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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

Lori A. Shibley
Commissioner

Lisa M. Morris
Director

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext. 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

September 18, 2020

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Public Health Services, to amend an existing **Sole Source** contract with Northern Human Services (Vendor #177222-B004), Conway, NH to provide trainings in evidence based home visiting services for young children and families by increasing the price limitation by \$200,000 from \$100,000 to \$300,000 with no change to the contract completion date of June 30, 2021 effective upon Governor and Council approval. 100% General Funds.

The original contract was approved by Governor and Council on June 19, 2019, (Item #78B).

05-95-042-421010 -2958 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES, CHILD PROTECTION, CHILD – FAMILY SERVICES

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	643-504191	Contracts for Program Services	42105745	\$100,000	\$0	\$100,000
2020	643-504191	Contracts for Program Services	42105745	\$0	\$0	\$0
2021	645-504004	Contracts for Program Services	42105745	\$0	\$200,000	\$300,000
			Total	\$100,000	\$200,000	\$300,000

EXPLANATION

This request is **Sole Source** because the contract was originally approved as sole source and MOP 150 requires any subsequent amendments to be labelled as sole source. Northern Human Services is the Fiscal Agent for the Coos Coalition for Young Children and Families. They are the coordinating body in Coos and Northern Grafton Counties for child maltreatment prevention utilizing evidence based practices. This is the only coalition in Coos and Northern

Grafton counties whose primary purpose is to promote the optimal social and emotional development of children from birth through eight (8) years of age. Since 2009, more than a dozen cross sector organizations including health centers, mental health providers, school districts, childcare centers, Head Start and family support programs have worked to build a coordinated and aligned system of supports for children and their families living in Coos and Northern Grafton counties. Coos Coalition for Young Children and Families will continue to use Boundary Spanning Leadership practices to support the Community Implementation Team as they develop future strategies to enhance the early childhood system.

The purpose of this request is to complement current activities in the Community Collaborations to Strengthen and Preserve Families Program by providing training for staff who provide Home Visiting Services in the North Country Region through the network and work of Coos Coalition for Young Children and Families. There are currently no child-parent psychotherapy trained practitioners in the North Country. Ten (10) new child-parent psychotherapy practitioners will be trained. Additionally, twelve (12) home visitors will be trained in GSK.

The Community Collaborations to Strengthen and Preserve Families Program provides services to families with children up to eight (8) years of age who may be at risk of child abuse and neglect and other adverse childhood experiences. The Contractor will use funding to increase capacity to provide evidence based, universal home visiting services to families with young children; to deliver child-parent psychotherapy training to mental health clinicians who provide services to children and to provide consistent parent engagement opportunities for families to connect with one another to build resource networks and increase parenting skills. The vendor will be collecting data and outcomes data from the clients served to support a program evaluation with the University of New Hampshire. The Department plans to link the collected data with internal data to determine outcomes of families and children who receive community coordination of services and determine child maltreatment outcomes.

The Department will continue to monitor contracted services using the following performance measures:

- Increase the percentage of home visitors in the North Country who are trained and implementing evidence-based parenting education practices into their work to 90%.
- Increase the percentage of families with young children, 8 years old or younger, in Coos County actively receiving home visits to 75%.
- Increase the number of caregivers actively receiving home visits by twenty (20) from 164 to 184.
- Improve on average parenting skills by 50%, up from the 2019 average of 27%.

As referenced in Exhibit C-1, Revisions to Standard Contract Language, Paragraph 2 of the original contract, the parties have the option to extend the agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and Governor and Council approval. The Department is not exercising its option to renew at this time.

Should the Governor and Council not authorize this request, home visitors who provide services to caregivers with substance abuse as well as families with young children at risk of child abuse and neglect may not receive appropriate evidence based training and follow up coaching activities that are imperative to teaching positive parenting and family structure to those in need of services.

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Page 3 of 3

Area served: All of Coos County and Northern Grafton County above Franconia Notch.

Source of Funds: 100% General Funds.

Respectfully submitted,

A handwritten signature in black ink, reading "Lori Shabinette". The signature is written in a cursive, flowing style with a large initial "L".

Lori A. Shabinette
Commissioner



**New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families**

**State of New Hampshire
Department of Health and Human Services
Amendment #1 to the North Country Community Collaboration to Strengthen & Preserve
Families**

This 1st Amendment to the North Country Community Collaboration to Strengthen & Preserve Families contract (hereinafter referred to as "Amendment #1") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Northern Human Services, (hereinafter referred to as "the Contractor"), a nonprofit corporation with a place of business at 87 Washington Street, Conway, NH.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 19, 2019, (Item #78B) the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Paragraph 2, the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

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

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:
\$300,000.
2. Exhibit B, Methods and Conditions Precedent to Payment, Section 4, Subsection 4.1, to read:
4.1 Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this Agreement, and shall be in accordance with the approved line item, as specified in Exhibit B-2 Amendment #1 Budget.
3. Exhibit B, Methods and Conditions Precedent to Payment, Section 4, Subsection 4.5, to read:
4.5 The Contractor shall submit an invoice in a form satisfactory to the State by the twentieth (20th) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month.
4. Add Exhibit B-2, Amendment #1 Budget.



**New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families**

All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #1 remain in full force and effect. This amendment shall be effective upon the date of Governor and Executive Council approval.

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

State of New Hampshire
Department of Health and Human Services

Date

06/17/2020

Name:

Title:

[Signature]
Name: Christie Toppie
Title: Associate Commissioner

Northern Human Services

Date

6.16.20

Name: Eric Johnson

Title: CEO

**New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families**



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

OFFICE OF THE ATTORNEY GENERAL

06/25/20
Date

Catherine Pinos
Name:
Title: Catherine Pinos, Attorney

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

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Contractor name Northern Human Services				New Hampshire Department of Health and Human Services										
Budget Request for: North Country Community Collaboration to Strengthen & Preserve Families														
Budget Period: FFY 21 - July 1, 2022 - June 30, 2023														
Line Item	Amount	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
1. Total Salary/Wages	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
2. Employee Benefits	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
3. Consultants	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4. Equipment	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Rental	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Repair and Maintenance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Purchase/Depreciation	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5. Supplies:	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Educational	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Lab	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Pharmacy	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Medical	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Office	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
6. Travel	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
7. Occupancy	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
8. Current Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Telephone	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Postage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Subscriptions	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Audit and Legal	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Insurance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Board Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
9. Software	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10. Marketing/Communications	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11. Staff Education and Training	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
12. Subcontracted/Agreements	\$	227,000.00	\$	-	\$	227,000.00	\$	45,000.00	\$	-	\$	45,000.00	\$	182,000.00
13. Other (specific article mandatory):	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
NHS Grant Contractor Fee @ 8.3%	\$	-	\$	18,000.00	\$	18,000.00	\$	-	\$	-	\$	-	\$	18,000.00
	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL	\$	227,000.00	\$	18,000.00	\$	245,000.00	\$	45,000.00	\$	-	\$	45,000.00	\$	182,000.00
Indirect As A Percent of Direct														
														8.9%

State of New Hampshire

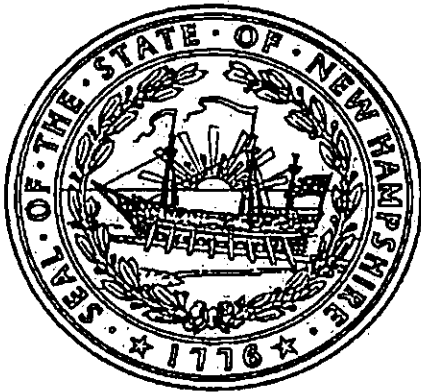
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that NORTHERN HUMAN SERVICES is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on March 03, 1971. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: 62362

Certificate Number : 0004890870



IN TESTIMONY WHEREOF,
I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 6th day of April A.D. 2020.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF AUTHORITY

I, Madelene Costello, hereby certify that:

(Name of the elected Officer of the Corporation/LLC; cannot be contract signatory)

1. I am a duly elected Clerk/Secretary/Officer of Northern Human Services.

(Corporation/LLC Name)

2. The following is a true copy of a vote taken at a meeting of the Board of Directors/shareholders, duly called and held on June 12, 2020, at which a quorum of the Directors/shareholders were present and voting.

(Date)

VOTED: That Eric Johnson, CEO (may list more than one person)

(Name and Title of Contract Signatory)

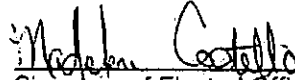
is duly authorized on behalf of Northern Human Services to enter into contracts or agreements with the State

(Name of Corporation/ LLC)

of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

3. I hereby certify that said vote has not been amended or repealed and remains in full force and effect as of the date of the contract/contract amendment to which this certificate is attached. This authority **remains valid for thirty (30) days** from the date of this Certificate of Authority. I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the corporation. To the extent that there are any limits on the authority of any listed individual to bind the corporation in contracts with the State of New Hampshire, all such limitations are expressly stated herein.

Dated: June 16, 2020



Signature of Elected Officer

Name: Madelene Costello

Title: President

Client#: 1010836

NORTHUM

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/01/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: Christine Skehan	PHONE (A/C, No, Ext): 855 874-0123	FAX (A/C, No):
	E-MAIL ADDRESS: Christine.Skehan@usi.com		
INSURED Northern Human Services, Inc. 87 Washington Street Conway, NH 03818-6044	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: Philadelphia Insurance Company		32204
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			PHPK2115695	03/31/2020	03/31/2021	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COM/OP AGG \$3,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			PHPK2115690	03/31/2020	03/31/2021	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$			PHUB716917	03/31/2020	03/31/2021	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/ MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Entity Prof Phys Prof Occurrence form			PHPK2115695 PHPK2115695	03/31/2020 03/31/2020	03/31/2021 03/31/2021	1,000,000/3,000,000 1,000,000/3,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence.


Physicians do not share in entity Prof Liab limits.

Physicians have their own separate Limits of insurance.

Evidence of Insurance.

CERTIFICATE HOLDER

CANCELLATION

NH DHHS 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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Client#: 1010836

NORTHUM

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/09/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER USI Insurance Services LLC 3 Executive Park Drive, Suite 300 Bedford, NH 03110 855 874-0123	CONTACT NAME: Christine.skehan PHONE (A/C, No, Ext): 855 874-0123 FAX (A/C, No): E-MAIL ADDRESS: Christine.skehan@usi.com INSURER(S) AFFORDING COVERAGE INSURER A : NH Employers Insurance Company INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :
INSURED Northern Human Services, Inc. 87 Washington Street Conway, NH 03818-6044	NAIC # 13083

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WYD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COM/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	ECC60040004322019A	09/30/2019	09/30/2020	PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Evidence of Insurance.

CERTIFICATE HOLDER

CANCELLATION

NH DHHS 129 Pleasant Street Concord, NH 03301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>See Note</i>
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Statement of Mission

"To assist and advocate for people affected by mental illness, developmental disabilities and related disorders in living meaningful lives."

Statement of Vision

Everyone who truly needs our services can receive them, as we strive to meet ever-changing needs through advocacy, innovation, collaboration and skill.

Financial Statements

NORTHERN HUMAN SERVICES, INC.

**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018
AND
INDEPENDENT AUDITORS' REPORT**

**Leone,
McDonnell
& Roberts**
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS

NORTHERN HUMAN SERVICES, INC.

