVCCA plays a leadership role in many local interagency initiatives, including Health Improvement Collaborative of Northern New London County, Health Improvement Collaborative of Southern New London County, the Race and Equity Collaborative of the Corporation for Supportive Housing, United Way of SECT's Partnership to End Homelessness, Southeastern CT Council of Governments, and Norwich Complete Count. At the state level, we interface with Connecticut's Department of Children & Families (DCF), Department of Housing (DOH), Office of Early Childhood (OEC), the Department of Mental Health and Addition Services (DMHAS). Our Housing Services' data is aggregated in the state's Homeless Management Information System (HMIS) enabling us to

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assess our region's Homelessness Prevention efforts with those of other Connecticut CANS. TVCCA's Housing programs are delivered in coordination with CT Coalition to End Homelessness (CCEH), CT Coalition against Domestic Violence (CTCADV), and CT Balance of State Continuum of Care (CT-BOS CoC).

d. Discuss any real or possible partnerships created as a result of this funding

CDBG funding supports numerous TVCCA partnerships at every level: In addition to our ongoing collaborations with ECAN agencies throughout Eastern Connecticut, TVCCA is closely linked to scores of other organizations that share our commitment to ensuring families are able to secure and maintain stable housing.

The agency has long-standing Memorandums of Understanding with Connecticut Coalition to End Homelessness (CCEH) to access funds administered through their *be homeful* and *Rapid Exit* programs. TVCCA continues to partner with CCEH and benefit from resources it offers CANS statewide for shelter diversion, rapid exit and emergency housing assistance. As the leading provider of homelessness prevention and shelter diversion services in Eastern Connecticut, TVCCA is eager to participate in this coordinated effort to curtail family homelessness.

TVCCA is also an active participant in a similar initiative launched by Connecticut's Office of Early Childhood (OEC) that is making homelessness prevention funds available to agencies serving the housing needs of low-income families with children under age six. OEC's focus is on early intervention to mitigate the effects of poverty on young children. Numerous studies have demonstrated that stable housing is essential to kids' emotional, social and intellectual growth. Living in chronic poverty thwarts children's academic achievement, and is a primary factor in the Adverse Childhood Experiences (ACEs) inventory: children with multiple ACEs are more likely to have learning and behavioral problems, and are at higher risk early initiation of sexual activity and adolescent pregnancy. The residual impact of these early traumas can carry into adulthood, at enormous cost to individuals and society. TVCCA's Assistant Director of Housing Services has been participating in work at both regional and state levels to strengthen collaboration among providers of Head Start/Early Head Start programs, OEC, the state Department of Children and Families, and Partnership for Strong Communities.

e. Comment on if this request for CDBG funding is for a new program or service.

This request is for the renewal of an ongoing service that assists Norwich residents in housing crisis. TVCCA has long endeavored to ensure any incidence of homelessness is rare, brief, and non-recurring. Low-income Norwich households lacking the financial means to weather the Covid-19 pandemic and the ensuing economic fallout are at increasing risk of homelessness; never has ensuring their housing security been more important than now.

In a tight rental market, not to mention a global pandemic, the chronically homeless are far from the only Norwich residents who find it challenging to accumulate sufficient funds -- approximately \$4,000 -- needed to secure a two-bedroom apartment. Such steep requirements to remain housed mean that households previously considered middle class are increasingly housing-insecure, and often confront the very real threat of eviction and the possibility of actual

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homelessness. However, resources to assist these working poor families have become virtually non-existent.

2. For each activity or service, please also provide:

a. Location of services

Our Housing Services' main office is on the first floor of TVCCA's handicapped accessible Uncas-on-Thames facility, 401 West Thames Street, Unit 201. The department also maintains an office at TVCCA's New London office, 83 Huntington Street. Meetings with clients, landlords, property managers, etc. are frequently conducted at mutually convenient off-site locations.

b. Frequency of services

Hours each client participates vary depending on complexity of situation: some problems can be worked out with several phone calls and referrals; more involved cases may require 2-5 hours a week over several months. All housing crisis calls to United Way's 211 hotline are immediately forwarded to ECAN and assigned to a Housing Placement team, which conducts screening, assessment and evaluation (usually within 24 hours) to determine most appropriate actions to quickly rectify each household's housing problem.

c. Hours of operation (for the proposed program only)

Housing Services hours are 8 am – 4:30 pm Monday through Thursday, and 8 am – 4 pm on Friday, Housing staff flex their hours to accommodate schedules of the clients, landlords, and property managers, etc.; evening and weekend appointments regular occurrences. During the first 12 months of the pandemic, Housing staff delivered 75% of program services virtually (via phone, email, and WebEx meetings). Since last spring, they have shifted back to providing most services in-person. The department has a protocol for covering emergencies after-hours: a member of TVCCA Housing's staff is on call 24/7 to respond to 211 emergency housing assistance requests.

d. The anticipated number of persons (or families) from Norwich to be served:

In the most recent service year (7/1/20-6/30/21), TVCCA provided Homelessness Prevention/Diversion financial assistance to 54 New London County families facing homelessness and possible entry into the shelter system; 32 of these clients were Norwich residents (59%). At the same time, we screened, assessed and successfully resolved housing crises of another 37 households without the need for financial assistance; 16 of these constituents lived in Norwich.

As noted in B.1. Statement of Need, the continual extensions of Covid eviction moratoria diminished some clients' sense of urgency regarding their housing security. Many delayed reaching out for rental assistance, confident that the deadline would once again be pushed back. With the final housing protection measure scheduled to expire this month, calls to 211 seeking housing support have increased. It is difficult to project how many individual/families will require assistance once this last safeguard ends, but it will likely be considerably more than the current year.

e. If applicable, what are the hours of operation for your program.

Not applicable - see 2. c. above

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3. Please specify the percentage of requested grant funds that will be used for administration and salaries as well as the total number of employees hired and/or retained as a result

None of the requested grant funds will be used for TVCCA administrative or salary expenses. All funding received from this request will be passed through on behalf of low-income and working poor clients in Norwich who need partial assistance with rent payments, security deposits, arrearages, etc. to maintain housing security. We will not need to hire additional employees; the program can be successfully executed with current staff whose salaries are covered by government grants. Although State and Federal sources ended their support for homelessness prevention programs in 2012, the needs of working poor residents remain. Because TVCCA operates many housing programs, we have the flexibility to reallocate staff resources to meet shifting service needs.

4. Using the definitions and example located on pages 11-12 please complete the chart and provide a narrative (under C4) describing your “theory of change” on specific outcomes. Please use multiple pages if you have multiple outcomes that you measure. Please note that the narrative should describe the inputs used to achieve specific outputs in order to produce measurable outcomes. Please designate if outcomes are short term, interim or long term. Add as many outcomes as necessary to prove your success hypothesis (what you believe will result if your program is successful). Remember to include important definitions, including how your industry or service measures success. Please remember to discuss highlights that occurred last year and that will occur this year as a result of your program.

Inputs for this proposal include

- TVCCA’s human resources: the time, talent and expertise of our Housing staff, the depth of experience they bring to working with low-income clients in housing crises
- ECAN partner agencies: their collective competencies, their willingness to share resources and brainstorm solutions
- Clients: each person’s unique strengths, weaknesses, opportunities and potential
- Landlords, property managers, utility companies, and community members at large; clients’ family members, friends, neighbors

Project outputs

- Conduct screenings, eligibility interviews, housing navigation services
- Provide comprehensive case management: financial basics, tenancy best practices, referrals to services to meet other needs
- Provide referrals to additional services to address each client’s individual needs (employment/job training, WIC, early education and childcare, energy assistance, transportation vouchers, financial literacy, income tax preparation help, and referrals to other local providers for healthcare, mental health, and recovery services)

Outcomes

- Short-term outcome: show up at appointment with necessary paperwork for determining Homelessness Prevention/Diversion financial assistance
- Medium-term outcomes: continue to actively participate in program after receiving financial assistance; meet all obligations of tenancy (e.g., timely payment of rent, utilities); access additional services and programs as needed

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- Long-term outcomes: achieve stable housing for 180+ days. Also progress identifying/meeting other needs; commitment to setting longer-term goals and to creating evidence-based plans to achieve same

We measure the success of our Homelessness Prevention program in the number of households diverted from homelessness, and of these, the percentage remaining stably housed without need of further financial assistance for 180 days. Our experience administering housing programs has demonstrated that clients receiving case management services in combination with financial assistance for housing are most likely to achieve housing stability; therefore, we also measure percentage of program participants who access case management services, enroll in additional support programs, actively participate in goal setting, and engage with case managers on plans to achieve goals.

E. FUNDING QUESTIONS

1. If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source of leveraged funding. Have these additional funds been secured at the time of this application. If not, what actions are you taking to apply for them?

In the last program year, TVCCA received just over \$100,000 in grant funding for Homelessness Prevention/Diversion services throughout New London County. Of that total, \$25,000 was restricted for use in the City of Norwich (\$20,000 in Norwich CDBG funds and a \$5,000 R. S. Gernon Trust grant); nearly \$60,000 was designated for City of New London and shoreline communities. We were also awarded \$9,000 from the Electric Boat Employees' Community Services Association, the majority of which was directed to Norwich clients. Grants from several bank foundations have also been used to assist Norwich residents. Applications for renewed funding for fiscal year 2022-2023 have been submitted to all sources.

Prior to the Covid economic crisis, income eligibility for Homelessness Prevention/Diversion Program was <30% of HUD Area Median Income. As noted earlier, federal emergency housing resources authorized to meet increased pandemic hardships have expanded income eligibility parameters (<50% AMI for CARES; under ARPA, households up to 80% AMI can qualify, with priority is given to lower income residents).

Norwich CDBG funds, if awarded, would enable TVCCA to leverage federal CARES and ARPA allocations and respond to the needs of people outside the parameters of those contracts – i.e., low-income clients excluded by CARES/ARPA criteria, as well as formerly stable households in danger of homelessness and eviction as a result of Covid-19 reversals. TVCCA is recognized as a knowledgeable and experienced fiduciary, skilled at administering resources within limitations set by funders.

In addition, as mentioned in C.1.d. (page 11), we are eligible for homelessness prevention funding from CCEH and through the state's Office of Early Childhood's initiative aimed at families with children under age six.

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2. If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented and how will this affect your service population?

Given the need of rental assistance funding specifically targeted at keeping low-income households in Norwich securely housed, we would likely need to limit the dollar amount of assistance, and possibly serve fewer families during the grant period. Having non-government resources available to fund rental assistance provides flexibility needed to address complex housing situations, particularly for clients at risk of eviction. In these cases, a quick turnaround is mandatory but nearly impossible when dealing the government funders. Further, it is especially important to have funding sources dedicated to Norwich residents since such a large percentage of TVCCA's disadvantaged clients live in the City. That being said, we will continue to seek out new funders for the program, and to collaborate with our ECAN partners -- perhaps working to bundle smaller amounts from multiple providers, depending of course on the availability of funding.

3. What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?

As noted above, a reduction in support would limit the number of Norwich clients we could help, and lower the size of financial assistance to each. There would be a greater need for our Housing staff's mediation services, more negotiations with landlords and utility companies on behalf of client to work out payment plans for arrearages and the like.

F. OTHER

1. List other agencies that provide similar services and identify those with which you collaborate. If services are similar, please elaborate on what makes this service unique.

As noted earlier, Norwich Human Services, Thames River Community Services, Catholic Charities and Salvation Army offer a similar rental assistance program depending on availability of funds. Like TVCCA, they are challenged to find resources to help Norwich's struggling households -- families who make too much to qualify for government housing programs, but not nearly enough to cover basic living expenses. Any financial assistance these agencies provide is generally capped at \$500 per household. TVCCA seeks to assist families that need more than \$500 to remain housed and prevent eviction into homelessness. Often times, our experienced housing personnel find by delving deeper into the household's specific situation, it is possible to devise a more lasting solution for both the tenant and landlord.