JUNE 30, 2019 AND 2018

TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
<u>Financial Statements:</u>	
Statements of Financial Position	3
Statement of Activities	4
Statements of Cash Flows	5
Statement of Functional Expenses, Totals for All Programs	6
Statement of Functional Expenses, Mental Health	7 - 11
Statement of Functional Expenses, Developmental Services	12 - 14
Notes to Financial Statements	15 - 25
<u>Supplementary Information:</u>	
Schedule of Functional Revenues and Expenses, Totals for All Programs	26
Schedule of Functional Revenues and Expenses, Mental Health	27 - 31
Schedule of Functional Revenues and Expenses, Developmental Services	32 - 34

To the Board of Directors of
Northern Human Services, Inc.
Conway, New Hampshire

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Northern Human Services, Inc. (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of cash flows, and notes to the financial statements for the years then ended, and the related statements of activities and functional expenses for the year ended June 30, 2019.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements referred to above present fairly, in all material respects, the financial position of Northern Human Services, Inc. as of June 30, 2019 and 2018, and its cash flows for the years then ended, and the changes in its net assets for the year ended June 30, 2019 in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Northern Human Services, Inc.'s June 30, 2018 financial statements, and we expressed an unmodified opinion on those audited financial statements in our report dated October 16, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional revenues and expenses on pages 26 - 34 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Leon, McDonnell & Roberts
Professional Association*

October 22, 2019
North Conway, New Hampshire

NORTHERN HUMAN SERVICES, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018**

ASSETS

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash and cash equivalents, undesignated	\$ 11,282,632	\$ 10,319,006
Cash and cash equivalents, board designated	318,202	318,202
Accounts receivable, less allowance of \$328,000 and \$291,000 for 2019 and 2018, respectively	1,965,991	1,431,724
Grants receivable	227,519	103,744
Assets, limited use	501,911	619,951
Prepaid expenses and deposits	<u>295,077</u>	<u>294,263</u>
Total current assets	<u>14,591,332</u>	<u>13,086,890</u>
PROPERTY AND EQUIPMENT, NET	<u>364,455</u>	<u>527,343</u>
OTHER ASSETS		
Investments	1,966,886	1,880,097
Cash value of life insurance	<u>432,585</u>	<u>413,777</u>
Total other assets	<u>2,399,471</u>	<u>2,293,874</u>
Total assets	<u>\$ 17,355,258</u>	<u>\$ 15,908,107</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 490,183	\$ 370,452
Accrued payroll and related liabilities	1,506,716	1,711,570
Compensated absences payable	743,136	704,026
Other grants payable	112,182	69,801
Refundable advances	197,017	337,926
Deferred revenue	431,341	115,685
Refundable advances, maintenance of effort	391,458	971,522
Client funds held in trust	169,364	294,867
Due to related party	<u>48,423</u>	<u>44,689</u>
Total liabilities	<u>4,089,820</u>	<u>4,620,538</u>
NET ASSETS		
Net assets without donor restrictions		
Undesignated	12,691,772	10,713,605
Board designated	<u>318,202</u>	<u>318,202</u>
Total net assets without donor restrictions	13,009,974	11,031,807
Net assets with donor restrictions	<u>255,464</u>	<u>255,762</u>
Total net assets	<u>13,265,438</u>	<u>11,287,569</u>
Total liabilities and net assets	<u>\$ 17,355,258</u>	<u>\$ 15,908,107</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Summarized</u>
PUBLIC SUPPORT				
State and federal grants	\$ 1,131,728	\$ -	\$ 1,131,728	\$ 927,662
Other public support	603,307	-	603,307	553,387
Local and county support	442,733	-	442,733	306,732
Donations	<u>26,990</u>	<u>-</u>	<u>26,990</u>	<u>24,296</u>
Total public support	<u>2,204,758</u>	<u>-</u>	<u>2,204,758</u>	<u>1,812,077</u>
REVENUES				
Program service fees	38,997,170	-	38,997,170	37,962,172
Production income	456,617	-	456,617	437,758
Other revenues	<u>382,737</u>	<u>-</u>	<u>382,737</u>	<u>261,640</u>
Total revenues	<u>39,836,524</u>	<u>-</u>	<u>39,836,524</u>	<u>38,661,570</u>
Total public support and revenues	<u>42,041,282</u>	<u>-</u>	<u>42,041,282</u>	<u>40,473,647</u>
EXPENSES				
<u>Program Services</u>				
Mental health	11,010,994	-	11,010,994	10,914,180
Developmental services	<u>24,129,392</u>	<u>-</u>	<u>24,129,392</u>	<u>23,962,509</u>
Total program services	35,140,386	-	35,140,386	34,876,689
General management	<u>5,128,004</u>	<u>-</u>	<u>5,128,004</u>	<u>4,774,159</u>
Total expenses	<u>40,268,390</u>	<u>-</u>	<u>40,268,390</u>	<u>39,650,848</u>
EXCESS OF PUBLIC SUPPORT AND REVENUES OVER EXPENSES	<u>1,772,892</u>	<u>-</u>	<u>1,772,892</u>	<u>822,799</u>
NON-OPERATING INCOME (LOSS)				
Investment return	93,900	-	93,900	139,759
Change in cash value of life insurance	18,808	-	18,808	18,447
Interest income	90,782	1,487	92,269	10,590
Net assets released from restrictions	<u>1,785</u>	<u>(1,785)</u>	<u>-</u>	<u>-</u>
Total non-operating income (loss)	<u>205,275</u>	<u>(298)</u>	<u>204,977</u>	<u>168,796</u>
Change in net assets	1,978,167	(298)	1,977,869	991,595
NET ASSETS, BEGINNING OF YEAR	<u>11,031,807</u>	<u>255,762</u>	<u>11,287,569</u>	<u>10,295,974</u>
NET ASSETS, END OF YEAR	<u>\$ 13,009,974</u>	<u>\$ 255,464</u>	<u>\$ 13,265,438</u>	<u>\$ 11,287,569</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENTS OF CASH FLOWS**
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,977,869	\$ 991,595
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	203,721	194,292
Unrealized (gain) loss on investments	30,002	(82,953)
Realized gain on investments	(81,524)	(23,391)
Change in cash value of life insurance	(6,129)	(5,977)
(Increase) decrease in assets:		
Accounts receivable	(534,267)	64,419
Grants receivable	(123,775)	(45,884)
Assets, limited use	118,040	(18,198)
Due from related party	-	202,643
Prepaid expenses and deposits	(814)	(45,341)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	119,731	40,601
Wages payable	(204,854)	163,371
Compensated absences payable	39,110	2,701
Other grants payable	42,381	56,667
Refundable advances	(140,909)	38,615
Deferred revenue	315,656	67,885
Refundable advances, maintenance of effort	(580,064)	939,469
Client funds held in trust	(125,503)	18,530
Due to related party	3,734	44,689
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,052,405</u>	<u>2,603,733</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property	(40,833)	(221,468)
Purchases of investments	(449,908)	(219,532)
Proceeds from sales of investments	457,019	232,472
Reinvested dividends	(42,378)	(33,415)
Change in cash value of life insurance	(12,679)	(12,470)
NET CASH USED IN INVESTING ACTIVITIES	<u>(88,779)</u>	<u>(254,413)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	963,626	2,349,320
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>10,637,208</u>	<u>8,287,888</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 11,600,834</u>	<u>\$ 10,637,208</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Mental</u> <u>Health</u>	<u>Developmental</u> <u>Services</u>	<u>Subtotals</u>	<u>General</u> <u>Management</u>	<u>2019</u> <u>Total</u>	<u>2018</u> <u>Summarized</u>
EXPENSES						
Salaries and wages	\$ 6,877,783	\$ 8,271,846	\$ 15,149,629	\$ 3,354,596	\$ 18,504,225	\$ 17,799,659
Employee benefits	1,347,375	1,938,195	3,285,570	745,586	4,031,156	3,875,004
Payroll taxes	485,191	586,023	1,071,214	226,363	1,297,577	1,261,414
Client wages	126,389	139,906	266,295	-	266,295	283,437
Professional fees	232,781	10,927,612	11,160,393	267,669	11,428,062	11,708,365
Staff development and training	25,417	20,925	46,342	23,460	69,802	58,612
Occupancy costs	534,882	570,870	1,105,752	200,598	1,306,350	1,272,697
Consumable supplies	210,246	236,626	446,872	64,549	511,421	493,036
Equipment expenses	108,075	159,725	267,800	35,132	302,932	290,688
Communications	124,747	120,583	245,330	42,123	287,453	320,836
Travel and transportation	248,647	809,689	1,058,336	42,405	1,100,741	1,114,976
Assistance to individuals	3,676	108,288	111,964	1,174	113,138	110,821
Insurance	53,176	72,670	125,846	24,641	150,487	147,775
Membership dues	27,022	18,036	45,058	82,136	127,194	106,475
Bad debt expense	604,579	145,916	750,495	-	750,495	777,333
Other expenses	<u>1,008</u>	<u>2,482</u>	<u>3,490</u>	<u>17,572</u>	<u>21,062</u>	<u>29,720</u>
Total expenses	<u>\$ 11,010,994</u>	<u>\$ 24,129,392</u>	<u>\$ 35,140,386</u>	<u>\$ 5,128,004</u>	<u>\$ 40,268,390</u>	<u>\$ 39,650,848</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH**

**FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Non-Specialized <u>Outpatient</u>	State Eligible Adult <u>Outpatient</u>	Outpatient <u>Contracts</u>	Children and <u>Adolescents</u>
EXPENSES				
Salaries and wages	\$ 345,971	\$ 859,932	\$ 303,860	\$ 710,018
Employee benefits	42,395	93,060	63,915	122,397
Payroll taxes	24,250	57,358	21,057	49,685
Client wages	-	-	-	-
Professional fees	16,503	20,167	6,356	31,106
Staff development and training	1,161	6,226	925	4,197
Occupancy costs	45,353	64,859	20,793	53,759
Consumable supplies	16,795	10,620	2,941	11,550
Equipment expenses	7,401	9,264	2,536	7,579
Communications	18,557	14,291	2,265	10,570
Travel and transportation	290	838	5,192	25,980
Assistance to individuals	-	75	-	904
Insurance	3,523	7,557	2,351	6,433
Membership dues	2,199	5,354	1,905	3,466
Bad debt expense	75,727	77,150	32	19,663
Other expenses	67	47	73	45
Total expenses	<u>\$ 600,192</u>	<u>\$ 1,226,798</u>	<u>\$ 434,201</u>	<u>\$ 1,057,352</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Emergency Services</u>	<u>Other Non-BBH</u>	<u>Integrated Health Grant</u>	<u>Bureau of Drug & Alcohol Services</u>
EXPENSES				
Salaries and wages	\$ 472,575	\$ 238,497	\$ 65,498	\$ 66,972
Employee benefits	63,054	64,127	11,418	19,949
Payroll taxes	32,829	16,677	4,684	4,836
Client wages	-	-	-	-
Professional fees	11,749	7,799	8,102	1,241
Staff development and training	538	3,121	-	1,386
Occupancy costs	35,218	16,969	-	4,923
Consumable supplies	5,601	3,479	10,215	663
Equipment expenses	6,916	2,816	154	637
Communications	25,442	2,310	1,026	478
Travel and transportation	660	10,105	918	668
Assistance to individuals	-	2	-	-
Insurance	4,256	1,875	-	555
Membership dues	1,701	1,322	5	862
Bad debt expense	53,857	183	-	7,411
Other expenses	26	401	-	3
Total expenses	<u>\$ 714,422</u>	<u>\$ 369,683</u>	<u>\$ 102,020</u>	<u>\$ 110,584</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Drug Court</u>	<u>Vocational Services</u>	<u>Restorative Partial Hospital</u>	<u>Case Management</u>
EXPENSES				
Salaries and wages	\$ 220,696	\$ 149,992	\$ 56,038	\$ 764,670
Employee benefits	59,284	43,017	12,122	146,735
Payroll taxes	14,821	14,444	4,028	54,548
Client wages	-	54,064	-	-
Professional fees	8,182	2,906	959	18,302
Staff development and training	42	855	164	1,735
Occupancy costs	-	13,058	4,477	50,724
Consumable supplies	3,192	3,898	27,757	12,467
Equipment expenses	3,969	7,774	720	8,574
Communications	2,583	1,152	234	12,304
Travel and transportation	8,792	17,094	-	49,227
Assistance to individuals	-	-	-	-
Insurance	-	1,369	488	6,812
Membership dues	-	447	150	2,238
Bad debt expense	179	2,505	8,505	168,045
Other expenses	-	10	148	51
	<u>\$ 321,740</u>	<u>\$ 312,585</u>	<u>\$ 115,790</u>	<u>\$ 1,296,432</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Supportive Living</u>	<u>Community Residences</u>	<u>Disaster Behavioral Health (DBHRT)</u>	<u>Victims of Crime Act Program</u>
EXPENSES				
Salaries and wages	\$ 726,054	\$ 816,886	\$ -	\$ 362,184
Employee benefits	186,922	209,151	-	63,399
Payroll taxes	51,316	57,079	-	24,804
Client wages	-	-	-	-
Professional fees	14,835	5,268	-	8,873
Staff development and training	751	35	-	1,724
Occupancy costs	46,687	44,241	-	27,375
Consumable supplies	18,427	25,974	-	3,771
Equipment expenses	8,721	14,379	-	3,861
Communications	7,047	8,591	-	3,252
Travel and transportation	59,066	10,383	-	13,358
Assistance to individuals	1,610	988	-	-
Insurance	6,907	2,147	-	3,306
Membership dues	2,605	658	-	1,361
Bad debt expense	46,838	14,124	-	5,396
Other expenses	<u>50</u>	<u>41</u>	<u>-</u>	<u>22</u>
Total expenses	<u>\$ 1,177,836</u>	<u>\$ 1,209,945</u>	<u>\$ -</u>	<u>\$ 522,686</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>ACT</u> <u>Team</u>	<u>IDN</u> <u>Grant</u>	<u>Other</u> <u>Mental Health</u> <u>Programs</u>	<u>Total</u> <u>Mental Health</u> <u>Programs</u>	<u>2018</u> <u>Summarized</u>
EXPENSES					
Salaries and wages	\$ 655,740	\$ 22,499	\$ 39,701	\$ 6,877,783	\$ 6,663,485
Employee benefits	131,849	7,030	7,551	1,347,375	1,354,024
Payroll taxes	43,668	1,475	7,632	485,191	466,978
Client wages	3,605	-	68,720	126,389	119,425
Professional fees	68,233	-	2,200	232,781	230,888
Staff development and training	1,315	-	1,242	25,417	27,418
Occupancy costs	83,191	-	23,255	534,882	542,490
Consumable supplies	9,005	-	43,891	210,246	205,410
Equipment expenses	7,019	4,711	11,044	108,075	115,737
Communications	5,688	2,175	6,782	124,747	142,581
Travel and transportation	36,959	33	9,084	248,647	254,925
Assistance to individuals	97	-	-	3,676	9,573
Insurance	5,312	-	285	53,176	58,206
Membership dues	2,025	-	724	27,022	27,788
Bad debt expense	124,964	-	-	604,579	693,320
Other expenses	22	-	2	1,008	1,932
Total expenses	<u>\$ 1,178,692</u>	<u>\$ 37,923</u>	<u>\$ 222,113</u>	<u>\$ 11,010,994</u>	<u>\$ 10,914,180</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Service Coordination</u>	<u>School District Contracts</u>	<u>Day Programs</u>	<u>Early Supports & Services</u>	<u>Independent Living Services</u>
EXPENSES					
Salaries and wages	\$ 687,068	\$ 57,206	\$ 3,450,025	\$ 499,489	\$ 109,857
Employee benefits	183,609	8,461	955,352	76,066	23,113
Payroll taxes	47,486	4,277	252,686	36,019	8,124
Client wages	-	1	121,436	-	-
Professional fees	21,817	291	69,540	223,084	18,805
Staff development and training	555	9	4,281	7,665	141
Occupancy costs	59,292	2,670	256,472	6,725	6,308
Consumable supplies	14,005	792	70,438	9,333	1,225
Equipment expenses	6,837	457	106,191	3,939	1,204
Communications	5,079	295	43,599	15,828	629
Travel and transportation	24,385	2,578	543,093	91,951	5,690
Assistance to individuals	520	-	38,805	-	244
Insurance	5,825	492	30,544	4,271	1,247
Membership dues	77	3	11,673	189	3
Bad debt expense	-	-	5,956	134,349	5,611
Other expenses	235	4	1,776	25	7
Total expenses	<u>\$ 1,056,790</u>	<u>\$ 77,536</u>	<u>\$ 5,961,867</u>	<u>\$ 1,108,933</u>	<u>\$ 182,208</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Family Residence</u>	<u>Combined Day/ Residential Vendor</u>	<u>Individual Supported Living</u>	<u>Consolidated Services</u>	<u>Combined Day/ Residential Services</u>
EXPENSES					
Salaries and wages	\$ 1,892,153	\$ -	\$ 213,575	\$ 940,246	\$ 32,884
Employee benefits	404,997	-	54,218	155,379	4,736
Payroll taxes	137,778	-	14,982	53,982	2,459
Client wages	18,172	-	297	-	-
Professional fees	3,190,569	1,879,591	56,690	1,138,668	1,418,954
Staff development and training	4,250	-	392	1,578	55
Occupancy costs	161,837	-	48,188	11,998	1,567
Consumable supplies	104,350	-	9,564	5,219	9,960
Equipment expenses	29,331	-	1,715	6,523	386
Communications	32,570	-	3,418	15,486	195
Travel and transportation	63,967	-	5,017	58,063	-
Assistance to individuals	1,730	-	874	32,960	180
Insurance	16,532	-	2,152	7,410	360
Membership dues	378	-	4	5,701	-
Bad debt expense	-	-	-	-	-
Other expenses	329	-	13	54	2
Total expenses	\$ 6,058,943	\$ 1,879,591	\$ 411,099	\$ 2,433,267	\$ 1,471,738

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.**STATEMENT OF FUNCTIONAL EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Acquired Brain <u>Disorder</u>	Other Developmental Services <u>Programs</u>	Total Developmental Services <u>Programs</u>	2018 <u>Summarized</u>
EXPENSES				
Salaries and wages	\$ 29,770	\$ 359,573	\$ 8,271,846	\$ 8,051,232
Employee benefits	9,815	62,449	1,938,195	1,813,646
Payroll taxes	2,075	26,155	586,023	584,666
Client wages	-	-	139,906	164,012
Professional fees	207,851	2,701,752	10,927,612	11,202,974
Staff development and training	44	1,955	20,925	15,681
Occupancy costs	1,051	14,762	570,870	534,222
Consumable supplies	317	11,423	236,626	227,095
Equipment expenses	289	2,853	159,725	149,865
Communications	163	3,321	120,583	122,787
Travel and transportation	1,024	13,921	809,689	816,535
Assistance to individuals	-	32,975	108,288	98,239
Insurance	271	3,566	72,670	73,980
Membership dues	1	7	18,036	22,327
Bad debt expense	-	-	145,916	84,013
Other expenses	2	35	2,482	1,235
	<u>252,673</u>	<u>3,234,747</u>	<u>24,129,392</u>	<u>23,962,509</u>
Total expenses	\$ <u>252,673</u>	\$ <u>3,234,747</u>	\$ <u>24,129,392</u>	\$ <u>23,962,509</u>

See Notes to Financial Statements

NORTHERN HUMAN SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Northern Human Services, Inc. (the Organization), is a New Hampshire nonprofit corporation, and was created to develop and provide a comprehensive program of mental health, developmental disabilities, and rehabilitative care to the residents of Northern New Hampshire.

Basis of Accounting

The financial statements of Northern Human Services, Inc. have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to the following net asset classifications. The classes of net assets are determined by the presence or absence of donor restrictions.

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

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

As of June 30, 2019 and 2018, the Organization had net assets with donor restrictions and net assets without donor restrictions.

Accounting Estimates

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

Contributions

All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are restricted by the donor for future periods or for specific purposes are reported as support with donor restrictions, depending on the nature of the restrictions. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as without donor restrictions.

Cash Equivalents

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

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to activities and a credit to a valuation allowance based on historical account write-off patterns by the payor, adjusted as necessary to reflect current conditions. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. The Organization has no policy for charging interest on overdue accounts nor are its accounts receivable pledged as collateral.

It is the policy of the Organization to provide services to all eligible residents of Northern New Hampshire without regard to ability to pay. As a result of this policy, all charity care write-offs are recorded as reductions of revenue in the period in which services are provided. The accounts receivable allowance includes the estimated amount of charity care and contractual allowances included in the accounts receivable balances. The computation of the contractual allowance is based on historical ratios of fees charged to amounts collected.

Property and Depreciation

Property and equipment are recorded at cost or, if contributed, at estimated fair value at the date of contribution. Material assets with a useful life in excess of one year are capitalized. Depreciation is provided for using the straight-line method in amounts designed to amortize the cost of the assets over their estimated useful lives as follows:

Vehicles	5 – 10 years
Equipment	3 – 10 years

Costs for repairs and maintenance are expensed when incurred and betterments are capitalized. Assets sold or otherwise disposed of are removed from the accounts, along with the related accumulated depreciation, and any gain or loss is recognized.

Investments

Investments consist of mutual funds and interest-bearing investments and are stated at fair value on the statements of financial position based on quoted market prices. The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility, which may substantially impact the fair value of such investments at any given time.

Accrued Earned Time

The Organization has accrued a liability for future compensated absences that its employees have earned and which is vested with the employees.

Refundable Advances

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

Program Service Fee Revenue

The Organization has agreements with third-party payors that provide for payments to the Organization at amounts different from its established rates. Payment arrangements include reimbursed costs, discounted charges, and per diem payments. Program service fee revenue is reported at the estimated net realizable amounts from clients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with the third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Advertising

The Organization expenses advertising costs as incurred.

Summarized Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Natural expenses are defined by their nature, such as salaries, rent, supplies, etc. Functional expenses are classified by the type of activity for which expenses are incurred, such as management and general and direct program costs. Expenses are allocated by function using a reasonable and consistent approach that is primarily based on function and use. The costs of providing certain program and supporting services have been directly charged.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation.

FASB ASC 740, Accounting for Income Taxes, establishes the minimum threshold for recognizing, and a system for measuring, the benefits of tax return positions in financial statements, and is effective for Northern Human Services' current year. Management has analyzed Northern Human Services' tax positions taken on its information returns for all open tax years (tax years ending June 30, 2017 – 2019), and has concluded that no additional provision for income tax is required in Northern Human Services' financial statements.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

2. AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets as of June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 11,600,834	\$ 10,637,208
Accounts receivable, net	1,965,991	1,431,724
Grants receivable	227,519	103,744
Assets, limited use	501,911	619,951
Investments	1,966,886	1,880,097
Cash value of life insurance	<u>432,585</u>	<u>413,777</u>
Total financial assets	16,695,726	15,086,501

Less amounts not available to be used within one year:

Cash and cash equivalents, designated	318,202	318,202
Client funds held in trust	170,366	294,867
Net assets with donor restrictions	<u>255,464</u>	<u>255,762</u>

Total amounts not available within one year	<u>744,032</u>	<u>868,831</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 15,951,694</u>	<u>\$ 14,217,670</u>

The Organization's goal is generally to maintain financial assets to meet 120 days of operating expenses (approximately \$13,423,131).

3. ASSETS, LIMITED USE

As of June 30, 2019 and 2018, assets, limited use consisted of the following:

	<u>2019</u>	<u>2018</u>
Donor restricted cash	\$ 255,464	\$ 255,762
Client funds held in trust	170,366	294,867
Employee benefits	<u>76,081</u>	<u>69,322</u>
Total assets, limited use	<u>\$ 501,911</u>	<u>\$ 619,951</u>

4. PROPERTY AND DEPRECIATION

As of June 30, 2019 and 2018, property and equipment consisted of the following:

	<u>2019</u>	<u>2018</u>
Vehicles	\$ 647,048	\$ 652,964
Equipment	<u>2,696,501</u>	<u>3,231,824</u>
Total property and equipment	3,343,549	3,884,788
Less accumulated depreciation	<u>2,979,094</u>	<u>3,357,445</u>
Property and equipment, net	<u>\$ 364,455</u>	<u>\$ 527,343</u>

Depreciation expense totaled \$203,721 and \$194,292 for the years ended June 30, 2019 and 2018, respectively.

5. INVESTMENTS

The Organization's investments are presented in the financial statements in the aggregate at fair value and consisted of the following as of June 30, 2019 and 2018:

	<u>2019</u>		<u>2018</u>	
	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>
Money Market Funds	\$ 19,601	\$ 19,601	\$ 15,340	\$ 15,340
Mutual Funds:				
Domestic equity funds	690,460	599,516	802,467	669,110
International equity funds	302,374	289,349	361,346	333,154
Fixed income funds	901,146	882,426	634,134	649,092
Other mutual funds	<u>53,305</u>	<u>58,506</u>	<u>66,810</u>	<u>72,266</u>
Total	<u>\$ 1,966,886</u>	<u>\$ 1,849,398</u>	<u>\$ 1,880,097</u>	<u>\$ 1,738,962</u>

Investments in common stock and U.S. government securities are valued at the closing price reported in the active market in which the securities are traded. Management considers all investments to be long term in nature.