TVCCA staff work closely with their peers from these agencies to identify households with the highest risk of homelessness, and seeks remedies that go beyond just housing.

TVCCA provides eligible clients with free supportive case management services that are integrated into other TVCCA programs, as well as those managed by our ECAN partners - programs that work to remove barriers to housing stability. Among these case management services are housing navigation, conflict mediation, assistance completing application and screening forms, identification of other community resources, and most importantly, referral to

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other TVCCA programs (e.g., employment and training, energy assistance, WIC, Head Start, and free income tax preparation), as well as programs delivered by other agencies – all efforts to ensure not just housing stability, but also increased economic independence and self-reliance for the people we serve.

Managing housing services is a TVCCA core competency. Our experience as lead operator and fiduciary of multiple federal and state housing assistance programs since 1989 attests to our skill in administering an array of housing services, and our commitment to this vital work. We have in place the infrastructure, expertise, personnel, and partnerships to support and sustain Homelessness Prevention services at this crucial juncture, as the exigencies of the pandemic threaten the housing stability of so many area residents.

2. Is your request for continuation of a previously-funded CDBG program?

- a. If yes, indicate if you have pursued funding from other sources, who those sources are/were and what are/were the results

Yes, in addition to this CDBG application, we have applied for and received a \$5,000 grant from the R. S. Gernon Trust which is restricted for use in the City of Norwich; we have also been awarded \$5,000 Homelessness Prevention grant from Berkshire Bank to be used throughout New London County. We have applications outstanding for two other grants, both for county-wide use: Electric Boat Employees' Community Services Association (\$9,000) and People's United Community Foundation (\$5,000). Both of these organizations historically have supported this important program. And finally, our Homelessness Prevention program \$38,500 from two foundations (Frank Loomis Palmer Fund and Bodenwein Benevolent Charitable Trust); that restrict grant usage to shoreline communities. Another pending application, to the Community Foundation of Eastern Connecticut for a \$20,000 grant, is also limited for use in southern New London County.

G. SECTION 3 REQUIREMENTS (Please See Sample on Page 13)

The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

Please review page 13, "Section 3 Contractor Affidavit". Please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 guideline

TVCCA FY48 (2022-2023) Public Service Application for Norwich CDBG Funding

ADDRESSING THE NATIONAL OBJECTIVE

Does your program:

- Address the needs of low- and/or moderate-income residents (see income chart below)?
AND/OR
- Serve seniors; severely disabled adults; homeless; battered spouses; abused/neglected children and youth; illiterate adults; migrant farm workers, persons living with HIV/AIDS and persons who use food banks or meals programs.

FY 2021 Income Limits Summary									
FY 2021 Income Limit Area	FY 2021 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits (\$)	\$36,050	\$41,200	\$46,350	\$51,450	\$55,600	\$59,700	\$63,800	\$67,950
Median Family Income \$91,800	Extremely Low Income Limits (\$)	\$21,600	\$24,700	\$27,800	\$30,850	\$33,350	\$35,800	\$40,120	\$44,660
	Low (80%) Income Limits (\$)	\$55,950	\$63,950	\$71,950	\$79,900	\$86,300	\$92,700	\$99,100	\$105,500

PROGRAM BENEFICIARY OUTCOME STATISTICS:

Attach additional sheets for every outcome related to the funded program

STAFFING RESOURCES: Identify every person involved in the implementation and administration of the program. Use the chart below and additional sheets if necessary. Please refer to page 15 regarding Section 3 to determine if you are or will be a Section 3 concern. If you are/will meet Section 3 criteria, it will be mandatory for you to complete the attached Section 3 documentation.

Position/Title	Salary Range	CDBG portion of salary	Full-time or Part-time	Hired as result of funding?
Jon-Paul Mandelburg, Dir Housing Services	\$60,060 - \$83,714	0	Full-time	No
Ida Parker, Asst Dir Housing Services	\$52,000 - \$72,411	0	Full-time	No
Brian Vanasse, CFO	\$92,020 - \$145,392	0	Full-time	No
Lisa Fessenden, AP Manager	\$45,373 - \$65,338	0	Full-time	No
Lucille Vaughn, Finance Assistance Manager	\$37,820 - \$54,163	0	Full-time	No

TVCCA FY48 (2022-2023) Public Service Application for Norwich CDBG Funding

PART III: BUDGET INFORMATION

A. AGENCY FINANCIAL DATA

SUPPORT & REVENUE	Current FY 21-22	Anticipated FY 22-23
Program fees	\$1,924,369	\$2,001,344
Other Grants including foundations	\$646,346	\$672,200
Donations	\$286,150	\$297,596
CDBG	\$53,000	\$64,000
General Fund		
State & Federal Grants	\$24,075,828	\$25,038,861
Other Revenue (specify)	\$332,782	\$282,093
(Debt service paid on behalf of TVCCA by state of CT)		
TOTAL REVENUE	\$27,318,475	\$28,356,094

EXPENSES	Current FY21-22	Anticipated FY 22-23
Salaries	\$10,058,125	\$10,460,450
Employee Benefits	\$2,204,521	\$2,292,701
Payroll Taxes	\$1,515,608	\$1,576,232
Professional Fees & Services	\$806,075	\$838,318
Operations/Phones/Postage/Occupancy	\$2,772,482	\$2,883,381
Insurance (other)	\$226,470	\$235,529
Equipment Rental, Maintenance & Acquisition	\$217,728	\$226,437
Printing & Publication	\$0	
Travel/Conferences/Conventions	\$97,367	\$101,262
Depreciation/Amortization	\$587,993	\$611,513
Other (Client Assistance)	\$8,832,106	\$9,185,390
TOTAL EXPENSES	\$27,318,475	\$28,411,214

TVCCA FY48 (2022-2023) Public Service Application for Norwich CDBG Funding

B. PROGRAM SPECIFIC FINANCIAL DATA

SUPPORT & REVENUE	CDBG-Funded Portion	Non-CDBG-Funded Portion	% of CDBG Funds used for Program
Program Fees			
Other grants/foundation (non-government)		\$20,000	
Donations			
CDBG	\$20,000		50%
General Fund			
State Government			
Federal Government			
Other Revenue (specify)			
TOTAL REVENUE	\$20,000	\$20,000	

EXPENSES	CDBG-Funded Portion	Non-CDBG-Funded Portion	% of CDBG Funds used for Program
Salaries			
Employee Benefits			
Payroll Taxes			
Professional Services (incl. accounts & attorneys)			
General Operations & Supplies (incl Overhead & Printing)			
Travel/Conferences			
Vehicle Expenses			
Other Expenses (specify)	\$20,000	\$20,000	50%
All grant funds are passed through to landlords, property managers on behalf of clients			
TOTAL EXPENSES	\$20,000	\$20,000	50%

BALANCE (total revenue less expenses)	\$0	\$0	
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TVCCA FY48 (2022-2023) Public Service Application for Norwich CDBG Funding

Outcome: Norwich families achieving housing stability through participation in Homelessness Prevention/Diversion Program

<i>Long Term Outcome: Families remaining housed 180+ days after intervention w/ financial assistance</i>	2020 Actual	2021 Estimated	2022 Anticipated
Total Number of Participants:	38	45	35
Total Number of Participants Achieving Outcome:	38	45	35
Percent Who Achieved Outcome:	100%	100%	100%

<i>Interim Outcome: Families awarded financial assistance</i>			
Total Number of Participants:	63	55	50
Total Number of Participants Achieving Outcome:	38	45	35
Percent Who Achieved Outcome:	60%	82%	70%

<i>Short Term Outcome: Clients met with case manager to determine assistance</i>			
Total Number of Participants:	63	75	55
Total Number of Participants Achieving Outcome:	63	70	50
Percent Who Achieved Outcome:	100%	93%	91%

<i>Output: Families screened for program eligibility</i>			
Total Number of Participants:	63	75	60
Total Participants that are Norwich Residents:	63	75	60
Total Number of Participants Achieving Outcome:	63	75	60
Percent Who Achieved Outcome:	100%	100%	100%

Section 3 Contractor Affidavit (2021 Final Rule)

Section 3 Business Concerns are:

- At least 51 percent of the business is owned and controlled by low or very low-income persons; or
- At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers

This is to certify that Thames Valley Council for Community Action, Inc. (print Business name)

 Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

 Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

 Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

DocuSigned by:
Deborah Monahan
Authorized Signer

1/28/2022
Date

Deborah Monahan, CEO
Print Name

**Thames Valley Council for
Community Action, Inc. and Subsidiary**

**Consolidated Financial Statements, Federal Awards in
Accordance with the Uniform Guidance, State
Financial Assistance in Accordance with the State
Single Audit Act (With Supplementary Information)
and Independent Auditor's Reports**

March 31, 2021 and 2020

Thames Valley Council for Community Action, Inc. and Subsidiary

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Independent Auditor's Report

To the Board of Trustees
Thames Valley Council for Community Action, Inc. and Subsidiary

We have audited the accompanying consolidated financial statements of Thames Valley Council for Community Action, Inc. and Subsidiary (a nonprofit organization), which comprise the statements of financial position as of March 31, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The financial statements of the subsidiary were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Thames Valley Council for Community Action, Inc. and Subsidiary as of March 31, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the Connecticut State Single Audit Act, and Schedules 1 through 3 are presented for purposes of additional analysis and are 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 information 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 August 26, 2021, on our consideration of Thames Valley Council for Community Action, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Thames Valley Council for Community Action, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Thames Valley Council for Community Action, Inc.'s internal control over financial reporting and compliance.

CohnReznick LLP

Hartford, Connecticut
August 26, 2021

Thames Valley Council for Community Action, Inc. and Subsidiary

**Consolidated Statements of Financial Position
March 31, 2021 and 2020**

	<u>Assets</u>	
	<u>2021</u>	<u>2020</u>
Current assets		
Cash and cash equivalents	\$ 4,018,147	\$ 4,280,156
Receivables		
Grants and contracts	3,905,331	1,270,088
Other current assets	<u>435,149</u>	<u>293,300</u>
Total current assets	8,358,627	5,843,544
Property, plant and equipment	4,948,006	5,438,677
Other assets		
Restricted cash equivalents	<u>122,322</u>	<u>122,185</u>
Total assets	<u>\$ 13,428,955</u>	<u>\$ 11,404,406</u>
	<u>Liabilities and Net Assets</u>	
Current liabilities		
Accounts payable and accrued expenses	\$ 3,520,302	\$ 1,390,440
Current portion of long-term debt	316,813	276,721
Refundable advances	<u>314,427</u>	<u>554,727</u>
Total current liabilities	4,151,542	2,221,888
Long-term liabilities		
Long-term debt, less current portion	<u>4,271,201</u>	<u>4,287,415</u>
Total liabilities	<u>8,422,743</u>	<u>6,509,303</u>
Commitments and contingencies		
Net assets		
Without donor restrictions	3,440,376	3,317,016
With donor restrictions	<u>1,565,836</u>	<u>1,578,087</u>
Total net assets	<u>5,006,212</u>	<u>4,895,103</u>
Total liabilities and net assets	<u>\$ 13,428,955</u>	<u>\$ 11,404,406</u>

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Consolidated Statement of Activities and Changes in Net Assets
Year Ended March 31, 2021**