	<u>2019</u>	<u>2018</u>
<u>Components of Investment Return:</u>		
Interest and dividends	\$ 42,378	\$ 33,415
Unrealized gains (losses) on investments	(30,002)	82,953
Realized gains on investments	<u>81,524</u>	<u>23,391</u>
	<u>\$ 93,900</u>	<u>\$ 139,759</u>

Investment management fees for the years ended June 30, 2019 and 2018 were \$14,064 and \$12,940, respectively.

6. **FAIR VALUE MEASUREMENTS**

FASB ASC Topic No. 820-10 provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market-based measurement, not an entity-specific measurement, and requires expanded disclosures about fair value measurements. In accordance with *FASB ASC 820-10*, the Organization may use valuation techniques consistent with market, income and cost approaches to measure fair value. As a basis for considering market participant assumptions in fair value measurements, *ASC Topic 820* establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair values. The hierarchy gives the highest priority to Level 1 measurements and the lowest priority to Level 3 measurements. The three levels of the fair value hierarchy under *ASC Topic 820* are described as follows:

Level 1 - Inputs to the valuation methodology are quoted prices available in active markets for identical investments as of the reporting date.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value can be determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The Organization's financial instruments consist of cash, short-term receivables and payables, and refundable advances. The carrying value for all such instruments, considering the terms, approximates fair value at June 30, 2019 and 2018.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

Mutual Funds: All actively traded mutual funds are valued at the daily closing price as reported by the fund. These funds are required to publish their daily net asset value (NAV) and to transact at that price. All mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission.

Life Insurance: The surrender value of life insurance is valued at the cash value guaranteed to policyowner upon cancellation of the life insurance policy. The surrender value is the value of investments less any surrender charges.

The table below segregates all financial assets and liabilities as of June 30, 2019 and 2018 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	<u>2019</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ 19,601	\$ -	\$ -	\$ 19,601
Mutual Funds				
Domestic equity funds	690,460	-	-	690,460
International equity funds	302,374	-	-	302,374
Fixed income funds	901,146	-	-	901,146
Other funds	53,305	-	-	53,305
Cash Value of Life Insurance	<u>-</u>	<u>432,585</u>	<u>-</u>	<u>432,585</u>
Total investments at fair value	<u>\$ 1,966,886</u>	<u>\$ 432,585</u>	<u>\$ -</u>	<u>\$ 2,399,471</u>

2018

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ 15,340	\$ -	\$ -	\$ 15,340
Mutual Funds				
Domestic equity funds	802,467	-	-	802,467
International equity funds	361,346	-	-	361,346
Fixed income funds	634,134	-	-	634,134
Other funds	66,810	-	-	66,810
Cash Value of Life Insurance	-	413,777	-	413,777
Total investments at fair value	<u>\$ 1,880,097</u>	<u>\$ 413,777</u>	<u>\$ -</u>	<u>\$ 2,293,874</u>

7. RETIREMENT PLAN

The Organization maintains a retirement plan for all eligible employees. Under the plan employees can make voluntary contributions to the plan of up to 100% of pretax or after tax annual compensation up to the maximum annual limit provided by the Internal Revenue Service. All employees who work one thousand hours per year are eligible to participate after one year of employment, as defined by the plan. During the year ended June 30, 2015, the Organization implemented a 2% discretionary contribution allocated each pay period. During the year ended June 30, 2020 the Organization will increase the discretionary contribution from 2% to 3%. Contributions by the organization totaled \$276,510 and \$270,725 for the years ended June 30, 2019 and 2018, respectively.

8. CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances that, at times, may exceed federally insured limits. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for the years ended June 30, 2019 and 2018. At June 30, 2019 and 2018, cash balances in excess of FDIC coverage aggregated \$11,239,183 and \$10,301,484, respectively. In addition to FDIC coverage, the Organization maintains a tri-party collateralization agreement with its primary financial institution and a trustee. The trustee maintains mortgage-backed collateralization of 102% of the Organization's deposits at its financial institution. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant risk with respect to these accounts.

9. CONCENTRATION OF RISK

For the years ended June 30, 2019 and 2018, approximately 87% and 88% of the total revenue was derived from Medicaid, respectively. The future existence of the Organization is dependent upon continued support from Medicaid.

In order for the Organization to receive Medicaid funding, they must be formally approved by the State of New Hampshire, Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, and Bureau of Developmental Services as the provider of services for individuals with mental health illnesses and developmentally disabled individuals, for that region. During the year ended June 30, 2017, the Organization was reapproved as a provider of mental health services with the Bureau of Behavioral Health through August 2021.

Medicaid receivables comprise approximately 75% and 65% of the total accounts receivable balances at June 30, 2019 and 2018, respectively.

10. LEASE COMMITMENTS

The Organization has entered into various operating lease agreements to rent certain facilities and office equipment. The terms of these leases range from one to five years. Rent expense under these agreements aggregated \$901,993 and \$897,369 for the years ended June 30, 2019 and 2018, respectively.

The approximate future minimum lease payments on the above leases as of June 30, 2019 is as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2020	\$ 932,540
2021	38,336
2022	<u>38,973</u>
Total	<u>\$ 1,009,849</u>

See Note 11 for information regarding lease agreements with a related party.

11. RELATED PARTY TRANSACTIONS

The Organization is related to the nonprofit corporation Shallow River Properties, Inc. (Shallow River) as a result of common board membership. Shallow River was incorporated under the laws of the State of New Hampshire on September 13, 1988, for the purpose of owning, maintaining, managing, selling, and leasing real property associated with the provision of residential, treatment, and administrative services for the clients and staff of the Organization.

The Organization has transactions with Shallow River during its normal course of operations. The significant related party transactions are as follows:

Due to/from Related Party

At June 30, 2019 and 2018, the Organization had a due to Shallow River balance in the amount of \$48,423 and \$44,689, respectively.

Rental Expense

The Organization leases various properties, including office space, and properties occupied by the Organization's clients from Shallow River under the terms of tenant at will agreements. The Organization has the perpetual right to extend the leases. Total rental expense paid under the terms of the leases was \$766,575 and \$728,529 for the years ended June 30, 2019 and 2018, respectively. The Organization also leases space from a board member for \$1,000 per month.

Management Fee

The Organization charges Shallow River for administrative expenses incurred on its behalf. Management fee revenue aggregated \$74,649 for each of the years ended June 30, 2019 and 2018.

Donation

Although not required by agreement between Shallow River and the Organization, Shallow River generally donates the excess of its revenues over expenses to the Organization in order to maintain its 501(c)(2) tax-exempt status with the Internal Revenue Service. At June 30, 2019 and 2018, Shallow River did not make a donation to the Organization but retained its surplus of \$246,624 and \$264,560, respectively, due to the purchase of a new building and for use in future renovation projects and maintenance costs.

12. REFUNDABLE ADVANCES, MAINTENANCE OF EFFORT

The Organization maintains contracted arrangements with multiple Medicaid managed care organizations (MCOs) that provide a set per member per month payment for health care services provided. This system helps manage costs, utilization, and quality of services. The Organization is paid prior to services being provided each month and is required to maintain certain levels of performance. A reconciliation is calculated at year end between the Organization and the MCOs to determine if the Organization has been overpaid compared to actual utilization and services performed, which the Organization would then be required to repay. At June 30, 2019 and 2018, the outstanding capitated payment liability totaled \$391,458 and \$971,522, respectively.

13. COMMITMENTS AND CONTINGENCIES

The Organization receives funding under various state and federal grants. Under the terms of these grants, the Organization is required to use the money within the grant period for purposes specified in the grant proposal. If expenditures for the grant were found not to have been made in compliance with the proposal, the Organization may be required to repay the grantor's funds.

Excess funds generated from state and/or Medicaid funded programs may be expended, at the Organization's discretion, to increase or improve service delivery within the program. The excess funds may not be used to increase spending for personnel, professional fees, fringe benefits, or capital expenditures without prior written approval of the State of New Hampshire.

The Organization has contracts with certain third-party payors requiring specific performance to supervise and document certain events relating to client treatment. These agencies periodically audit the performance of the Organization in fulfilling these requirements. If the payments were found not to have been made in compliance with the contracts, the Organization may be required to repay the funds received under the contract.

The Organization insures its medical malpractice risks on a claims-made basis under a policy, which covers all of its employees. The Organization intends to renew coverage on a claims-made basis and anticipates that such coverage will be available.

Contracts with the State of New Hampshire and various federal agencies require that the properties supported be used for certain programs and/or to serve specified client populations. If Shallow River or the Organization should stop using the property to provide services acceptable to these grantors, the grantors would be entitled to all or part of the proceeds from the disposition of the property. These stipulations affect substantially all of the properties owned by Shallow River. The affected amount and the disposition are determined by negotiation with the granting authority at the time the property is sold.

14. NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2019 and 2018, net assets with donor restrictions consisted of the following:

	<u>2019</u>	<u>2018</u>
Certificates of Deposit – Memorial Fund	\$ 252,417	\$ 252,417
Dream Team Fund	2,832	2,924
Income earned on the Memorial Fund	<u>215</u>	<u>421</u>
Total net assets with donor restrictions	<u>\$ 255,464</u>	<u>\$ 255,762</u>

15. ENDOWMENT FUND AND NET ASSETS WITH DONOR RESTRICTIONS

As a result of the June 30, 2006 merger of The Center of Hope for Developmental Disabilities, Inc. (Center of Hope), with and into the Organization, the Organization assumed responsibility for certain assets of Center of Hope that are subject to charitable restrictions and designated for particular purposes, namely the Memorial Fund (the Fund).

The Fund was created by the Center of Hope in 1989 for the purpose of seeking out and funding experiences that make life more interesting and full for people with disabilities. In or around 1992, additional funds were added to the Fund as a result of a testamentary bequest of Dorothy M. Walters, for the purpose of providing "maintenance funds" for programs for individuals with mental and developmental disabilities. The Center of Hope interpreted the terms of this bequest as consistent with the purpose of the Fund, and the bequest meets the definition of an endowment fund.

The Not-for-Profit Entities Topic of the FASB ASC (ASC 958-205 and subsections) intends to improve the quality of consistency of financial reporting of endowments held by not-for-profit organizations. This Topic provides guidance on classifying the net assets associated with donor-restricted endowment funds held by organizations that are subject to an enacted version of the Uniform Prudent Management Institutional Funds Act (UPMIFA). New Hampshire has adopted UPMIFA. The Topic also requires additional financial statement disclosures on endowments and related net assets.

The Organization has followed an investment and spending policy to ensure a total return (income plus capital change) necessary to preserve the principal of the fund and at the same time, provide a dependable source of support for life-enhancing activities of eligible individuals. The Organization will only distribute income generated by the fund, leaving the original corpus intact.

In recognition of the prudence required of fiduciaries, the Organization only invests the fund in certificates of deposits, which ensures that a majority of the balance of the Fund is covered by the FDIC. The Organization has taken a risk adverse approach to managing the Fund in order to mitigate financial market risk such as interest rate, credit and overall market volatility, which could substantially impact the fair value of the Fund at any given time.

As of June 30, 2019 and 2018, the endowment was entirely composed of net assets with donor restrictions.

Changes in endowment net assets (at fair value) as of June 30, 2019 and June 30, 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Certificates of deposit, beginning of year	\$ 252,417	\$ 252,417
Interest income	555	505
Withdrawals	<u>(555)</u>	<u>(505)</u>
Certificates of deposit end of year	<u>\$ 252,417</u>	<u>\$ 252,417</u>

16. RECLASSIFICATION

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

17. SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. Recognized subsequent events are events or transactions that provide additional evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the statement of financial position date, but arose after that date. Management has evaluated subsequent events through October 22, 2019, the date the June 30, 2019 financial statements were available for issuance.