	Net assets without donor restrictions	Net assets with donor restrictions	Total
	<u> </u>	<u> </u>	<u> </u>
Support and revenue			
Federal and state grants and contracts	\$ 27,202,728	\$ -	\$ 27,202,728
Local and other grants and contributions	829,577	5,620	835,197
Program and other income	1,203,050	-	1,203,050
Contributed goods and services	162,165	-	162,165
Debt service paid on behalf of TVCCA by the State of Connecticut	381,961	-	381,961
Net assets released from restrictions	17,871	(17,871)	-
	<u>29,797,352</u>	<u>(12,251)</u>	<u>29,785,101</u>
Total support and revenue			
Expenses			
Program services			
Children services	10,963,123	-	10,963,123
Energy related services	8,904,848	-	8,904,848
Elderly services	3,516,975	-	3,516,975
Employment and training services	1,644,553	-	1,644,553
Housing and shelter services	2,389,138	-	2,389,138
Other community services	698,427	-	698,427
	<u>28,117,064</u>	<u>-</u>	<u>28,117,064</u>
Total program			
Management and general	1,556,928	-	1,556,928
	<u>29,673,992</u>	<u>-</u>	<u>29,673,992</u>
Total expenses			
Change in net assets	123,360	(12,251)	111,109
Net assets, beginning	<u>3,317,016</u>	<u>1,578,087</u>	<u>4,895,103</u>
Net assets, end	<u>\$ 3,440,376</u>	<u>\$ 1,565,836</u>	<u>\$ 5,006,212</u>

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Consolidated Statement of Activities and Changes in Net Assets
Year Ended March 31, 2020**

	Net assets without donor restrictions	Net assets with donor restrictions	Total
	<u> </u>	<u> </u>	<u> </u>
Revenues and support			
Federal and state grants and contracts	\$ 24,560,326	\$ -	\$ 24,560,326
Local and other grants and contributions	575,254	24,510	599,764
Program and other income	1,969,743	-	1,969,743
Contributed goods and services	184,688	-	184,688
Debt service paid on behalf of TVCCA by the State of Connecticut	371,691	-	371,691
Net assets released from restrictions	8,504	(8,504)	-
	<u>27,670,206</u>	<u>16,006</u>	<u>27,686,212</u>
Total revenues			
Expenses			
Program services			
Children services	11,324,850	-	11,324,850
Energy related services	8,349,504	-	8,349,504
Elderly services	3,040,739	-	3,040,739
Employment and training services	1,506,426	-	1,506,426
Housing and shelter services	1,863,104	-	1,863,104
Other community services	610,399	-	610,399
	<u>26,695,022</u>	<u>-</u>	<u>26,695,022</u>
Total program			
Management and general	1,431,854	-	1,431,854
	<u>28,126,876</u>	<u>-</u>	<u>28,126,876</u>
Total expenses			
Change in net assets	(456,670)	16,006	(440,664)
Net assets, beginning	3,773,686	1,562,081	5,335,767
	<u>3,773,686</u>	<u>1,562,081</u>	<u>5,335,767</u>
Net assets, end	\$ 3,317,016	\$ 1,578,087	\$ 4,895,103
	<u>\$ 3,317,016</u>	<u>\$ 1,578,087</u>	<u>\$ 4,895,103</u>

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

Consolidated Statement of Functional Expenses
Year Ended March 31, 2021

	Program services						Supporting services	
	Children services	Energy-related services	Elderly Services	Employment and training services	Housing and shelter services	Other community services	Management and general	Total
Salaries and benefits	\$ 6,875,272	\$ 583,225	\$ 1,406,136	\$ 1,351,625	\$ 694,275	\$ 416,345	\$ 2,618,999	\$ 13,945,877
Client assistance	-	7,971,406	931,783	1,000	764,385	129,350	108,914	9,906,838
Contractual services	1,063,302	18,995	-	-	616,923	23,544	156,925	1,879,689
Materials and supplies	356,684	59,011	202,035	28,739	39,196	32,687	175,452	893,804
Depreciation and amortization	448,309	9,990	24,080	23,140	11,890	7,130	44,841	568,380
Administrative and general	170,334	34,750	61,617	9,656	33,338	14,383	209,490	533,568
Repairs and maintenance	236,518	6,902	95,869	-	12,997	2,910	85,369	440,565
Contributed goods and services	131,392	-	30,773	-	-	-	-	162,165
Other expenses	10,985	80,536	309,672	3,804	41,716	3,421	59,922	510,056
Interest	163,081	-	-	-	-	-	40,508	203,589
Travel and transportation	14,609	188	48,113	506	14,783	3,080	10,690	91,969
Utilities	101,735	-	50,554	-	-	-	23,582	175,871
Insurance	47,363	2,086	36,241	1,183	3,426	2,017	94,143	186,459
Rent and leasing	11,033	15,210	43,572	6,241	23,005	2,494	72,607	174,162
Allocation of management and general to program services	1,332,506	122,549	276,530	218,659	133,204	61,066	(2,144,514)	-
	\$ 10,963,123	\$ 8,904,848	\$ 3,516,975	\$ 1,644,553	\$ 2,389,138	\$ 698,427	\$ 1,556,928	\$ 29,673,992

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Consolidated Statement of Functional Expenses
Year Ended March 31, 2020**

	Program services						Supporting services	
	Children services	Energy-related services	Elderly Services	Employment and training services	Housing and shelter services	Other community services	Management and general	Total
Salaries and benefits	\$ 7,021,368	\$ 579,174	\$ 1,371,746	\$ 1,243,602	\$ 683,517	\$ 389,995	\$ 2,355,665	\$ 13,645,067
Client assistance	66,895	7,470,859	851,816	4,637	838,418	95,282	1,421	9,329,328
Contractual services	1,000,231	-	-	-	55,052	-	139,570	1,194,853
Materials and supplies	297,798	19,922	189,509	26,809	59,764	19,853	170,317	783,972
Depreciation and amortization	467,264	10,560	25,000	22,670	12,460	7,110	42,929	587,993
Administrative and general	210,531	14,055	73,587	8,245	15,641	21,665	182,419	526,143
Repairs and maintenance	379,327	13,853	63,661	247	15,447	183	104,030	576,748
Contributed goods and services	169,513	-	-	-	-	-	-	169,513
Other expenses	73,438	120,179	29,703	6,458	43,390	6,765	56,426	336,359
Interest	169,881	-	-	-	-	-	45,941	215,822
Travel and transportation	61,926	2,481	81,043	13,894	21,489	2,126	21,595	204,554
Utilities	120,389	-	48,189	-	-	-	21,673	190,251
Insurance	48,016	2,421	38,297	1,089	857	1,851	119,010	211,541
Rent and leasing	32,455	18,705	36,368	962	12,016	1,998	52,228	154,732
Allocation of management and general to program services	1,205,818	97,295	231,820	177,813	105,053	63,571	(1,881,370)	-
	<u>\$ 11,324,850</u>	<u>\$ 8,349,504</u>	<u>\$ 3,040,739</u>	<u>\$ 1,506,426</u>	<u>\$ 1,863,104</u>	<u>\$ 610,399</u>	<u>\$ 1,431,854</u>	<u>\$ 28,126,876</u>

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Consolidated Statements of Cash Flows
Years Ended March 31, 2021 and 2020**

	2021	2020
Cash flows from operating activities		
Changes in net assets	\$ 111,109	\$ (440,664)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities		
Depreciation	569,380	587,993
Principal reduction on long-term debt	(213,055)	(196,310)
Changes in operating assets and liabilities		
Grants and contracts receivable	(2,635,243)	513,503
Other receivables	-	17,004
Other current assets	(141,849)	(121,098)
Accounts payable and accrued expenses	2,129,862	(396,248)
Refundable advances	(240,300)	461,914
	(420,096)	426,094
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Purchases of property plant and equipment	(78,709)	(235,655)
	(78,709)	(235,655)
Net cash used in investing activities		
Cash flows from financing activities		
Proceeds from issuance of long-term debt	300,000	-
Principal repayments on long-term debt	(63,067)	(58,620)
	236,933	(58,620)
Net cash provided by (used in) financing activities		
Net increase (decrease) in cash, cash equivalents and restricted cash	(261,872)	131,819
Cash, cash equivalents and restricted cash, beginning	4,402,341	4,270,522
Cash, cash equivalents and restricted cash, end	\$ 4,140,469	\$ 4,402,341
Supplemental schedule of noncash investing and financing activities		
Cash paid for interest	\$ 40,497	\$ 43,523
On-behalf payments for interest	166,267	175,381
	\$ 206,764	\$ 218,904
Total interest expense		

See Notes to Consolidated Financial Statements.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

Note 1 - Principles of consolidation

Reporting entity

Thames Valley Council for Community Action, Inc. (the "Council") was established in 1965 as Southeastern Connecticut's community action agency. The Council provides a wide range of services to disadvantaged and at-risk clients, including Head Start, daycare, energy assistance, senior nutrition, housing and shelter services and various others. Support and revenue consists of federal, state and local government grants, individual, corporate and foundation contributions, and participant fees received in the operation of certain programs.

The Council's subsidiary, TVCCA Information Systems, LLC (the "LLC"), is a limited liability company organized in October 2007 for the purpose of developing energy and case management software to other nonprofit organizations. The Council is the sole member of the LLC.

The accompanying consolidated financial statements include the accounts of the Council and the LLC (collectively referred to as "TVCCA"). All significant intercompany balances and transactions have been eliminated.

Note 2 - Significant accounting policies

Basis of accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. Actual results could differ from those estimates.

Cash equivalents

For purposes of the consolidated statements of cash flows, TVCCA considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Restricted cash

Certain amounts have been deposited into escrow accounts under terms of the CHEFA mortgage financing. Such funds are restricted for allowable purposes related to repairs and renovations of CHEFA financed child daycare facilities. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated statements of financial position that summarized the total of such amounts shown in the consolidated statements of cash flows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 4,018,147	\$ 4,280,156
Restricted cash	<u>122,322</u>	<u>122,185</u>
	<u>\$ 4,140,469</u>	<u>\$ 4,402,341</u>

Property, plant and equipment

Property, plant and equipment acquisitions and improvements thereon individually exceeding \$5,000 are capitalized at cost and depreciated on a straight-line basis over estimated service lives ranging from 5 to 30 years. Maintenance and repairs are charged to expense as incurred.

Thames Valley Council for Community Action, Inc. and Subsidiary

Notes to Consolidated Financial Statements March 31, 2021 and 2020

Funding sources retain a reversionary right to certain property acquired with grant funds. No significant grant programs ended during the years ended March 31, 2021 or 2020 that would require disposition of such property in accordance with applicable grant requirements.

Net asset categories

To ensure observance of limitations and restrictions placed on the use of resources available to TVCCA, the accounts of TVCCA are maintained in the following net asset categories:

Net Assets Without Donor Restrictions - Net assets without donor restrictions are available for use at the discretion of the Board of Trustees and/or management for general operating purposes. From time to time, the Board of Trustees may designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. No amounts have been designated by the Board of Trustees as of March 31, 2021 and 2020.

Net Assets with Donor Restrictions - Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue recognition

Grants and Contracts - TVCCA receives a substantial portion of its revenue from grants and contracts executed with federal and state agencies. Revenue from grants and contracts with resource providers such as the government and its agencies, other organizations and private foundations is accounted for either as exchange transactions or as contributions. When the resource provider receives commensurate value in return for the resources transferred to TVCCA, the revenue from the grant or contract is accounted for as an exchange transaction. For purposes of determining whether a transfer of asset is a contribution or an exchange transaction, TVCCA deems that the resource provider is not synonymous with the general public, i.e., indirect benefit received by the public as a result of the assets transferred is not deemed equivalent to commensurate value received by the resource provider. Moreover, the execution of a resource provider's mission or the positive sentiment from acting as a donor is not deemed to constitute commensurate value received by a resource provider. Revenue from grants and contracts that are accounted for as exchange transactions is based on the expenditure of funds in accordance with grant and contract restrictions and, therefore, revenue is recognized to the extent of the attainment of specific performance goals and, as a result, revenue is recognized to the extent of performance achieved. Cash received in excess of revenue recognized is recorded as deferred revenue for exchange transactions and refundable advances for contributions.

Contributions - Transactions where the resource provider often receives value indirectly by providing a societal benefit, although the societal benefit is not considered to be of commensurate value, are deemed to be contributions. Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where TVCCA has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if TVCCA fails to overcome the barrier. TVCCA recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment to contribution is received. Conditional and unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

Contributions received with no donor stipulations are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the consolidated statement of activities and changes in net assets as net assets released from restriction. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as contributions without donor restrictions.

Contributed Services - TVCCA recognizes contributed services if they create or enhance nonfinancial assets or require specialized skills and would typically be purchased if not provided by donation. General volunteer services do not meet the criteria for recognition in the consolidated financial statements. However, a substantial number of volunteers have donated significant amounts of time to TVCCA's programs.

Program Fees - Program service fees consist primarily of daycare and school readiness fees from program participants in southeast Connecticut. The fees are recognized at a point in time as revenue when the services are performed. Program service fees received in advance of the applicable program period are presented as deferred revenue. Payments are due weekly.

The opening and ending balances of customer contract related amounts were as follows as of March 31, 2021, 2020, and 2019:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ 106,869	\$ 77,882	\$ 37,515
Deferred revenue	-	-	-

Debt Service Paid On-behalf of TVCCA by the State of Connecticut - As described more fully in Note 6, the State of Connecticut Office of Early Childhood ("OEC") has agreed to pay a percentage of the qualifying debt service required by TVCCA's mortgage loan agreements executed with the State of Connecticut Health and Educational Facilities Authority ("CHEFA"). TVCCA recognizes revenue for debt service paid on-behalf of TVCCA when the amounts are actually paid by the State of Connecticut.

Income taxes

TVCCA qualifies as an organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, is exempt from federal and state income taxes on exempt function income. TVCCA's informational and tax returns for the last three years generally remain open for examination.

The LLC reports all of its activities, including any unrelated business income, on TVCCA's federal and state informational returns. TVCCA has no unrecognized tax benefits at March 31, 2021 and 2020. TVCCA's federal and state information returns prior to fiscal year 2019 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

If applicable, TVCCA would recognize interest and penalties associated with tax matters as part of interest expense in the consolidated statement of activities and changes in net assets and include accrued interest and penalties in accrued expenses in the consolidated statement of financial position. No provision for unrelated business income taxes was recorded for the years ended March 31, 2021 and 2020.

Thames Valley Council for Community Action, Inc. and Subsidiary

Notes to Consolidated Financial Statements March 31, 2021 and 2020

Expenses by function

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other which are allocated on the basis of estimates of time and effort. Expenses incurred for various education programs are allocated based on classroom size.

Operating measure

TVCCA has defined the change in net assets from operating activities to include all support, revenue, expenses, and gains and losses, except for gains or losses resulting from unusual or infrequent transactions.

Newly adopted accounting standards

TVCCA adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU 2014-09"), *Revenue from Contracts with Customers*. This standard provides new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers which reflects the consideration to which TVCCA expects to be entitled in exchange for those goods or services, as well as additional qualitative and quantitative disclosures about revenues. TVCCA adopted ASU 2014-09 on April 1, 2020 using the modified retrospective method of transition for all contracts that were not completed as of that date.

TVCCA's revenue for reporting periods ended after March 31, 2020 are presented under the new guidance, while financial results for prior periods will continue to be reported in accordance with the prior guidance and TVCCA's historical accounting policy. TVCCA has not experienced significant changes to the pattern of revenue recognition for its contracts, the identification of contracts and performance obligations or the measurement of variable consideration. Adopting the new standard did not have a material effect on the timing of the TVCCA's revenue recognition. Revenue has been disaggregated by source on the statements of activities.

Subsequent events

Subsequent events were evaluated through August 26, 2021, which is the date the consolidated financial statements were available to be issued.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

Note 3 - Liquidity and availability of resources

The following table reflects TVCCA's financial assets as of March 31, 2021 and 2020, reduced by amounts not available for general expenditure within one year or have a restricted purpose:

	2021	2020
Current assets, excluding non-financial assets at year-end		
Cash and cash equivalents	\$ 4,018,147	\$ 4,280,156
Grants and contracts receivable	3,905,331	1,270,088
Total financial assets	7,923,478	5,550,244
Adjustments		
Less amounts not available to be used within one year		
Net assets with program restrictions not expected to be released within one year	(1,565,836)	(1,578,087)
Add financing available under revolving line of credit within one year	400,000	400,000
Total adjustments	(1,165,836)	(1,178,087)
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,757,642	\$ 4,372,157

TVCCA's revenues are primarily derived by federal and state grants. TVCCA has a policy to structure grant drawdowns as its general expenditures, liabilities, and other obligations come due. In addition, TVCCA maintains a line of credit of \$400,000 with a bank that could be drawn upon as needed during the year to further manage cash flows. Financial assets are considered unavailable when illiquid or not convertible to cash within one year or because the governing board has set aside the funds for a specific contingency reserve.

Note 4 - Concentrations

Concentrations of credit risk

TVCCA's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents and receivables.

Cash and cash equivalents - TVCCA places its cash and cash equivalents with highly rated financial institutions, which are continually reviewed by management for financial stability. Generally, TVCCA's cash and cash equivalents in interest-bearing accounts exceeds financial depository insurance limits. However, TVCCA has not experienced any losses in such accounts and believes that its cash and cash equivalents are not exposed to significant credit risk.

Receivables - Receivables primarily consist of grants and contracts due from a variety of federal, state and local governments. Based on historical experience, management believes these receivables represent negligible credit risk. Accordingly, management has not established an allowance for potential credit losses.

Support and revenue concentrations

TVCCA receives a significant portion of its grants and contracts from the U.S. Department of Health and Human Services, the State of Connecticut, and certain nonprofit pass-through agencies. As with all governmental funding, these grants and contracts are subject to reduction

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

or termination in future years. Any significant reduction in these grants and contracts could have a negative impact on TVCCA's program services.

Note 5 - Property, plant and equipment

A summary of property, plant and equipment is as follows:

	2021	2020
Land	\$ 212,500	\$ 212,500
Buildings and improvements	10,472,654	10,393,945
Leasehold improvements	374,483	374,483
Vehicles	761,831	783,516
Appliances	451,404	451,404
Computer equipment	634,798	665,957
Telephone equipment	329,511	329,511
Furniture and fixtures	377,942	377,942
Office equipment	29,404	29,404
	13,644,527	13,618,662
Less accumulated depreciation	8,696,521	8,179,985
Net property and equipment	\$ 4,948,006	\$ 5,438,677

Depreciation and amortization expense for property, plant and equipment totaled \$569,380 and \$587,993 for the years ended March 31, 2021 and 2020, respectively.

Note 6 - Debt

A summary of debt is as follows:

	2021	2020
CHEFA mortgage notes payable		
Taftville facility	\$ 1,465,000	\$ 1,560,000
Windham facility	465,000	515,000
Vernon facility	285,000	320,000
New London facility	2,050,000	2,125,000
Other mortgage notes payable	323,014	44,136
	4,588,014	4,564,136
Less current portion	316,813	276,721
Long-term portion	\$ 4,271,201	\$ 4,287,415

CHEFA mortgage notes payable

Taftville facility

In April 2001, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Taftville Agreements") with CHEFA to finance the construction of a qualifying child care facility through CHEFA's sale of \$3,865,000 Child Care Facilities Series E Revenue Bonds (the "Series

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

E Bonds"). TVCCA's share of the Series E Bond proceeds totaled \$2,745,000 or 72.3% of total Series E Bond proceeds. Payments by TVCCA are based on interest costs and principal payments on 72.3% of the Series E Bonds, amounts required to establish and maintain trust funds required under the Taftville Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. Interest is payable semi-annually at rates ranging from 3.0% to 5.0% with principal payable in various installments through July 2031.

Windham facility

In January 2003, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Windham Agreements") with CHEFA in connection with the assumption of CHEFA mortgage financing and acquisition of related real property, consisting of a qualifying child care facility, previously held by an unrelated entity. The qualifying child care facility acquired was constructed through CHEFA's sale of Child Care Facilities Series A Revenue Bonds (the "Series A Bonds"). Payments by TVCCA are based on interest costs and principal payments on the Series A Bonds, amounts required to establish and maintain trust funds required under the Windham Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. Interest is payable semi-annually at rates ranging from 3.0% to 5.0% with principal payable in various installments through July 2028.

Vernon facility

In January 2003, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "Vernon Agreements") with CHEFA in connection with the assumption of CHEFA mortgage financing and acquisition of related real property, consisting of a qualifying child care facility, previously held by an unrelated entity. The qualifying child care facility acquired was constructed through CHEFA's sale of Child Care Facilities Series A and B Revenue Bonds (the "Series A and B Bonds"). Payments by TVCCA are based on interest costs and principal payments on the Series A and B Bonds, amounts required to establish and maintain trust funds required under the Vernon Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. Interest is payable semi-annually at rates ranging from 3.0% to 5.0% with principal payable in various installments through July 2028.

New London facility

In October 2008, TVCCA entered into a Loan Agreement and Open-End Mortgage (collectively the "New London Agreements") with CHEFA to finance the construction of a qualifying child care facility through CHEFA's sale of \$16,875,000 Child Care Facilities Series G Revenue Bonds (the "Series G Bonds"). TVCCA's share of the Series G Bond proceeds totaled \$2,465,000 or 14.6% of total Series G Bond proceeds. Payments by TVCCA are based on interest costs and principal payments on 14.6% of the Series G Bonds, amounts required to establish and maintain trust funds required under the New London Agreements, annual fees and certain expenses of CHEFA. TVCCA also pays the cost of insuring the property and of operation and maintenance. Interest is payable semi-annually at rates ranging from 1.5% to 5.0% with principal payable in various installments through July 2038.

CHEFA refinancing

During August 2011, CHEFA refinanced approximately \$32 million of Child Care Facilities Series A through Series E bonds which resulted in the Child Care Facilities series H Revenue Bonds (the "Series H Bonds"). TVCCA's Taftville, Windham, and Vernon child care facilities were refinanced through the Series H Bonds. Payments by TVCCA are based on interest costs

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**Notes to Consolidated Financial Statements
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and principal payments on the Series H Bonds, amounts required to establish and maintain all three refinanced facilities, annual fees and certain expenses of CHEFA. TVCCA is also responsible for the cost of insuring the properties and of operation and maintenance. The refinanced loans require interest payable in semi-annual payments at rates ranging from 1.0% to 5.0%, with principal payable in various installments throughout the original life of the bonds.

During April 2015, CHEFA refinanced approximately \$2.3 million of Child Care Facilities Series G bonds relating to the New London facility through the issuance of State Supported Child Care Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). TVCCA's share of the Series 2015 Bonds totaled \$2,465,000 or 7.4% of total Series 2015 Bond proceeds, resulting in an overall increase in principal owed by TVCCA of \$195,000. Payments by TVCCA are based on interest costs and principal payments on 7.4% of the Series 2015 Bonds, amounts required to establish and maintain trust funds required under the New London Agreements, annual fees and certain expenses of CHEFA. TVCCA is also responsible for the cost of insuring the properties and of operation and maintenance. The refinanced loan requires interest payable in semi-annual payments at rates ranging from 1.5% to 5.0%, with principal payable in various installments through July 2038.

Each of the CHEFA mortgages provide, among other things, that principal and interest on the mortgage loans are payable by TVCCA, which is obligated to make such payments so long as the applicable bonds are outstanding. The underlying collateral of the mortgage loans is the buildings constructed with bond proceeds. As additional collateral, TVCCA has pledged the gross receipts of each qualifying child care facility to CHEFA. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to be an event of default and could provide CHEFA with the right to demand repayment currently. For the years ended March 31, 2021 and 2020, TVCCA was in compliance with these covenants.