NORTHERN HUMAN SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
TOTALS FOR ALL PROGRAMS**

**FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Mental Health</u>	<u>Developmental Services</u>	<u>Subtotals</u>	<u>General Management</u>	<u>2019 Total</u>	<u>2018 Summarized</u>
REVENUES						
Program service fees:						
Client fees	\$ 700,461	\$ 77,790	\$ 778,251	\$ -	\$ 778,251	\$ 716,997
Residential fees	69,379	253,324	322,703	-	322,703	322,343
Blue Cross	186,499	26,825	213,324	-	213,324	252,148
Medicaid	11,890,220	24,838,754	36,728,974	-	36,728,974	35,567,982
Medicare	491,840	-	491,840	-	491,840	575,847
Other insurance	248,966	72,940	321,906	-	321,906	354,880
Local educational authorities	-	130,058	130,058	-	130,058	157,808
Vocational rehabilitation	1,863	7,111	8,974	-	8,974	11,011
Other program fees	1,140	-	1,140	-	1,140	3,156
Production/service income	253,865	202,752	456,617	-	456,617	437,758
Public support:						
Local/county government	440,833	1,900	442,733	-	442,733	306,732
Donations/contributions	5,573	19,786	25,359	1,631	26,990	24,296
Other public support	343,307	-	343,307	-	343,307	333,880
Bureau of Developmental Services and Bureau of Behavioral Health	523,328	325,125	848,453	-	848,453	620,079
Other federal and state funding:						
HUD	129,535	-	129,535	-	129,535	129,530
Other	150,121	-	150,121	3,619	153,740	178,053
Private foundation grants	220,000	-	220,000	40,000	260,000	219,507
Other revenues	<u>68,661</u>	<u>66,068</u>	<u>134,729</u>	<u>248,008</u>	<u>382,737</u>	<u>261,640</u>
Total revenues	<u>15,725,591</u>	<u>26,022,433</u>	<u>41,748,024</u>	<u>293,258</u>	<u>42,041,282</u>	<u>40,473,647</u>
EXPENSES						
Salaries and wages	\$ 6,877,783	\$ 8,271,846	\$ 15,149,629	\$ 3,354,596	\$ 18,504,225	\$ 17,799,659
Employee benefits	1,347,375	1,938,195	3,285,570	745,586	4,031,156	3,875,004
Payroll taxes	485,191	586,023	1,071,214	226,363	1,297,577	1,261,414
Client wages	126,389	139,906	266,295	-	266,295	283,437
Professional fees	232,781	10,927,612	11,160,393	267,669	11,428,062	11,708,365
Staff development and training	25,417	20,925	46,342	23,460	69,802	58,612
Occupancy costs	534,882	570,870	1,105,752	200,598	1,306,350	1,272,697
Consumable supplies	210,246	236,626	446,872	64,549	511,421	493,036
Equipment expenses	108,075	159,725	267,800	35,132	302,932	290,688
Communications	124,747	120,583	245,330	42,123	287,453	320,836
Travel and transportation	248,647	809,689	1,058,336	42,405	1,100,741	1,114,976
Assistance to individuals	3,676	108,288	111,964	1,174	113,138	110,821
Insurance	53,176	72,670	125,846	24,641	150,487	147,775
Membership dues	27,022	18,036	45,058	82,136	127,194	106,475
Bad debt expense	604,579	145,916	750,495	-	750,495	777,333
Other expenses	<u>1,008</u>	<u>2,482</u>	<u>3,490</u>	<u>17,572</u>	<u>21,062</u>	<u>29,720</u>
Total expenses	<u>11,010,994</u>	<u>24,129,392</u>	<u>35,140,386</u>	<u>5,128,004</u>	<u>40,268,390</u>	<u>39,650,848</u>
EXCESS (DEFICIENCY) OF REVENUES						
OVER EXPENSES	<u>\$ 4,714,597</u>	<u>\$ 1,893,041</u>	<u>\$ 6,607,638</u>	<u>\$ (4,834,746)</u>	<u>\$ 1,772,892</u>	<u>\$ 822,799</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	Non-Specialized Outpatient	State Eligible Audit Outpatient	Outpatient Contracts	Children and Adolescents
REVENUES				
Program service fees:				
Client fees	\$ 55,479	\$ 114,127	\$ -	\$ 39,917
Residential fees	-	-	-	-
Blue Cross	48,392	82,231	-	38,196
Medicaid	102,889	1,207,184	679,651	2,437,517
Medicare	106,433	303,723	-	-
Other insurance	68,196	100,097	-	39,075
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	150	-
Other program fees	-	-	570	-
Production/service income	-	-	-	-
Public support:				
Local/county government	116,236	-	-	-
Donations/contributions	5,573	-	-	-
Other public support	-	-	25,569	-
Bureau of Developmental Services and Bureau of Behavioral Health	148,024	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	7	2,560	-
Private foundation grants	10,000	-	-	-
Other revenues	<u>4,697</u>	<u>-</u>	<u>-</u>	<u>3,840</u>
Total revenues	<u>665,919</u>	<u>1,807,369</u>	<u>708,500</u>	<u>2,558,545</u>
EXPENSES				
Salaries and wages	\$ 345,971	\$ 859,932	\$ 303,860	\$ 710,018
Employee benefits	42,395	93,060	63,915	122,397
Payroll taxes	24,250	57,358	21,057	49,685
Client wages	-	-	-	-
Professional fees	16,503	20,167	6,356	31,106
Staff development and training	1,161	6,226	925	4,197
Occupancy costs	45,353	64,859	20,793	53,759
Consumable supplies	16,795	10,620	2,941	11,550
Equipment expenses	7,401	9,264	2,536	7,579
Communications	18,557	14,291	2,265	10,570
Travel and transportation	290	838	5,192	25,980
Assistance to individuals	-	75	-	904
Insurance	3,523	7,557	2,351	6,433
Membership dues	2,199	5,354	1,905	3,466
Bad debt expense	75,727	77,150	32	19,663
Other expenses	<u>67</u>	<u>47</u>	<u>73</u>	<u>45</u>
Total expenses	<u>600,192</u>	<u>1,226,798</u>	<u>434,201</u>	<u>1,057,352</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 65,727</u>	<u>\$ 580,571</u>	<u>\$ 274,299</u>	<u>\$ 1,501,193</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Emergency Services</u>	<u>Other Non-BBH</u>	<u>Integrated Health Grant</u>	<u>Bureau of Drug & Alcohol Services</u>
REVENUES				
Program service fees:				
Client fees	\$ 44,232	\$ 1,650	\$ -	\$ 6,299
Residential fees	-	-	-	-
Blue Cross	7,463	-	-	6,789
Medicaid	106,570	377,991	-	28,890
Medicare	7,256	-	-	8,358
Other insurance	17,031	1,164	-	11,654
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	-	-
Other program fees	-	-	-	-
Production/service income	-	-	-	-
Public support:				
Local/county government	-	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	98,304	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	110,354	-
Private foundation grants	-	210,000	-	-
Other revenues	-	-	-	-
Total revenues	<u>280,856</u>	<u>590,805</u>	<u>110,354</u>	<u>61,990</u>
EXPENSES				
Salaries and wages	\$ 472,575	\$ 238,497	\$ 65,498	\$ 66,972
Employee benefits	63,054	64,127	11,418	19,949
Payroll taxes	32,829	16,677	4,684	4,836
Client wages	-	-	-	-
Professional fees	11,749	7,799	8,102	1,241
Staff development and training	538	3,121	-	1,386
Occupancy costs	35,218	16,969	-	4,923
Consumable supplies	5,601	3,479	10,215	663
Equipment expenses	6,916	2,816	154	637
Communications	25,442	2,310	1,026	478
Travel and transportation	660	10,105	918	668
Assistance to individuals	-	2	-	-
Insurance	4,256	1,875	-	555
Membership dues	1,701	1,322	5	862
Bad debt expense	53,857	183	-	7,411
Other expenses	<u>26</u>	<u>401</u>	<u>-</u>	<u>3</u>
Total expenses	<u>714,422</u>	<u>369,683</u>	<u>102,020</u>	<u>110,584</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ (433,566)</u>	<u>\$ 221,122</u>	<u>\$ 8,334</u>	<u>\$ (48,594)</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Drug Court</u>	<u>Vocational Services</u>	<u>Restorative Partial Hospital</u>	<u>Case Management</u>
REVENUES				
Program service fees:				
Client fees	\$ 1,370	\$ 2,713	\$ 10,372	\$ 193,728
Residential fees	-	-	-	-
Blue Cross	-	-	-	-
Medicaid	18,425	204,485	306,073	1,449,878
Medicare	-	-	-	3,561
Other insurance	-	-	-	3,049
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	1,713	-	-
Other program fees	570	-	-	-
Production/service income	-	47,206	-	-
Public support:				
Local/county government	324,597	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	-	-
Private foundation grants	-	-	-	-
Other revenues	<u>32,345</u>	<u>-</u>	<u>-</u>	<u>24,768</u>
Total revenues	<u>377,307</u>	<u>256,117</u>	<u>316,445</u>	<u>1,674,984</u>
EXPENSES				
Salaries and wages	\$ 220,696	\$ 149,992	\$ 56,038	\$ 764,670
Employee benefits	59,284	43,017	12,122	146,735
Payroll taxes	14,821	14,444	4,028	54,548
Client wages	-	54,064	-	-
Professional fees	8,182	2,906	959	18,302
Staff development and training	42	855	164	1,735
Occupancy costs	-	13,058	4,477	50,724
Consumable supplies	3,192	3,898	27,757	12,467
Equipment expenses	3,969	7,774	720	8,574
Communications	2,583	1,152	234	12,304
Travel and transportation	8,792	17,094	-	49,227
Assistance to individuals	-	-	-	-
Insurance	-	1,369	488	6,812
Membership dues	-	447	150	2,238
Bad debt expense	179	2,505	8,505	168,045
Other expenses	<u>-</u>	<u>10</u>	<u>148</u>	<u>51</u>
Total expenses	<u>321,740</u>	<u>312,585</u>	<u>115,790</u>	<u>1,296,432</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 55,567</u>	<u>\$ (56,468)</u>	<u>\$ 200,655</u>	<u>\$ 378,552</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Supportive Living</u>	<u>Community Residences</u>	<u>Disaster Behavioral</u>	<u>Victims of Crime Act</u>
REVENUES				
Program service fees:				
Client fees	\$ 63,257	\$ 13,911	\$ -	\$ 9,607
Residential fees	-	54,909	-	-
Blue Cross	-	-	-	3,053
Medicaid	2,367,163	1,162,641	-	144,433
Medicare	215	-	-	16,346
Other insurance	328	-	-	7,887
Local educational authorities	-	-	-	-
Vocational rehabilitation	-	-	-	-
Other program fees	-	-	-	-
Production/service income	-	-	-	-
Public support:				
Local/county government	-	-	-	-
Donations/contributions	-	-	-	-
Other public support	-	-	-	317,738
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-
Other federal and state funding:				
HUD	-	129,535	-	-
Other	-	-	400	-
Private foundation grants	-	-	-	-
Other revenues	<u>23</u>	<u>188</u>	<u>-</u>	<u>-</u>
Total revenues	<u>2,430,986</u>	<u>1,361,184</u>	<u>400</u>	<u>499,064</u>
EXPENSES				
Salaries and wages	\$ 726,054	\$ 816,886	\$ -	\$ 362,184
Employee benefits	186,922	209,151	-	63,399
Payroll taxes	51,316	57,079	-	24,804
Client wages	-	-	-	-
Professional fees	14,835	5,268	-	8,873
Staff development and training	751	35	-	1,724
Occupancy costs	46,687	44,241	-	27,375
Consumable supplies	18,427	25,974	-	3,771
Equipment expenses	8,721	14,379	-	3,861
Communications	7,047	8,591	-	3,252
Travel and transportation	59,066	10,383	-	13,358
Assistance to individuals	1,610	988	-	-
Insurance	6,907	2,147	-	3,306
Membership dues	2,605	658	-	1,361
Bad debt expense	46,838	14,124	-	5,396
Other expenses	<u>50</u>	<u>41</u>	<u>-</u>	<u>22</u>
Total expenses	<u>1,177,836</u>	<u>1,209,945</u>	<u>-</u>	<u>522,686</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 1,253,150</u>	<u>\$ 151,239</u>	<u>\$ 400</u>	<u>\$ (23,622)</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
MENTAL HEALTH****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>ACT</u>	<u>IDN</u>	<u>Other</u>	<u>Total</u>	<u>2018</u>
	<u>Team</u>	<u>Grant</u>	<u>Mental Health</u>	<u>Mental Health</u>	<u>Summarized</u>
			<u>Programs</u>	<u>Programs</u>	
REVENUES					
Program service fees:					
Client fees	\$ 143,799	\$ -	\$ -	\$ 700,461	\$ 676,504
Residential fees	14,470	-	-	69,379	70,500
Blue Cross	375	-	-	186,499	217,556
Medicaid	1,296,430	-	-	11,890,220	11,596,955
Medicare	45,948	-	-	491,840	575,847
Other insurance	485	-	-	248,966	287,550
Local educational authorities	-	-	-	-	-
Vocational rehabilitation	-	-	-	1,863	5,917
Other program fees	-	-	-	1,140	58
Production/service income	-	-	206,659	253,865	222,560
Public support:					
Local/county government	-	-	-	440,833	287,832
Donations/contributions	-	-	-	5,573	4,403
Other public support	-	-	-	343,307	333,880
Bureau of Developmental Services and Bureau of Behavioral Health	277,000	-	-	523,328	379,308
Other federal and state funding:					
HUD	-	-	-	129,535	129,530
Other	-	36,800	-	150,121	170,477
Private foundation grants	-	-	-	220,000	219,507
Other revenues	921	-	1,879	68,661	47,724
Total revenues	1,779,428	36,800	208,538	15,725,591	15,226,108
EXPENSES					
Salaries and wages	\$ 655,740	\$ 22,499	\$ 39,701	\$ 6,877,783	\$ 6,663,485
Employee benefits	131,849	7,030	7,551	1,347,375	1,354,024
Payroll taxes	43,668	1,475	7,632	485,191	466,978
Client wages	3,605	-	68,720	126,389	119,425
Professional fees	68,233	-	2,200	232,781	230,888
Staff development and training	1,315	-	1,242	25,417	27,418
Occupancy costs	83,191	-	23,255	534,882	542,490
Consumable supplies	9,005	-	43,891	210,246	205,410
Equipment expenses	7,019	4,711	11,044	108,075	115,737
Communications	5,688	2,175	6,782	124,747	142,581
Travel and transportation	36,959	33	9,084	248,647	254,925
Assistance to individuals	97	-	-	3,676	9,573
Insurance	5,312	-	285	53,176	58,206
Membership dues	2,025	-	724	27,022	27,788
Bad debt expense	124,964	-	-	604,579	693,320
Other expenses	22	-	2	1,008	1,932
Total expenses	1,178,692	37,923	222,113	11,010,994	10,914,180
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 600,736	\$ (1,123)	\$ (13,575)	\$ 4,714,597	\$ 4,311,928

NORTHERN HUMAN SERVICES, INC.

**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES**

**FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Service Coordination</u>	<u>School District Contracts</u>	<u>Day Programs</u>	<u>Early Supports & Services</u>	<u>Independent Living Services</u>
REVENUES					
Program service fees:					
Client fees	\$ -	\$ -	\$ -	\$ 77,790	\$ -
Residential fees	-	-	-	-	-
Blue Cross	-	-	-	26,825	-
Medicaid	975,912	-	4,603,410	1,118,540	373,404
Medicare	-	-	-	-	-
Other insurance	-	-	-	72,940	-
Local educational authorities	-	130,058	-	-	-
Vocational rehabilitation	-	-	7,111	-	-
Other program fees	-	-	-	-	-
Production/service income	-	-	175,819	-	-
Public support:					
Local/county government	-	-	1,900	-	-
Donations/contributions	-	-	19,786	-	-
Other public support	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	104,498	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	41,122	-	5,662	1,713	-
Total revenues	1,017,034	130,058	4,813,688	1,402,306	373,404
EXPENSES					
Salaries and wages	\$ 687,068	\$ 57,206	\$ 3,450,025	\$ 499,489	\$ 109,857
Employee benefits	183,609	8,461	955,352	76,066	23,113
Payroll taxes	47,486	4,277	252,686	36,019	8,124
Client wages	-	1	121,436	-	-
Professional fees	21,817	291	69,540	223,084	18,805
Staff development and training	555	9	4,281	7,665	141
Occupancy costs	59,292	2,670	256,472	6,725	6,308
Consumable supplies	14,005	792	70,438	9,333	1,225
Equipment expenses	6,837	457	106,191	3,939	1,204
Communications	5,079	295	43,599	15,828	629
Travel and transportation	24,385	2,578	543,093	91,951	5,690
Assistance to individuals	520	-	38,805	-	244
Insurance	5,825	492	30,544	4,271	1,247
Membership dues	77	3	11,673	189	3
Bad debt expense	-	-	5,956	134,349	5,611
Other expenses	235	4	1,776	25	7
Total expenses	1,056,790	77,536	5,961,867	1,108,933	182,208
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (39,756)	\$ 52,522	\$ (1,148,179)	\$ 293,373	\$ 191,196

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Family Residence</u>	<u>Combined Day/ Residential Vendor</u>	<u>Individual Supported Living</u>	<u>Consolidated Services</u>	<u>Combined Day/ Residential Services</u>
REVENUES					
Program service fees:					
Client fees	\$ -	\$ -	\$ -	\$ -	\$ -
Residential fees	207,811	-	37,950	-	-
Blue Cross	-	-	-	-	-
Medicaid	7,438,382	1,969,301	332,928	2,700,710	1,589,858
Medicare	-	-	-	-	-
Other insurance	-	-	-	-	-
Local educational authorities	-	-	-	-	-
Vocational rehabilitation	-	-	-	-	-
Other program fees	-	-	-	-	-
Production/service income	24,443	-	564	-	-
Public support:					
Local/county government	-	-	-	-	-
Donations/contributions	-	-	-	-	-
Other public support	-	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	-	-	-	-
Other federal and state funding:					
HUD	-	-	-	-	-
Other	-	-	-	-	-
Private foundation grants	-	-	-	-	-
Other revenues	<u>12,465</u>	<u>-</u>	<u>335</u>	<u>-</u>	<u>-</u>
Total revenues	<u>7,683,101</u>	<u>1,969,301</u>	<u>371,777</u>	<u>2,700,710</u>	<u>1,589,858</u>
EXPENSES					
Salaries and wages	\$ 1,892,153	\$ -	\$ 213,575	\$ 940,246	\$ 32,884
Employee benefits	404,997	-	54,218	155,379	4,736
Payroll taxes	137,778	-	14,982	53,982	2,459
Client wages	18,172	-	297	-	-
Professional fees	3,190,569	1,879,591	56,690	1,138,668	1,418,954
Staff development and training	4,250	-	392	1,578	55
Occupancy costs	161,837	-	48,188	11,998	1,567
Consumable supplies	104,350	-	9,564	5,219	9,960
Equipment expenses	29,331	-	1,715	6,523	386
Communications	32,570	-	3,418	15,486	195
Travel and transportation	63,967	-	5,017	58,063	-
Assistance to individuals	1,730	-	874	32,960	180
Insurance	16,532	-	2,152	7,410	360
Membership dues	378	-	4	5,701	-
Bad debt expense	-	-	-	-	-
Other expenses	<u>329</u>	<u>-</u>	<u>13</u>	<u>54</u>	<u>2</u>
Total expenses	<u>6,058,943</u>	<u>1,879,591</u>	<u>411,099</u>	<u>2,433,267</u>	<u>1,471,738</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>\$ 1,624,158</u>	<u>\$ 89,710</u>	<u>\$ (39,322)</u>	<u>\$ 267,443</u>	<u>\$ 118,120</u>

NORTHERN HUMAN SERVICES, INC.**SCHEDULE OF FUNCTIONAL REVENUES AND EXPENSES
DEVELOPMENTAL SERVICES****FOR THE YEAR ENDED JUNE 30, 2019
WITH PRIOR YEAR SUMMARIZED COMPARATIVE INFORMATION**

	<u>Acquired Brain Disorder</u>	<u>Other Developmental Services Programs</u>	<u>Total Developmental Services Programs</u>	<u>2018 Summarized</u>
REVENUES				
Program service fees:				
Client fees	\$ -	\$ -	\$ 77,790	\$ 40,493
Residential fees	-	7,563	253,324	251,843
Blue Cross	-	-	26,825	34,592
Medicaid	472,909	3,263,400	24,838,754	23,971,027
Medicare	-	-	-	-
Other insurance	-	-	72,940	67,330
Local educational authorities	-	-	130,058	157,808
Vocational rehabilitation	-	-	7,111	5,094
Other program fees	-	-	-	3,098
Production/service income	-	1,926	202,752	215,198
Public support:				
Local/county government	-	-	1,900	18,900
Donations/contributions	-	-	19,786	17,983
Other public support	-	-	-	-
Bureau of Developmental Services and Bureau of Behavioral Health	-	220,627	325,125	240,771
Other federal and state funding:				
HUD	-	-	-	-
Other	-	-	-	-
Private foundation grants	-	-	-	-
Other revenues	-	4,771	66,068	85,099
Total revenues	472,909	3,498,287	26,022,433	25,109,236
EXPENSES				
Salaries and wages	\$ 29,770	\$ 359,573	\$ 8,271,846	\$ 8,051,232
Employee benefits	9,815	62,449	1,938,195	1,813,646
Payroll taxes	2,075	26,155	586,023	584,666
Client wages	-	-	139,906	164,012
Professional fees	207,851	2,701,752	10,927,612	11,202,974
Staff development and training	44	1,955	20,925	15,681
Occupancy costs	1,051	14,762	570,870	534,222
Consumable supplies	317	11,423	236,626	227,095
Equipment expenses	289	2,853	159,725	149,865
Communications	163	3,321	120,583	122,787
Travel and transportation	1,024	13,921	809,689	816,535
Assistance to individuals	-	32,975	108,288	98,239
Insurance	271	3,566	72,670	73,980
Membership dues	1	7	18,036	22,327
Bad debt expense	-	-	145,916	84,013
Other expenses	2	35	2,482	1,235
Total expenses	252,673	3,234,747	24,129,392	23,962,509
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ 220,236	\$ 263,540	\$ 1,893,041	\$ 1,146,727

NORTHERN HUMAN SERVICES BOARD OF DIRECTORS

Officers:		<u>Office</u>	<u>Home</u>	<u>Term M/Y</u> <u>Began / End</u>
	Eric Johnson, CEO	447-3347		10.18 / 10.20
	Madelene Costello, President			10.18 / 10.20
	Dorothy Borchers, Vice President			10.17 / 10.21
	James Salmon, Treasurer			10.18 / 10.20
	<u>X</u> , Secretary			

Staff:	Dale Heon, CFO	447-3347
	Susan Wiggin, Executive Assistant	447-3347
	Suzanne Gaetjens-Olsen, MH Reg Administrator	444-5358
	Liz Charles, DD Reg Administrator	447-3347

<u>Term</u> <u>Expire</u>	<u>The Mental Health Center</u> 3 Twelfth St., Berlin, NH 03570	Kassie Eafrazi Director of BH	752-7404
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'22	Margaret McClellan, [REDACTED]	6/01
'20	*Stephen Michaud, [REDACTED]	11/02
'20	*Dorothy Borchers, [REDACTED]	05/17

<u>The Mental Health Center</u> 25 W. Main St., Conway, NH 03818	447-2111
70 Bay St., Wolfeboro 03894	569-1884
<u>New Horizons</u> 626 Eastman Road, Center Conway, NH 03818	Shanon Mason DS Director 356-6310

'21	*Maddie Costello, [REDACTED]	9/06
'20	*Carrie Duran, [REDACTED]	1/17
'21	James Salmon, [REDACTED]	11/03

<u>The Mental Health Center</u> 55 Colby St., Colebrook 03576	237-4955
69 Brooklyn St., Groveton 03582	636-2555
<u>Vershire Center</u> 24 Depot Street, Colebrook, NH 03576	237-5721

'20	Georgia Caron, [REDACTED]	[5/08]
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<u>White Mountain Mental Health</u> 29 Maple St., Box 599, Littleton 03561	Bethany Isenberg Director of BH 444-5358
<u>Common Ground</u> 24 Lancaster Road, Whitefield, NH 03584	Mark Vincent DS Director 837-9547

'22	Bob Fink, [REDACTED]	1/07, 3/13
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Executive Committee: S. Michaud, M. McClellan, J. Salmon, M. Costello, D. Borchers, E. Johnson

Finance Committee: J. Salmon, M. McClellan, S. Michaud, B. Fink, D. Borchers, M. Costello, D. Heon

Program Committee: M. McClellan, M. Costello, G. Caron, C. Duran, S. Gaetjens-Olsen, L. Charles

Development Committee: C. Duran, D. Borchers, M. McClellan, M. Costello, K. Blake, S. Mason, S. Gaetjens-Olsen, S. Wiggin

*Member representing consumer with developmental disability / NOTE: Bylaws state that a minimum of 7 meetings, including the Annual Business Meeting, must be held.