In connection with the State of Connecticut's school readiness initiative, the State of Connecticut Office of Early Childhood ("OEC") has agreed to pay a portion of qualifying debt service payments. The OEC has agreed to pay 85.7% of the qualifying debt service of the Taftville facility mortgage loan, 90.0% of the qualifying debt service of the Windham facility mortgage loan, 81.9% of the qualifying debt service of the Vernon facility mortgage loan and 77.3% of the qualifying debt service of the New London facility mortgage loan. Principal and interest payments made by the OEC on behalf of TVCCA totaled \$213,055 and \$168,906 for the year ended March 31, 2021, respectively, and \$196,310 and \$175,381 for the year ended March 31, 2020, respectively.

In June 2021, the Taftville, Windham and Vernon notes were refinanced by CHEFA refunding the notes under the State Supported Child Care Revenue Bonds, Series 2021 under the same note terms at an interest rate of 5%. Principal payment terms remained the same.

Other mortgage notes payable

TVCCA is party to a mortgage note payable agreement with a bank in connection with the acquisition of real property in New London, Connecticut, which is used for several TVCCA programs. The mortgage note presently requires monthly payments of principal and interest of \$1,906 through April 2022. The interest rate is subject to adjustment every three years during the term of the mortgage note. The interest rate is adjusted to a percentage equal to the weekly average yield on U.S. Treasury securities, adjusted to a constant maturity of three years plus 3.5%. The interest rate as of March 31, 2021 is 3.79%. In addition to the real property acquired, the mortgage note is also secured by an assignment of rents and leases. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

be an event of default and could provide the bank with the right to demand repayment currently. For the years ended March 31, 2021 and 2020, TVCCA was in compliance with these covenants. The balance of this note totaled \$23,015 and \$44,136 as of March 31, 2021 and 2020, respectively.

TVCCA obtained a new mortgage note payable agreement with Dime Bank in connection with renovation of real property in Bozrah, Connecticut on March 18, 2021. The mortgage note presently requires monthly payments of principal and interest of \$4,004 through April 2028. The rate of interest on the note was fixed a 3.25% for the term of the note. In addition to the real property acquired, the mortgage note is also secured by an assignment of rents and leases. Additionally, TVCCA is subject to certain financial and nonfinancial covenants, noncompliance with which may be considered to be an event of default and could provide the bank with the right to demand repayment currently. For the year ended March 31, 2021, TVCCA was in compliance with these covenants. The balance of this note totaled \$300,000 as of March 31, 2021.

Aggregate principal maturities of all mortgage notes payable in subsequent years are as follows:

Year ending March 31,		
2022	\$	316,813
2023		305,079
2024		321,401
2025		347,767
2026		359,178
Thereafter		<u>2,937,776</u>
	<u>\$</u>	<u>4,588,014</u>

Line of credit

As of March 31, 2021 and 2020, TVCCA has available a \$400,000 line of credit that is due on demand with an adjustable interest rate (3.25% at March 31, 2020) that is renewable annually. No borrowings were outstanding against the line as of March 31, 2021 and 2020.

Note 7 - Net assets with donor restrictions

Net assets with donor restrictions are restricted for the following purposes at March 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Housing and shelter services	\$ 857,487	\$ 872,697
Elderly services	274,261	269,933
Other community services	221,089	221,089
Children services	166,761	168,130
Employment and training services	26,349	26,349
Facilities improvement (capital campaign)	<u>19,889</u>	<u>19,889</u>
	<u>\$ 1,565,836</u>	<u>\$ 1,578,087</u>

Net assets with donor restrictions in the amount of \$17,871 and \$8,504 were released from restriction during the years ended March 31, 2021 and 2020, respectively, by satisfying purpose and time restrictions.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

Note 8 - Conditional grants and contributions

TVCCA receives conditional grants from federal and state agencies. These grants are conditional and require TVCCA to meet the Uniform Guidance and Connecticut Single Audit Act requirements. TVCCA must return any funds received for which the conditions are not met. These funds are recorded as refundable advances on the consolidated statements of financial position.

At March 31, 2021, TVCCA had remaining available award balances on federal and state grants in the amount of received conditional grants in the amount of approximately \$25,200,000. In addition, TVCCA had conditional promises to give of approximately \$750,000 for COVID expenses and operational support. The award balances will be recognized as revenue as the conditions are met.

Note 9 - Noncash contributions

Noncash contributions recognized in the accompanying consolidated statement of activities and changes in net assets consist principally of the use of space in connection with children services programs and totaled \$162,165 and \$184,688 for the years ended March 31, 2021 and 2020, respectively.

Note 10 - Operating leases

TVCCA leases office space and various other facilities throughout eastern Connecticut to conduct its programs. Future minimum lease payments under noncancelable operating leases with remaining terms in excess of one year are as follows:

Year ending March 31,		
2022	\$	124,672
2023		124,672
2024		<u>31,168</u>
	\$	<u>280,512</u>

Rent expense totaled \$98,740 and \$129,908 for the years ended March 31, 2021 and 2020, respectively.

Note 11 - Employee benefit plans

TVCCA maintains two defined contribution employee benefit plans: a Section 403(b) employee contribution plan and a money purchase pension plan. All permanent employees are eligible to participate in both plans after a three-month waiting period.

Employee contributions under the Section 403(b) plan are determined by the participating employees and must be at least 5.0% of wages. Employer contributions to the money purchase pension plan are based on a percentage match of Section 403(b) participating employee wages. Employees are always 100% vested in employee salary deferrals and become fully vested in employer contributions after one year. Employees hired after April 1, 2004 become fully vested in employer contributions after three years. Employer contributions totaled \$589,742 and \$587,598 for the years ended March 31, 2021 and 2020, respectively.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Consolidated Financial Statements
March 31, 2021 and 2020**

Note 12 - Related party transactions

TVCCA operates as a sub grantee agency for certain programs administered by the Connecticut Association for Community Action, Inc. ("CAFCA"). TVCCA's Chief Executive Officer currently serves on CAFCA's Board of Directors. Grant and contract revenues recognized by TVCCA from CAFCA totaled \$187,288 and \$160,113 for the years ended March 31, 2021 and 2020, respectively.

The Chief Executive Officer also serves on the Eastern Connecticut Workforce Investment Board which also provides grants to TVCCA. For the years ended March 31, 2021 and 2020, TVCCA recognized revenue of \$1,051,927 and \$886,450, respectively.

TVCCA holds several of their bank accounts at a bank for which a member of the Board of Trustees is a member of management. Cash and cash equivalents held at March 31, 2021 and 2020 were \$3,214,918 and \$3,136,061, respectively. There were two loans with the bank at March 31, 2021 totaling \$323,014 at March 31, 2021 and one loan for \$44,136 at March 31, 2020. During the year ended March 31, 2021, TVCCA also entered into a line of credit with the bank. No funds were drawn on the line at March 31, 2021.

Note 13 - Contingencies

TVCCA has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Management believes that such disallowances, if any, will not be material to the financial position of TVCCA.

The outbreak of a novel strain of coronavirus ("COVID-19") which has emerged globally and the events which have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity could result in a loss of revenues and other material adverse effects to TVCCA's financial position, results of activities, and cash flows in the future. TVCCA is not able to estimate the length or severity of this outbreak and the related financial impact. Management plans to adjust its operations accordingly and will continue to assess and monitor the situation as it evolves. If the length of the outbreak and related effects on the TVCCA's operations continue for an extended period of time, TVCCA may have to seek alternative measures to finance its operations.

Supplementary Information

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule 1 - Statement of Financial Position Information
March 31, 2021

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 4,018,147	\$ 4,018,147
Grants and contracts receivables	86,699	-	-	100,285	3,718,347	3,905,331
Other current assets	-	-	-	-	435,149	435,149
Total current assets	86,699	-	-	100,285	8,171,643	8,358,627
PROPERTY, PLANT AND EQUIPMENT, NET	1,577,075	528,805	335,515	1,652,258	854,353	4,948,006
OTHER ASSETS						
Restricted cash equivalents	57,645	5,265	5,265	54,147	-	122,322
Due (to) from	114,959	(293,387)	124,934	(310,675)	364,169	-
Total other assets	172,604	(288,122)	130,199	(256,528)	364,169	122,322
Total assets	\$ 1,836,378	\$ 240,683	\$ 465,714	\$ 1,496,015	\$ 9,390,165	\$ 13,428,955
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts payable and accrued expenses	\$ 17,932	\$ 5,732	\$ 3,513	\$ 21,963	\$ 3,471,162	\$ 3,520,302
Current portion of long-term debt	100,000	50,000	30,000	75,000	61,813	316,813
Deferred grant and contract revenue	-	-	-	132,373	182,054	314,427
Total current liabilities	117,932	55,732	33,513	229,336	3,715,029	4,151,542
LONG-TERM LIABILITIES						
Long-term debt, less current portion	1,365,000	415,000	255,000	1,975,000	261,201	4,271,201
Total liabilities	1,482,932	470,732	288,513	2,204,336	3,976,230	8,422,743
NET ASSETS (DEFICIT)						
Net assets without donor restrictions	353,446	(230,049)	177,201	(708,321)	3,848,099	3,440,376
Net assets with donor restrictions	-	-	-	-	1,565,836	1,565,836
Total net assets (deficit)	353,446	(230,049)	177,201	(708,321)	5,413,935	5,006,212
Total liabilities and net assets	\$ 1,836,378	\$ 240,683	\$ 465,714	\$ 1,496,015	\$ 9,390,165	\$ 13,428,955

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule 2 - Statement of Activities Information
Year Ended March 31, 2021**

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
SUPPORT AND REVENUE						
Federal and state grants and contracts	\$ 1,924,924	\$ 6,918	\$ 8,131	\$ 2,055,488	\$ 23,207,267	\$ 27,202,728
Local and other grants and contribution	-	-	-	-	835,197	835,197
Program and other income	209,603	55,213	30,000	246,621	661,613	1,203,050
Contributed goods and services	-	-	-	-	162,165	162,165
Debt service paid on-behalf of TVCCA by the State of Connecticut	145,910	67,208	41,298	127,545	-	381,961
Total support and revenue	<u>2,280,437</u>	<u>129,339</u>	<u>79,429</u>	<u>2,429,654</u>	<u>24,866,242</u>	<u>29,785,101</u>
EXPENSES						
Salaries and benefits	1,570,137	-	-	1,748,592	10,627,148	13,945,877
Client assistance	353	-	-	457	9,906,028	9,906,838
Contractual services	9,920	-	-	58,615	1,811,154	1,879,689
Materials and supplies	51,236	-	-	94,805	747,763	893,804
Repairs and maintenance	66,876	17,175	38,516	71,157	375,656	569,380
Depreciation and amortization	114,349	56,465	31,820	127,955	202,979	533,568
Administrative and general	331,758	20,919	1,871	374,734	(288,717)	440,565
Other expenses	6,418	791	257	7,796	146,903	162,165
Interest expense	74,100	24,177	14,925	88,981	307,873	510,056
Travel and transportation	2,711	-	-	5,020	195,858	203,589
Utilities	42,740	-	394	42,271	6,564	91,969
Contributed goods and services	-	-	-	-	175,871	175,871
Insurance	12,024	5,420	3,606	10,434	154,975	186,459
Rent and leasing	5,760	-	-	5,760	162,642	174,162
Total expenses	<u>2,288,382</u>	<u>124,947</u>	<u>91,389</u>	<u>2,636,577</u>	<u>24,532,697</u>	<u>29,673,992</u>
Change in net assets	<u>(7,945)</u>	<u>4,392</u>	<u>(11,960)</u>	<u>(206,923)</u>	<u>333,545</u>	<u>111,109</u>
NET ASSETS, beginning of year	<u>361,391</u>	<u>(234,441)</u>	<u>189,161</u>	<u>(501,398)</u>	<u>5,080,390</u>	<u>4,895,103</u>
NET ASSETS, end of year	<u>\$ 353,446</u>	<u>\$ (230,049)</u>	<u>\$ 177,201</u>	<u>\$ (708,321)</u>	<u>\$ 5,413,935</u>	<u>\$ 5,006,212</u>

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule 3 - Statement of Cash Flow Information
Year Ended March 31, 2021**

	CHEFA Finance Day Care Facility-Taftville	CHEFA Finance Day Care Facility-Windham	CHEFA Finance Day Care Facility-Vernon	CHEFA Finance Day Care Facility New London	All Other Activities	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Change in net assets	\$ (7,945)	\$ 4,392	\$ (11,960)	\$ (206,923)	\$ 333,545	\$ 111,109
Adjustments to reconcile the change in net assets to net cash provided by operating activities:						
Depreciation and amortization	114,349	56,465	31,820	127,955	238,791	569,380
On-behalf principal repayments on long-term debt	(81,415)	(45,000)	(28,665)	(57,975)	-	(213,055)
Change in due (to) from	(11,562)	(10,039)	45,806	(815)	(23,390)	-
Changes in operating assets and liabilities						
Grants and contracts receivables	4,878	-	-	27,663	(2,667,784)	(2,635,243)
Other current assets	-	-	-	-	(141,849)	(141,849)
Accounts payable and accrued expenses	3,674	(812)	(4,226)	4,406	2,126,820	2,129,862
Deferred revenue	(8,330)	-	-	122,775	(354,745)	(240,300)
Net cash provided by operating activities	13,649	5,006	32,775	17,086	(488,612)	(420,096)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of property, plant and equipment	-	-	(26,434)	-	(52,275)	(78,709)
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issuance of long-term debt	-	-	-	-	300,000	300,000
Principal repayments on long-term debt	(13,585)	(5,000)	(6,335)	(17,025)	(21,122)	(63,067)
Net cash used in financing activities	(13,585)	(5,000)	(6,335)	(17,025)	278,878	236,933
Net increase in cash, cash equivalents and restricted cash	64	6	6	61	(262,009)	(261,872)
Cash, cash equivalents and restricted cash, beginning of year	57,581	5,259	5,259	54,086	4,280,156	4,402,341
Cash, cash equivalents and restricted cash, end of year	\$ 57,645	\$ 5,265	\$ 5,265	\$ 54,147	\$ 4,018,147	\$ 4,140,469

Independent Auditor's 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 Trustees
Thames Valley Council for Community Action, Inc. and Subsidiary

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 Thames Valley Council for Community Action, Inc. and Subsidiary's (a nonprofit organization), which comprise the consolidated statement of financial position as of March 31, 2021, and the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated August 26, 2021. The financial statements of the subsidiary, TVCCA Information Systems, LLC was not audited in accordance with *Government Auditing Standards* and, accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with TVCCA Information Systems, LLC.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Thames Valley Council for Community Action, Inc. and Subsidiary'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 Thames Valley Council for Community Action, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of Thames Valley Council for Community Action, Inc. and Subsidiary'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 consolidated financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Thames Valley Council for Community Action, Inc. and Subsidiary's consolidated 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 consolidated 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CohnReznick LLP

Hartford, Connecticut
August 26, 2021

Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance

To the Board of Trustees
Thames Valley Council for Community Action, Inc.

Report on Compliance for Each Major Federal Program

We have audited Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Thames Valley Council for Community Action, Inc. and Subsidiary's major federal programs for the year ended March 31, 2021. Thames Valley Council for Community Action, Inc. and Subsidiary's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Thames Valley Council for Community Action, Inc. and Subsidiary's major federal programs based on our audit of the types of compliance requirements referred to above. 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"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Thames Valley Council for Community Action, Inc. and Subsidiary's compliance.

Opinion on Each Major Federal Program

In our opinion, Thames Valley Council for Community Action, Inc. and Subsidiary's 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 March 31, 2021.

Report on Internal Control over Compliance

Management of Thames Valley Council for Community Action, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Thames Valley

Council for Community Action, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Thames Valley Council for Community Action, Inc. and Subsidiary's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of Thames Valley Council for Community Action, Inc. and Subsidiary's, as of and for the year ended March 31, 2021, and have issued our report thereon dated August 26, 2021, which contained an unmodified opinion on those consolidated financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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.



Hartford, Connecticut
August 26, 2021

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Expenditures of Federal Awards
Year Ended March 31, 2021**

Federal Grantor/Program or Cluster Title	Direct/Pass-through Grantor	Federal CFDA Number	Pass-through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services:					
Head Start	Direct	93.600	01CH01876-02C3	\$ -	\$ 3,855,541
COVID 19 - Head Start	Direct	93.600	01CH01876-02-00	-	113,000
Total Head Start Cluster				-	3,968,541
Aging Cluster:					
Special Programs for the Aging, TITLE III, Part C Nutrition Services	Senior Resources Agency on Aging	93.045	N-20-1/4/5-ED/C/CO/H-W/SE/NE	-	7,797
Special Programs for the Aging, TITLE III, Part C Nutrition Services	Senior Resources Agency on Aging	93.045	N-21-1/4/5-ED/C/CO/H-W/SE/NE	-	8,955
Special Programs for the Aging, TITLE III, Part C Nutrition Services	Senior Resources Agency on Aging	93.045	N-20/21-1/4/5-ED/C/CO/H-W/SE/NE	-	1,513,744
Nutrition Services Incentive Program - Elderly Nutrition	Senior Resources Agency on Aging	93.053	N-20/21-1/4/5-ED/C/CO/H-W/SE/NE	-	182,324
Total Aging Cluster				-	1,712,820
COVID 19 - Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	State of Connecticut Department of Social Services	93.323	20DSS6101ZK	-	90,181
Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	1,904,544
Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	3,892,730
COVID 19 - Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	47,833
COVID 19 - Low-Income Home Energy Assistance	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	1,052,760
Low-Income Home Energy Assistance - New Haven Administration	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	208,035
Low-Income Home Energy Assistance - New Haven Administration	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	1,267,432
COVID 19 - Low-Income Home Energy Assistance - New	State of Connecticut Department of Social Services	93.568	18DSS4301ZK	-	500,000
Total Low-Income Home Energy Assistance				-	8,873,334
Community Services Block Grant	State of Connecticut Department of Social Services	93.569		-	486,783
COVID 19 - Community Services Block Grant	State of Connecticut Department of Social Services	93.569	19DSS1501ZK	-	41,056
COVID 19 - Community Services Block Grant	State of Connecticut Department of Social Services	93.569	20DSS1501ZK	-	175,518
Total Community Services Block Grant				-	703,357
Social Services Block Grant	State of Connecticut Department of Social Services	93.667	19DSS1501ZK	-	117,195
Social Services Block Grant	State of Connecticut Department of Social Services	93.667	19DSS1501ZK	-	87,293
Social Services Block Grant - Elderly Nutrition	Senior Resources Agency on Aging	93.667	N/A	-	113,597
Social Services Block Grant - Case Management Program	Connecticut Association for Community Action	93.667	18DSS5001ZK	-	125,866
Total Social Service Block Grant				-	443,951
Health Profession Opportunity Grants	Eastern Connecticut Workforce Investment Board, Inc.	93.093	20-21-100	-	64,120
Total US Department of Health and Human Services				-	15,856,304
U.S. Department of Housing and Urban Development					
Supportive Housing Program - Homeless Collaborative Network	Direct	14.235	20DOH0901CX	-	727,957
Emergency Solutions Grant Program	State of Connecticut Department of Housing	14.231	20DOH1011CX	140,614	166,003
COVID 19 - Emergency Solutions Grant Program	State of Connecticut Department of Housing	14.231	20DOH1011CX	224,102	235,391
				364,716	401,394
CDBG - Entitlement Grants Cluster					
Entitlement Grants - Homeless Prevention Services	City of Norwich	14.218	N/A	-	1,250
Entitlement Grants - Homeless Prevention Services	City of New London	14.218	221.6511.465.33-20/21	-	4,595
Entitlement Grants - Homeless Prevention Services	City of New London	14.218	221.6511.465.33-20/21	-	11,346
COVID 19 - Entitlement Grants - The Retired Senior Volunteer Programs (RSVP)	City of New London	14.218	221.6511.465.33-20/21	-	12,126
Total CDBG - Entitlement Grants Cluster				-	29,317
Congregate Housing Services Program	Senior Resources Agency on Aging	14.170	N/A	-	4,370
Total US Department of Housing and Urban Development				364,716	1,163,038
U.S. Department of Agriculture:					
WIC Special Supplemental Nutrition Program					
Program for Women, Infants, and Children	Connecticut State Department of Public Health	10.557	2017-0054-3	-	395,537
Program for Women, Infants, and Children	Connecticut State Department of Public Health	10.557	2017-0054-3	-	349,886
Program for Women, Infants, and Children - noncash	Connecticut State Department of Public Health	10.557	N/A	-	2,344,439
Total WIC Special Supplemental Nutrition Program for Women, Infants, and Children				-	3,089,862
Child and Adult Care Food Program (CACFP)	Connecticut State Department of Education	10.558	12060-20518-82079-170006	-	54,656
Child and Adult Care Food Program (CACFP) - Cash in Lieu	Connecticut State Department of Education	10.558	12060-20544-82079-170006	-	7,831
COVID 19 - Child and Adult Care Food Program (CACFP)	Connecticut State Department of Education	10.558	12060-29575-82079-170006	-	55,028
Total Child and Adult Care Food Program				-	117,515

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Expenditures of Federal Awards
Year Ended March 31, 2021**

<u>Federal Grantor/Program or Cluster Title</u>	<u>Direct/Pass-through Granor</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed through to Subrecipients</u>	<u>Total Federal Expenditures</u>
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program - Total SNAP Cluster	Connecticut Association for Community Action	10.561	19DSS1301ZK	-	12,201
Total US Department of Agriculture				-	3,219,578
U.S. Department of Labor:					
WIOA National Dislocated Work Grants/WIA National Emergency Grants	Eastern Connecticut Workforce Investment Board, Inc.	17.277	19-20/21-100	-	71,910
COVID 19 - WIOA National Dislocated Work Grants/WIA National Emergency Grants	Eastern Connecticut Workforce Investment Board, Inc.	17.277	20-21-100	-	13,297
Total WIOA National Dislocated Worker Grants/WIA National Emergency Grants				-	85,207
WIOA Cluster					
WIA/WIOA Adult Program	Eastern Connecticut Regional Education Services Center	17.258	19-20-106	-	431
WIA/WIOA Adult Program	Eastern Connecticut Regional Education Services Center	17.258	20-21-106	-	365,316
WIA/WIOA Youth Activities - Out of School Youth	Eastern Connecticut Regional Education Services Center	17.258	19-20-106	-	7,885
WIA/WIOA Youth Activities - Out of School Youth	Eastern Connecticut Regional Education Services Center	17.258	20-21-106	-	44,632
Total WIOA Cluster				-	418,244
Total US Department of Labor				-	503,451
Corporation for National and Community Service					
Retired Senior Volunteer Program	Direct	94.002	N/A	-	38,077
Retired Senior Volunteer Program	Direct	94.002	N/A	-	151,787
Total Retired Senior Volunteer Program				-	189,864
US Department of Homeland Security					
Emergency Food and Shelter National Board Program	Direct	97.024	N/A	-	6,771
Emergency Food and Shelter National Board Program	Direct	97.024	N/A	-	500
COVID 19 - Emergency Food and Shelter National Board Program	Direct	97.024	N/A	-	3,491
				-	10,762
US Department of the Treasury					
Coronavirus Relief Fund	Connecticut State Department of Housing	21.019	19DOH0401CX	-	64,674
Coronavirus Relief Fund	Connecticut State Department of Housing	21.019	20DOH1001XC	147,724	148,323
Coronavirus Relief Fund	Connecticut State Department of Mental Health and Addiction Services	21.019	MHAM10000074482	-	6
				147,724	213,203
Total Expenditures of Federal Awards				\$ 512,440	\$ 21,156,200

See Notes to Schedule of Expenditures of Federal Awards.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Notes to Schedule of Expenditures of Federal Awards
March 31, 2021**

Note 1 - Basis of presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Thames Valley Council for Community Action, Inc. (the "Council") under programs of the federal government for the year ended March 31, 2021. 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 the Council, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Council.