Last revised: 12/19, 4/20

Northern Human Services

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
			0%	\$0.00

78B mac



Jeffrey A. Meyers
Commissioner

Lisa M. Morris
Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC HEALTH SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301
603-271-4501 1-800-852-3345 Ext 4501
Fax: 603-271-4827 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

June 3, 2019

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

- (1) Authorize the Department of Health and Human Services, Division of Public Health, to enter into a **retroactive, sole source** agreement with Northern Human Services, Vendor # 232333-R001, 87 Washington Street, Conway, NH 03818 to provide trainings in evidence-based home visiting services for young children and families in an amount not to exceed \$100,000, effective retroactive to May 1, 2019 upon Governor and Executive Council approval through June 30, 2021. 100% General Funds.
- (2) Contingent upon approval of Requested Action (1), authorize the Department of Health and Human Services to provide Northern Human Services, with an advance payment in an amount not to exceed \$100,000, effective upon the date of Governor and Executive Council approval for the provision of start-up costs for trainings in evidence-based home visiting services. 100% General Funds.

Funds are available in the following account for State Fiscal Year 2019.

05-95-90-042-421010-29580000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: HUMAN SERVICES DIV, CHILD PROTECTION, CHILD-FAMILY SERVICES

Fiscal Year	Class/Account	Class Title	Job Number	Total Amount
SFY 2019	643-504191	Contracts for Prog Svc	42105745	\$100,000
SFY 2020	643-504191	Contracts for Prog Svc	42105745	\$0
SFY 2021	643-504191	Contracts for Prog Svc	42105745	\$0
			Total	\$100,000

EXPLANATION

This request is **retroactive** because trainings are scheduled to take place in May of 2019. Sole source contract negotiations were not completed until the beginning of May 2019. The fully executed contract was not received from the vendor until May 29, 2019.

This request is **sole source** because Northern Human Services is the Fiscal Agent for the Coos

Coalition for Young Children and Families (CCYCF). They are the coordinating body in Coos and Northern Grafton Counties for child maltreatment prevention utilizing evidence based practices. This is the only coalition in Coos and Northern Grafton counties whose primary purpose is to promote the optimal social and emotional development for children birth through eight (8) years of age. Since 2009, more than a dozen cross sector organizations including health centers, mental health providers, school districts, childcare centers, Head Start and family support programs have worked to build a coordinated and aligned system of supports for children and their families living in Coos and Northern Grafton counties.

The purpose of this contract is to increase the ability of the CCYCF and its agency partners to facilitate community-based, evidence-based parental assistance programs in accordance with SB 592 (2018 Legislative Session). Programs are designed to reduce child maltreatment, improve parent-child interactions, improve skills for regulating behavior and coping adaptively and facilitate improved coordination of services and referrals.

CCYCF, under the fiscal auspices of Northern Human Services, will train home visitors and community health workers in the evidence based parent education model, *Growing Great Kids* and in motivational interviewing, which is an evidence based practice. Additional training will be provided using an evidence-based framework called *Boundary Spanning Leadership* to existing and new CCYF agency partners in order to build partnerships and increase the CCYCF membership.

Services provided through this contract will target professionals including home visitors and community health workers in CCYCF member agencies who provide home based services to families and caregivers struggling with substance abuse as well as to young families with children less than eight (8) years of age who are at risk for child abuse and neglect.

Training outcome measures of this contract include, but are not limited to:

- An increase of 20% in the parenting skills of families receiving home visits in the designated service areas.
- An increase to 90% of CCYCF agencies using evidence based parenting education such as *Growing Great Kids*.


Requested Action (2), if approved, will enable Northern Human Services to financially support startup costs for training in evidence-based home visiting services. The advanced payment represents costs that would pose a financial hardship to the organization to carry as credit pending reimbursement upon conclusion of the trainings.

As referenced in Exhibit C-1 of this contract, the Department reserves the right to extend contracted services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval of the Governor and Council.

Should the Governor and Executive Council not authorize this request, home visitors who provide services to caregivers with substance abuse as well as families with young children at risk of child abuse and neglect may not receive appropriate evidence based training and follow up coaching activities that are imperative to teaching positive parenting and family structure to those in need.

Area served Coos County, northern Grafton County north of the Franconia Notch.
Source of Funds: 100% General Funds

Respectfully submitted,



Jeffrey A. Meyers
Commissioner

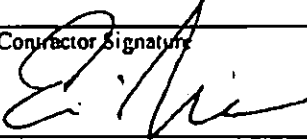
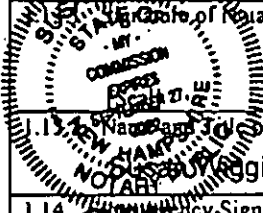
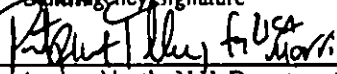
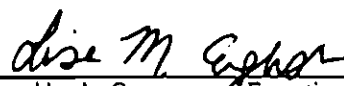
Subject: North Country Community Collaboration to Strengthen & Preserve Families (SS-2019-DPHS-26-NORTH)

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

AGREEMENT

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

GENERAL PROVISIONS**1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Northern Human Services		1.4 Contractor Address 87 Washington Street Conway, NH 03818	
1.5 Contractor Phone Number 603-915-7020	1.6 Account Number 05-95-042-421010-2958-643-504191	1.7 Completion Date June 30, 2021	1.8 Price Limitation \$100,000
1.9 Contracting Officer for State Agency Nathan D. White, Director		1.10 State Agency Telephone Number 603-271-9631	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Eric Johnson, CEO	
1.13 Acknowledgement: State of NH, County of Carroll On June 7, 2019, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity in which s/he is acting.			
1.14 State of Notary Public or Justice of the Peace  Susan Wiggan			
1.15 Name and Title of State Agency Signatory  Robert T. Foy, Director		1.16 Name and Title of State Agency Signatory	
1.17 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.18 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: 6/7/19			
1.19 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

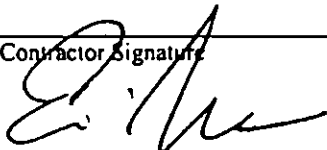
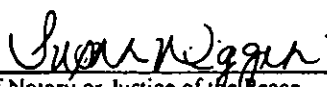
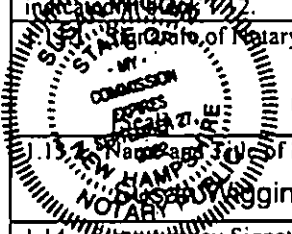
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1.13 Signature of Notary Public or Justice of the Peace 			
1.13 Notary Seal: 			
1.14 State Agency Signature Date:		1.15 Name and Title of State Agency Signatory	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: _____ On: _____			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

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

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

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

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

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

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

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

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

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

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. **TERMINATION.** In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

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

12. **ASSIGNMENT/DELEGATION/SUBCONTRACTS.** The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. **INDEMNIFICATION.** The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

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

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

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

16. **WAIVER OF BREACH.** No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

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

18. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

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

22. **SPECIAL PROVISIONS.** Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

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

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.



Scope of Services

1. Provisions Applicable to All Services

- 1.1. The Contractor shall submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.
- 1.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities and expenditure requirements under this Agreement so as to achieve compliance therewith.
- 1.3. Notwithstanding any other provision of the Contract to the contrary, no services shall continue after June 30, 2019, and the Department shall not be liable for any payments for services provided after June 30, 2019, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2020-2021 biennia.
- 1.4. The Contractor shall ensure trainings are available to providers in Coos and Norther Grafton Counties who provide services to the target populations.

2. Scope of Services

- 2.1. The Contractor shall ensure trainings and curricula focus on target populations that include, but are not limited to:
 - 2.1.1. Overburdened families.
 - 2.1.2. Caregivers struggling with substance abuse.
 - 2.1.3. Young families with children less than 8 years of age, who are at risk for child abuse and neglect, and other adverse childhood experiences.
- 2.2. The Contractor shall conduct trainings and coaching sessions in order to increase home visiting services to the target population, The Contractor shall:
 - 2.2.1. Provide two (2) trainings that include tuition; a trainer; travel, hotel, and meal costs associated with trainer; cost of the venue; materials; training supplies; associated shipping; and a minimum of twenty (20) hours of coaching per participant, as follows:
 - 2.2.1.1. Growing Great Kids 0-36 months Tier 1 Certification Seminar by Great Kids Inc. over four (4) days, and
 - 2.2.1.2. Growing Great Kids 3-5 years Training by Great Kids Inc., over four (4) days.
 - 2.2.2. Provide a Motivational Interviewing Training by North Country Health Consortium over two (2) days that includes tuition; material and training

[Signature]
5/29/19



supplies; cost of the venue; and a minimum of five (5) hours of coaching per participant;

2.3. The Contractor shall ensure all trainings are available to a minimum of twenty-four (24) home visitors from the following organizations:

2.3.1. The Family Resource Center.

2.3.2. Northern Human Services' Infant Mental Health - Early Supports and Services programs.

2.3.3. Head Start.

2.3.4. Response: Domestic and Sexual Violence Support Center

2.4. The Contractor shall provide Motivational Interviewing and The Boundary Spanning Leadership (BSL) Training, and follow-up coaching activities, by counting partnerships with partners that include, but are not limited to:

2.4.1. North Country Health Consortium.

2.4.2. Public Health Network.

2.4.3. Response: Domestic and Sexual Violence Support Center to Domestic Violence and Sexual Abuse Coalition.

2.4.4. Other Contractor network organizations as deemed appropriate and agreed upon by the Department

2.5. The Contractor shall conduct Boundary Spanning Leadership (BSL) training and activities including, but not limited to:

2.5.1. Facilitation of BSL tools, exercises and activities

2.5.2. Facilitation of assessment of team readiness in BSL toolkit and activities in BSL toolkit, to include all network partners.

2.5.3. Facilitation of the use of the BSL Toolkit activities, and coordinate network definitions used in BSL Toolkit to span boundaries.

2.5.4. Support, creation and operationalizing of transformation across the network to arrive at shared improved outcomes for BSL Network team.

2.5.5. Support and participate in evaluating the outcomes of BSL training and submit needed data and actions to the University of New Hampshire Institute on Disability.

2.6. The Contractor shall support the evaluation of the BSL Model completed by the University of New Hampshire (UNH) in Study 1 of the Cross Site-Evaluation within the Community Collaboration to Strengthen and Preserve Families Project.

2.7. The Contractor shall collaborate with the Department to learn about and engage in national promising practices of evidenced-based or evidence-informed prevention of child abuse and neglect.

2.8. The Contractor shall provide evidence-based, culturally and linguistically Northern Human Services

Exhibit A

Contractor Initials



- competent, prevention-focused parental assistance programs to the community, designed to:
- 2.8.1. Reduce child maltreatment.
 - 2.8.2. Improve parent-child interactions.
 - 2.8.3. Improve skills for regulating behavior and coping adaptively.
 - 2.8.4. Improve coordination of services and referrals for young families.
- 2.9. The Contractor shall provide a variety of prevention services to parents of children up to eight (8) years of age, including but not limited to:
- 2.9.1. Home Visiting
 - 2.9.2. Parent education.
 - 2.9.3. Family support services, including respite or crisis care.
 - 2.9.4. Activities that promote Protective Factors, that include, but are not limited to increasing parental resilience through parental education, that show evidence of:
 - 2.9.4.1. Promoting social connection.
 - 2.9.4.2. Increasing access to, or provide, concrete support systems.
 - 2.9.4.3. Increasing knowledge of parental development.
 - 2.9.4.4. Increasing knowledge, awareness or skills that promote resilience and increase the social and emotional competence of children.
- 2.10. The Contractor shall lead program-planning efforts, be present at, and participate in Community Collaboration statewide meetings.
- 2.11. The Contractor shall lead facilitation development of a Practice Profile as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.
- 2.12. The Contractor shall facilitate and lead a Community Implementation Team as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability. This team can be made up of the BSL training participants.
- 2.13. The Contractor shall draft, and finalize a Community Implementation Team (CIT) project work plan, timeline, and logic model Team as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.
- 2.14. The Contractor shall coordinate network /CIT data definition establishment and data collection according to network-determined definitions as defined by the DHHS and the Community Collaborations Evaluation Contractor, the University of New Hampshire, Institute on Disability.