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. Pass-through identifying numbers are presented when available.

Note 3 - Indirect cost rate

The Council has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - Other federal assistance

In connection with the Women, Infants and Children program, TVCCA determines program eligibility and issues vouchers for food benefits to eligible participants. The vouchers are redeemed by the participants at certain vendors approved by the State of Connecticut. TVCCA does not make payments to the participants or the vendors redeeming the vouchers. Although the value of the vouchers is considered federal assistance and is included in the accompanying schedule of expenditures of federal awards under CFDA number 10.557, no revenue or expense has been recognized in TVCCA's consolidated financial statements for the year ended March 31, 2021. The total value of vouchers redeemed as reported by the State of Connecticut totaled \$2,344,439 for the year ended March 31, 2021.

Thames Valley Council for Community Action, Inc. and Subsidiary

Schedule of Findings and Questioned Costs
March 31, 2021

I. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ yes X no

Significant deficiencies(ies) identified?

_____ yes X none reported

Noncompliance material to financial statements noted?

_____ yes X no

Federal Awards:

Internal control over major programs:

Material weakness(es) identified?

_____ yes X no

Significant deficiency(ies) identified?

_____ yes X none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance 2 CFR section 200.516(a)?

_____ yes X no

Major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.568	Low-Income Home Energy Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?

_____yes X no

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
March 31, 2021**

II. Financial Statement Findings

None

III. Federal Awards Findings and Questioned Costs

None

Independent Auditor's Report on Compliance for Each Major State Program;
Report on Internal Control over Compliance; and Report on the Schedule of
Expenditures of State Financial Assistance Required by the State Single Audit Act

To the Board of Trustees
Thames Valley Council for Community Action, Inc.

Report on Compliance for Each Major State Program

We have audited Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Thames Valley Council for Community Action, Inc. and Subsidiary major state programs for the year ended March 31, 2021. Thames Valley Council for Community Action, Inc. and Subsidiary's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Thames Valley Council for Community Action, Inc. and Subsidiary's major state programs based on our audit of the types of compliance requirements referred to above. 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 State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Thames Valley Council for Community Action, Inc. and Subsidiary's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Thames Valley Council for Community Action, Inc. and Subsidiary's compliance.

Opinion on Each Major State Program

In our opinion, Thames Valley Council for Community Action, Inc. and Subsidiary 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 state programs for the year ended March 31, 2021.

Report on Internal Control over Compliance

Management of Thames Valley Council for Community Action, Inc. and Subsidiary is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered

Thames Valley Council for Community Action, Inc. and Subsidiary internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Thames Valley Council for Community Action, Inc. and Subsidiary 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 state 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 state 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the consolidated financial statements of Thames Valley Council for Community Action, Inc. and Subsidiary, as of and for the year ended March 31, 2021, and have issued our report thereon dated August 26, 2021, which contained an unmodified opinion on those consolidated financial statements. 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 state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act 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 state financial assistance is fairly stated in all material respects in relation to the consolidated financial statements as a whole.



Hartford, Connecticut
August 26, 2021

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Expenditures of State Financial Assistance
Year Ended March 31, 2021**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures Passed Through to Subrecipients	Expenditures
Office of Early Childhood:			
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-OEC64840-16101	\$ -	\$ 20,934
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-OEC64840-16101	-	68,831
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-OEC64840-16101	-	88,750
Head Start Services Grant Program and Head Start Innovative Enhancement	11000-OEC64840-16101	-	195,047
Total Head Start Services Grant Program and Head Start Innovative Enhancement		-	373,562
Child Daycare (CDC)	11000-OEC64840-16274-83012	-	759,863
Child Daycare (CDC)	11000-OEC64840-16274-83012	949,466	2,659,514
Child Daycare - Intercept	11000-OEC64840-16274-83012	-	76,790
Total Child Daycare (CDC)		949,466	3,496,167
Passed through Norwich Public Schools:			
School Readiness in Priority School Districts	11000-OEC64840-16274-83014		123,439
School Readiness in Priority School Districts	11000-OEC64840-16274-83014	-	300,619
Passed through LEARN Regional Education Services			
School Readiness in Priority School Districts	11000-OEC64840-16274-83014	-	120,321
School Readiness in Priority School Districts	11000-OEC64840-16274-83014	-	276,215
Total School Readiness in Priority School Districts		-	820,594
Passed through Griswold Public Schools			
School Readiness in Competitive Grant Municipalities	11000-OEC64840-16274-83013		63,015
School Readiness in Competitive Grant Municipalities	11000-OEC64840-16274-83013	-	88,067
Total School Readiness in Competitive Grant Municipalities		-	151,082
Passed through Norwich Public Schools			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	2,518
Passed through LEARN Regional Education Services			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	49,719
Passed through Griswold Public Schools			
School Readiness Quality Enhancement	11000-OEC64845-16158	-	1,978
Total School Readiness Quality Enhancement		-	54,215
Passed through Capitol Region Education Council			
Care 4 Kids	11000-OEC64841-16147	-	17,150

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Expenditures of State Financial Assistance
Year Ended March 31, 2021**

State Grantor/Pass-Through Grantor/Program Title	State Grant Program CORE-CT Number	Expenditures Passed Through to Subrecipients	Expenditures
Department of Social Services:			
Hispanic Programs (HHD)	11000-DSS60000-16118		5,568
Hispanic Programs (HHD)	11000-DSS60000-16118	-	11,604
		-	17,172
Human Services Infrastructure (HSI)	11000-DSS60000-16174	-	
Human Services Infrastructure (HSI)	11000-DSS60000-16174	-	179,332
		-	179,332
Medicaid	11000-DSS60000-16020	-	
Department of Labor:			
Passed through Eastern Connecticut Workforce Investment Board, Inc. Manufacturing Pipeline Initiative	11000-DOL-40000-12597	-	87,638
Jobs First Employment Services	11000-DOL40000-12212	363,957	786,074
Department of Mental Health and Addiction Services:			
Housing Supports and Services	11000-MHA53000-12035	-	31,567
Housing Supports and Services	11000-MHA53000-12035	-	105,042
		-	136,609
Department of Housing:			
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200907	-	107,224
Shelter Diversion/Rapid Rehousing	11000-DOH46920-16149-1200904	-	280,647
		-	387,871
Coordinated Access	11000-DOH46920-16149-1200906	-	7,534
Department of Aging and Disability Services:			
Passed through Senior Resources Agency on Aging Areas Agencies on Aging - Elderly Nutrition & Discretionary	11000-SDR63901-16278-10105	-	349,526
Areas Agencies on Aging - Federal Title III Match	11000-SDR63901-16260-10604		25,269
Areas Agencies on Aging - Federal Title III Match	11000-SDR63901-16260-10603	-	3,511
		-	378,306
Passed through the Department of Social Services Center for Medicare Advocacy	11000-SDR63901-10020	-	2,684
		-	2,684
Total Schedule of State Awards		<u>\$ 1,313,423</u>	<u>\$ 6,895,990</u>

See Note to Schedule of Expenditures of State Financial Assistance.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Note to Schedule of Expenditures of State Financial Assistance
March 31, 2021**

The accompanying schedule of expenditures of state financial assistance includes state grant activity of Thames Valley Council for Community Action, Inc. under programs of the State of Connecticut for the fiscal year ended March 31, 2021. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs including education, elderly, energy, employment training, housing and shelter, and other services.

Note 1 - Summary of significant accounting policies

The accounting policies of Thames Valley Council for Community Action, Inc. (the "Council") conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit organizations.

The information in the schedule of expenditures of state financial assistance is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of accounting

The expenditures reported on the schedule of expenditures of state financial assistance are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity and, accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
March 31, 2021**

I. Summary of Auditor's Results

Financial Statements:

Type of auditor's opinion issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	_____ yes <u> X </u> no
Significant deficiency(ies) identified?	_____ yes <u> X </u> none reported
Noncompliance material to financial statements noted?	_____ yes <u> X </u> no

State Financial Assistance:

Internal control over major programs:	
Material weakness(es) identified?	_____ yes <u> X </u> no
Significant deficiency(ies) identified?	_____ yes <u> X </u> none reported

Type of auditor's opinion issued on compliance for major programs:	<u>Unmodified</u>
--	-------------------

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?	_____ yes <u> X </u> no
---	---------------------------

The following schedule reflects the major programs included in the audit:

<u>State Grant or Program</u>	<u>State CORE - CT Number</u>	<u>Expenditures</u>
Office of Early Childhood		
Child Day Care	11000-OEC64840-83012	\$ 3,496,167
School Readiness in Priority School Districts	11000-OEC64840-16274-83014	820,594
Head Start Service Grant Program and Head Start Services Innovative Enhancement	1100-OEC64840-16101	373,562
Dollar threshold used to distinguish between type A and type B programs		\$ <u>200,000</u>

Thames Valley Council for Community Action, Inc. and Subsidiary

**Schedule of Findings and Questioned Costs
March 31, 2021**

II. Financial Statement Findings

None

III. State Financial Assistance Findings and Questioned Costs

None



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Internal Revenue Service

Department of the Treasury

**P. O. Box 2508
Cincinnati, OH 45201**

Date:

Person to Contact:

Kenneth W. Schmitt

JUL 17 2001
Thames Valley Council for
Community Action, Inc.
One Sylvandale Road
Jewett City, CT 06351-2220

Toll Free Telephone Number:

8:00 a.m. to 9:30 p.m. EST
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

06-0806128

Dear Sir or Madam:

This letter is in response to your request for a copy of your organization's determination letter. This letter will take the place of the copy you requested.

Our records indicate that a determination letter issued in April 1995, granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section (a)(1).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Thames Valley Council for Community Action, Inc.
EIN: 06-0806128

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

The law requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. If your organization had a copy of its application for recognition of exemption on July 15, 1987, it is also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. You can charge only a reasonable fee for reproduction and actual postage costs for the copied materials. The law does not require you to provide copies of public inspection documents that are widely available, such as by posting them on the Internet (World Wide Web). You may be liable for a penalty of \$20 a day for each day you do not make these documents available for public inspection (up to a maximum of \$10,000 in the case of an annual return).

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

A handwritten signature in cursive script that reads "John E. Ricketts".

John E. Ricketts, Director, TE/GE
Customer Account Services

TVCCA Board of Trustees

February 2022

2021-2022 Officers

Chairman: Tammie Hullivan
First Vice Chairman: Wendy Yagarich
Second Vice Chairman: Daniel Falkenstein
Secretary: Michael Lampasona
Treasurer: Bill Eyberse

GROUP I: Public Officials and Their Representatives

<u>Name</u>	<u>Representative of</u>
Bill Eyberse	City of Norwich
Kathleen D. McCarty	Town of Waterford
Hugh McKenney	Town of Salem
Juliette Parker	Town of Groton
Kathleen Peck	Town of Montville
Eleanor Phillips	Town of Colchester
Thomas Sparkman	Town of Lisbon

GROUP II: Representatives of the Groups to be Served

<u>Name</u>	<u>Representative of</u>
Cindy Beauregard	Norwich Bully Busters
Daniel Falkenstein	Head Start
Tammie Hullivan	Little Learners
Debbie Kievits	United Community & Family Services
Michael Lampasona	Head Start
Tricia Volpe	Permanent Supportive Housing
Wendy Yagarich	Madonna Place

GROUP III: Other Groups and Interests

<u>Name</u>	<u>Representative of</u>
Franco Cristofaro	Eversource Energy
Tracey Holland	Norwich NAACP
Audrey Leone	Doherty, Beals & Banks, P.C.
Anthony G. Madeira	Center for Financial Training Atlantic States
Franca Parra-Polimeni	New London NAACP
Crystal Sides	Dime Bank

Group I
Bill Eyberse*
Kathleen Peck

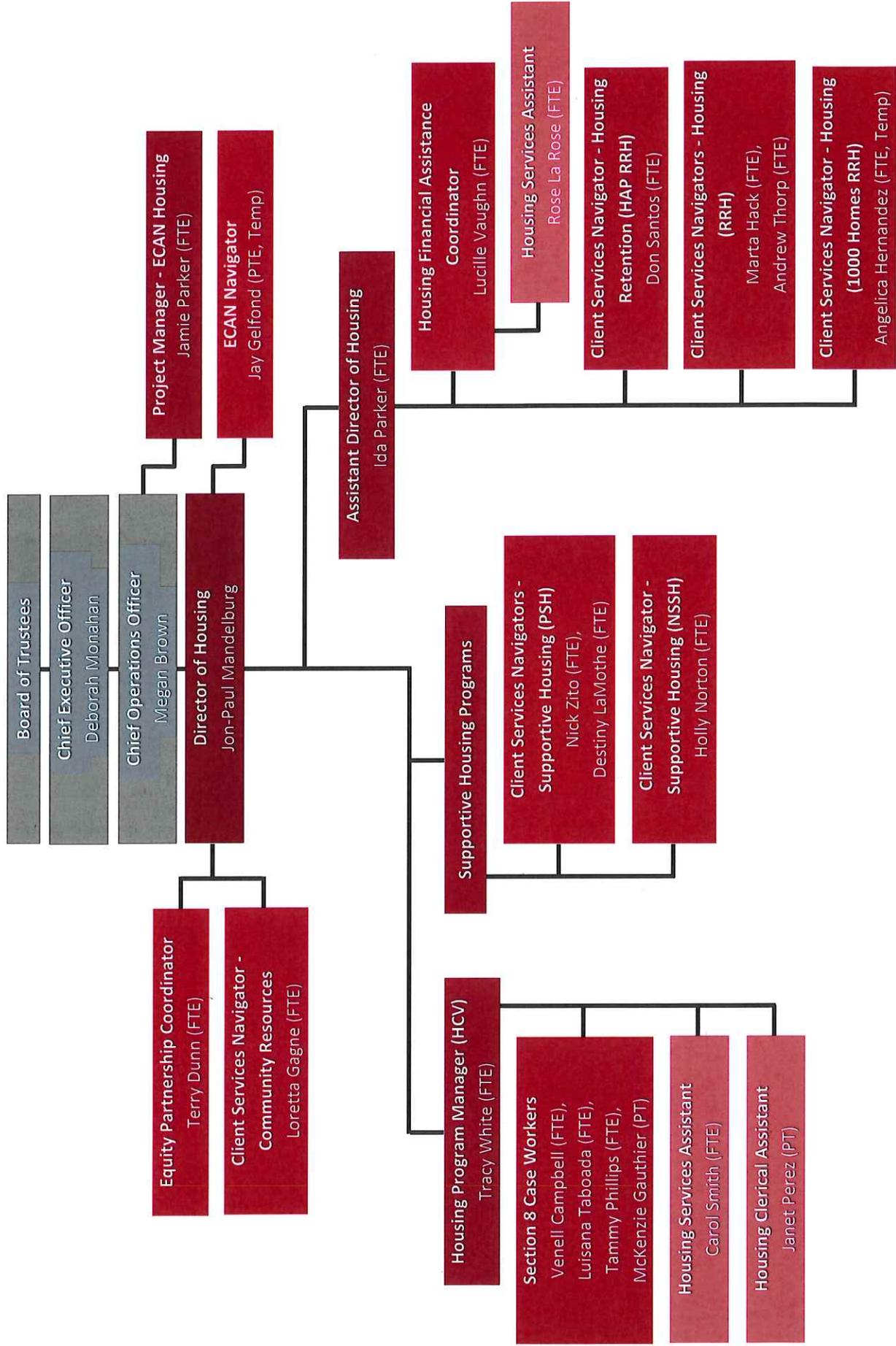
Executive Committee

Group II
Dan Falkenstein*
Tammie Hullivan*
Debbie Kievits
Michael Lampasona*
Wendy Yagarich*

Group III
Franco Cristofaro
Audrey Leone
Anthony G. Madeira

**Officer*

TVCCA Organizational Chart 2022_Housing & Community Resource Services



Jon-Paul Mandelburg

60 Old Norwich Road Quaker Hill, CT 06375

Phone: 860-367-4107

E-mail: jp.mandelburg@gmail.com

Education

BA in Psychology

Columbia University – New York, NY 2003 to 2007

Diploma (2003)

Norwich Free Academy – Norwich, CT 1999 to 2003

Experience

Director of Housing Services June 2017 –Present

Thames Valley Council for Community Action (Norwich, CT)

Overall management in the planning and direction of TVCCA's Housing Department to include Supportive Housing, Rapid Rehousing, and federally and State of CT subsidized housing programs

Oversight and management of multiple grants and budgets funding TVCCA housing programs

Coordination with TVCCA administrative team and various funding sources, as well as serving as the public face of TVCCA Housing Services

Director of Field Services April 2015-March 2017

Change Inc. (Middletown, CT)

Oversee statewide in home services for clientele with various diagnoses/disabilities, including mental health, acquired brain injury, and elderly populations.

Facilitate training of managerial and direct care staff on company policies and procedures, Connecticut waiver expectations, and CARF mandated topics

Ensure agency accreditation via continuous quality improvement of standardized practices, policy development and ongoing continuing education of employees

Shift Supervisor July 2010-April 2015

Vista Life Innovations (Madison, CT)

Providing leadership and supervision to on-shift direct service staff while working with intellectually disabled adults

Oversee daily operations of assigned shifts to ensure all programming is being implemented

Interact with students/members, families, and community members to ensure any issues are resolved effectively

Make pertinent decisions as needed with relation to emergency situations

Perform twice yearly internal evaluations interdepartmentally to ensure effective and accurate programming

Work with directors, program managers to enhance program and operation

Field Manager June 2013-March 2015
Change Inc. (Middletown, CT)

Manage direct-care staff working within client homes
Supervising care and recovery of multiple individuals with diagnosed serious mental illness
Provide Case Management services to clients in a Community Supports Program
Safety Committee Chairperson

Substitute Teacher January 2009-December 2011
Vista Life Innovations (Madison, CT)

Instructing students in Kindergarten through 12th grade in a wide range of subjects within the public school district of Groton, CT

Student Support Counselor November 2009-June 2010
Vista Life Innovations (Madison, CT)

Support, train and oversee all daily activities within residential and outreach programs
Role modeling and teaching good social skills, leadership skills, communication skills, conflict resolution, problem solving skills
Providing transportation to students/members

Substitute Teacher August 2007-June 2008
Norwich Free Academy (Norwich, CT)

Instructed students in grades 9 through 12 in various subjects

Certifications/Licenses

- ▶ Public Services License
- ▶ First Aid CPR AED
- ▶ DDS Medication Administration

7 Egret Road
East Lyme, CT. 06333-1344
Phone 1-860-739-8848

Brian Vanasse

Summary of qualifications

A highly motivated professional, who has thirty (30) years experience in fund and financial accounting, twenty six (26) of which have been supervisory.

Has the experience and ability to;

- Increase work output at a short notice and to work on several projects concurrently.
- Gather, project and analyze fiscal data and make recommendations and presentations.
- Work under pressure in stressful situations meeting deadlines.
- Conducts positive open communication with all levels of staff and management to promote culture of the workplace.

Professional experience

1994 - Present Thames Valley Council For Community Action Inc.

Chief Fiscal Officer 1998-Present Jewett City, CT. 06351

Senior Accountant 1994-1998

- Developed and implemented fiscal operation policies in the Agency.
- Implemented Fixed Asset Control Procedure in my first year to comply with Auditing Standards. This resulted in TVCCA Inc. to produce an unqualified Audit Report for the first time in 30 years.
- Worked directly with financial Institutions to establish lines of credit.
- Directed staff to reconcile bank statements on the computer instead of manually, this resulted in fiscal department to operate more efficiently.
- Ability to work on many projects at a time in a deadline driven environment.
- On going knowledge of Federal & State Single Act requirements.
- Supervise fiscal department staff.
- Evaluated, recommended and implemented new accounting software to take TVCCA into the next millenium.

1986 - 1994 Lanza Smith & Company, Certified Public Accountants
New London, CT. 06320

Senior Accountant

- Responsible for all phases of business engagements.
- Prepared and analyzed corporate financial statements in accordance with Generally Accepted Accounting Principles.
- Prepared Tax Returns for payroll, pension, profit sharing, corporate and individuals.
- Supervised, trained and reviewed staff on various Accounting matters.

Education

1979 - 1981 Rhode Island Junior College Warwick, R.I.
A.S., Accounting

1981- 1983 University of Connecticut Storrs, CT.

Major: Accounting

1986- 1990 University of New Haven New Haven, CT

Major: Accounting

References

Available upon request

EXHIBIT 2 Insurance/Bond/Worker's Compensation

- State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.
- State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.
- State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount and with what insuring agency.
- Provide a copy of your current insurance certificate, NOT YOUR POLICY.

EXHIBIT 3 Non-profit Determination

Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service.

EXHIBIT 4 List of Board of Directors

A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member; and must identify the principal officers of the governing body.

EXHIBIT 5 Organizational Chart

An organizational chart must be provided which describes the agency's administrative framework and staff positions, which indicates where the proposed project will fit into the organizational structure and which identifies any staff positions of shared responsibility.

EXHIBIT 6 Resumes of Chief Program Administrator and Chief Fiscal Officer

EXHIBIT 7 Conflict of Interest Disclosure Form attached.

PART V: CONFLICT OF INTEREST QUESTIONNAIRE

**COMMUNITY DEVELOPMENT BLOCK GRANT
CITY OF NORWICH, CONNECTICUT**

**APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE
2022-2023 PROGRAM YEAR**

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee (CDAC) member? Yes No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council member, CDAC member or other official (named)
Anthony Madeira	Deputy Comptroller	City Employee

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member? Yes No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council member, CDAC member or other official (named)

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member? Yes No

If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member or other official (named)	Indicate type of tie (Family or Business)	If family, indicate relationship

4. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: Thames Valley Council for Community Action, Inc. DocuSigned by:
 Signature of Applicant's Representative Deborah Monahan
D79D61DFA9D64F3... Date 1/28/2022
 Title CEO

**HUD REGULATION REGARDING CONFLICT OF INTEREST
 (NOT REQUIRED TO BE SUBMITTED WITH APPLICATION)**

24 CFR § 570.611 Conflict of interest

(a) Applicability. (1) In the procurement of supplies, equipment, construction, and services by recipients and by sub recipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply. (2) In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to Sec. 570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to Sec. 570.203, 570.204, 570.455, or 570.703(i)).

(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year

Section 3 Contractor Affidavit (2021 Final Rule)

Section 3 Business Concerns are:

- At least 51 percent of the business is owned and controlled by low or very low-income persons; or
- At least 51 percent of the business is owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing; or
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers

This is to certify that Thames Valley Council for Community Action, Inc. (print Business name)

 Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

 Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled "Section 3 Requirements")

 Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

DocuSigned by:
Deborah Monahan
079D61DFA8D04E3...
Authorized Signer

1/28/2022
Date

Deborah Monahan, CEO
Print Name