3. Reporting

- 3.1. The Contractor, with the CIT, shall submit a Practice Profile.
- 3.2. The Contractor shall submit annual and interim reports on process and outcome measures for each area of study in order to determine quality improvement and recommendations upon Department request.

4. Performance Measures

- 4.1. The Contractor shall minimally achieve the following outcomes by the end of 12 months after contract implementation (only relates to agencies that participate in MI and EBP training. Outcomes include but are not limited to:
 - 4.1.1. Increase the number of home visitors who are trained and implementing evidence-based parenting education into their work by ten (10) from 42 to 52.
 - 4.1.2. Increase the number of children actively receiving home visits by 47, from 303 to 350.
 - 4.1.3. Increase the number of caregivers actively receiving home visits by twenty (20) from 164 to 184.,
 - 4.1.4. Improve on average parenting skills by 25% up from 2018 average of 18%.

New Hampshire Department of Health and Human Services
North Country Community Collaboration to Strengthen & Preserve Families
Exhibit B



Method and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided pursuant to Exhibit A, Scope of Services.
2. This agreement is funded with 100% General Fund
3. Failure to meet the scope of services may jeopardize the funded Contractor's future funding.
4. Payment for said services shall be made monthly as follows:
 - 4.1. Upon Governor and Executive Council approval the Contractor shall submit an invoice to the Department in the amount of \$100,000 for payment of services outlined in Exhibit A.
 - 4.2. The Contractor shall ensure the invoice is completed, signed, dated and returned to the Department in order to initiate payment.
 - 4.3. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to DPHScontractbilling@dhhs.nh.gov, or invoices may be mailed to:

Financial Administrator
Department of Health and Human Services
Division of Public Health Services
29 Hazen Drive
Concord, NH 03301
 - 4.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available.
5. The Contractor shall keep detailed records of their activities related to Department-funded programs and services and have records available for Department review, as requested.
6. Notwithstanding anything to the contrary herein, the Contractor agrees that funding under this agreement may be withheld, in whole or in part, in the event of non-compliance with any Federal or State law, rule or regulation applicable to the services provided, or if the said services or products have not been satisfactorily completed in accordance with the terms and conditions of this agreement.

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5/24/19

Exhibit B-1, Budget Sheet

New Hampshire Department of Health and Human Services

Contractor name Northern Human Services

Budget Request for: Community Collaborations to Strengthen and Preserve Families

Budget Period: May 1, 2019 - June 30th, 2019

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Consultants - Coaches	\$ 39,000.00	\$ -	\$ 39,000.00	\$ 5,940.00	\$ -	\$ 5,940.00	\$ 33,060.00	\$ -	\$ 33,060.00
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ 3,684.00	\$ -	\$ 3,684.00	\$ -	\$ -	\$ -	\$ 3,684.00	\$ -	\$ 3,684.00
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 1,875.00	\$ -	\$ 1,875.00	\$ -	\$ -	\$ -	\$ 1,875.00	\$ -	\$ 1,875.00
7. Occupancy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 48,725.00	\$ -	\$ 48,725.00	\$ -	\$ -	\$ -	\$ 48,725.00	\$ -	\$ 48,725.00
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facility fees	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00
Fiscal Sponsor Fee - 12% (DHHS portion of)	\$ 12,000.00	\$ -	\$ 12,000.00	\$ 1,844.00	\$ -	\$ 1,844.00	\$ 10,156.00	\$ -	\$ 10,156.00
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 107,784.00	\$ -	\$ 107,784.00	\$ 7,784.00	\$ -	\$ 7,784.00	\$ 100,000.00	\$ -	\$ 100,000.00

Indirect As A Percent of Direct

12.0%

Contractor Initials 5/29/19
 Date ES



SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.
2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.
3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.
4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.
5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.
6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.
7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
 - 7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
 - 7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

Exhibit C - Special Provisions

Contractor Initials

EJ

Date

5/29/19

New Hampshire Department of Health and Human Services
Exhibit C



- 7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. **Maintenance of Records:** In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
- 8.1. **Fiscal Records:** books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
 - 8.2. **Statistical Records:** Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
 - 8.3. **Medical Records:** Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.
9. **Audit:** Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
- 9.1. **Audit and Review:** During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
 - 9.2. **Audit Liabilities:** In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.
10. **Confidentiality of Records:** All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Exhibit C - Special Provisions

Contractor Initials

EJ

Date

5/29/19



Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
 - 11.1. **Interim Financial Reports:** Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
 - 11.2. **Final Report:** A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.
12. **Completion of Services: Disallowance of Costs:** Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.
13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
 - 13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.
14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced; including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.
15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.
16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of \$500,000 or more. If the recipient receives \$25,000 or more and has 50 or

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5/29/19



more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than \$25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: <http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf>.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.
18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, \$150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- 19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- 19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- 19.3. Monitor the subcontractor's performance on an ongoing basis

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5/29/19

New Hampshire Department of Health and Human Services
Exhibit C



- 19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- 19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

20. Contract Definitions:

- 20.1. **COSTS:** Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.
- 20.2. **DEPARTMENT:** NH Department of Health and Human Services.
- 20.3. **PROPOSAL:** If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the services and/or goods to be provided by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.
- 20.4. **UNIT:** For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.
- 20.5. **FEDERAL/STATE LAW:** Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from time to time.
- 20.6. **SUPPLANTING OTHER FEDERAL FUNDS:** Funds provided to the Contractor under this Contract will not supplant any existing federal funds available for these services.

5/29/19
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New Hampshire Department of Health and Human Services
Exhibit C-1

REVISIONS TO STANDARD CONTRACT LANGUAGE

1. Revisions to Form P-37, General Provisions

1.1. Section 4, Conditional Nature of Agreement, is replaced as follows:

4. CONDITIONAL NATURE OF AGREEMENT.

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

1.2. Section 10, Termination, is amended by adding the following language:

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

2. Renewal

2.1. The Department reserves the right to extend this agreement for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, written agreement of the parties and approval of the Governor and Executive Council.

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5/24/19



CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

ALTERNATIVE I - FOR GRANTEEES OTHER THAN INDIVIDUALS

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

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

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

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

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5/29/19

New Hampshire Department of Health and Human Services
Exhibit D



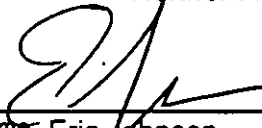
- has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- 1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted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

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

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

Vendor Name: Northern Human Services

6/7/19
Date


Name: Eric Johnson
Title: CEO

Vendor Initials EJ
Date 6/7/19



CERTIFICATION REGARDING LOBBYING

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

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

Programs (indicate applicable program covered):

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


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

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

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

Vendor Name: Northern Human Services

6/7/19
Date


Name: Eric Johnson
Title: CEO



**CERTIFICATION REGARDING DEBARMENT, SUSPENSION
AND OTHER RESPONSIBILITY MATTERS**

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

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

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5/27/19



information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
- 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

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

Vendor Name: Northern Human Services

6/7/19
Date


Name: Eric Johnson
Title: CEO

ET



**CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO
FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND
WHISTLEBLOWER PROTECTIONS**

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

Vendor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

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

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

Exhibit G

Vendor Initials

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Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

5/27/19

New Hampshire Department of Health and Human Services
Exhibit G




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

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

1. By signing and submitting this proposal (contract) the Vendor agrees to comply with the provisions indicated above.

Vendor Name: Northern Human Services

6/7/19
Date



Name: Eric Johnson
Title: CEO

Exhibit G

Certification of Compliance with requirements pertaining to Federal Nondiscrimination, Equal Treatment of Faith-Based Organizations and Whistleblower protections

Vendor Initials EJ



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

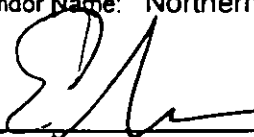
Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care,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

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

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

Vendor Name: Northern Human Services

6/7/19
Date



Name: Eric Johnson
Title: CEO



Exhibit I

HEALTH INSURANCE PORTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Vendor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 applicable to business associates. As defined herein, "Business Associate" shall mean the Vendor and subcontractors and agents of the Vendor that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) **Definitions.**

- a. **"Breach"** shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. **"Business Associate"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- c. **"Covered Entity"** has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.
- d. **"Designated Record Set"** shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. **"Data Aggregation"** shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. **"Health Care Operations"** shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. **"HITECH Act"** means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. **"HIPAA"** means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164 and amendments thereto.
- i. **"Individual"** shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. **"Privacy Rule"** shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.
- k. **"Protected Health Information"** shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.

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Exhibit I

- l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.103.
- m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

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

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below; or
 - III. For data aggregation purposes for the health care operations of Covered Entity.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.
- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit A of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business

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5/29/19



Exhibit I

Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

- e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

- a. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity.
- b. The Business Associate shall immediately perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, but not be limited to:
- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete the risk assessment within 48 hours of the breach and immediately report the findings of the risk assessment in writing to the Covered Entity.

- c. The Business Associate shall comply with all sections of the Privacy, Security, and Breach Notification Rule.
- d. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.
- e. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I). The Covered Entity shall be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI

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5/29/19



Exhibit I

pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard Paragraph #13 of the standard contract provisions (P-37) of this Agreement for the purpose of use and disclosure of protected health information.

- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.
- l. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business

3/2014

Vendor Initials

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Date 5/29/19



Exhibit I

Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) **Obligations of Covered Entity**

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) **Termination for Cause**

In addition to Paragraph 10 of the standard terms and conditions (P-37) of this Agreement the Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

(6) **Miscellaneous**

- a. **Definitions and Regulatory References.** All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.
- b. **Amendment.** Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.
- c. **Data Ownership.** The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
- d. **Interpretation.** The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule.

3/2014

Vendor Initials

Date

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5/29/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

The State

[Signature]

Signature of Authorized Representative

USA Morris

Name of Authorized Representative

Director, DPHS

Title of Authorized Representative

6/10/19

Date

Northern Human Services

Name of the Vendor

[Signature]

Signature of Authorized Representative

Eric Johnson

Name of Authorized Representative

CEO

Title of Authorized Representative

6/7/19

Date

EJ

6/7/19



Exhibit I

- e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
- f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services
The State

Signature of Authorized Representative

Name of Authorized Representative

Title of Authorized Representative

Date

Northern Human Services

Name of the Vendor

Signature of Authorized Representative

Eric Johnson

Name of Authorized Representative

CEO

Title of Authorized Representative

Date

6/7/19

EJ

6/7/19



**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY
ACT (FFATA) COMPLIANCE**

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than \$25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of \$25,000 or more. If the initial award is below \$25,000 but subsequent grant modifications result in a total award equal to or over \$25,000, the award is subject to the FFATA reporting requirements, as of the date of the award.

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

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
 - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than \$25M annually and
 - 10.2. Compensation information is not already available through reporting to the SEC.


Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

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

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

Vendor Name: Northern Human Services

6/7/19
Date


Name: Eric Johnson
Title: CEO

New Hampshire Department of Health and Human Services
Exhibit J



FORM A

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

1. The DUNS number for your entity is: _____
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

_____ NO _____ YES

If the answer to #2 above is NO, stop here

If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

_____ NO _____ YES

If the answer to #3 above is YES, stop here

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

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

Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____
Name: _____	Amount: _____

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5/24/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



A. Definitions

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

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

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

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

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

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

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

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

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

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

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

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

A. Retention

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

ES

5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



whole, must have aggressive intrusion-detection and firewall protection.

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

B. Disposition

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

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



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

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

V. LOSS REPORTING

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

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

1. Identify Incidents;
2. Determine if personally identifiable information is involved in Incidents;
3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and

ES
5/29/19

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements



5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

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

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov