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

Lori A. Shiblinette  
 Commissioner

Lisa M. Morris  
 Director

29 HAZEN DRIVE, CONCORD, NH 03301  
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July 22, 2020

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

**INFORMATIONAL ITEM**

Pursuant to RSA 4:45, RSA 21-P:43, and Section 4 of Executive Order 2020-04, as extended by Executive Orders 2020-05, 2020-08, 2020-09, 2020-10, and 2020-14, Governor Sununu has authorized the Department of Health and Human Services, Division for Behavioral Health, to enter into **Sole Source** amendments to existing contracts with the vendors listed below for the provision of Targeted Prevention Programming for DCYF-Involved Families with Substance Use Disorder, by increasing the total price limitation by \$1,485,000 from \$2,940,404 to \$4,425,404 and by extending the completion dates from September 30, 2020, to the dates specified below, effective upon Governor approval. The original contracts were approved by Governor and Council as specified in the table below. 100% Federal Funds.

Vendor Name	Vendor Code	District Offices Served	Current Amount	Informational Item – Increase (Decrease))	Revised Amount	Completion Date	G&C Approval
Granite Pathways	228900-B001	Conway Rochester Seacoast Southern Manchester Keene Claremont Concord Laconia	\$1,638,589	\$960,000	\$2,598,589	December 31, 2020	O: 5/2/18 #20 A1: 5/15/19 #17A
The Family Resource Center at Gorham	162412-B001	Berlin Littleton	\$1,301,815	\$525,000	\$1,826,815	January 31, 2021	O: 5/2/18 #20 A1: 12/19/18 #20
		<b>Total:</b>	<b>\$2,940,404</b>	<b>\$1,485,000</b>	<b>\$4,425,404</b>		

Funds are available in the following accounts for State Fiscal Years 2021 with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

## **SEE ATTACHED FISCAL DETAILS**

### **EXPLANATION**

This item is **Sole Source** because the Department, in the interest of the public's health and safety, identified these two (2) vendors as having the capacity to quickly respond to the COVID-19 pandemic. The Governor requested certain funding be set aside for COVID-19 emergencies in order to broaden programming to help families in this trying time. This amendment allows children and their families to receive additional assistance because of exacerbated circumstances caused by COVID-19.

The purpose of this item is to expand access to Strength to Succeed services to children, parents, and caregivers who are undergoing an assessment by the Division for Children, Youth and Families (DCYF), and are affected by a substance use disorder. This item will expand the number of families that are eligible to access the Strength to Succeed program, given that current funding limits eligibility to open cases. The expanded services will also require the vendors to implement the evidence-based Parenting a Second Time Around or equivalent evidence-based curriculum for grandparents who are caring for a minor child as a result of DCYF involvement and parental substance use. More than 100 individuals received services through this program in 2018. This request, if approved, will expand the program to provide services for more than 150 individuals statewide.

The vendors are currently providing the Strength to Succeed Program, which consists of substance use disorder prevention and early intervention services to families who have open cases with the DCYF as a result of substance use. The vendors have established programs in place that provide accessible, integrated services to reduce and mitigate childhood trauma that results from substance use in the family. Core components of the Strength to Succeed program include rapid access to treatment for parents within the DCYF reunification timeframe, DCYF Parent Partner peer support, home visiting services, direct prevention services to children to mitigate risk of substance misuse, and caregiver support for relative caregivers of children exposed to substance use in the home. This request, if approved, will provide additional funding to expand services to an additional group of children and their families and extend the existing program for another fifteen (15) months.

The original services were contracted when the State received funding authorized by the 21st Century CURES Act through the Substance Abuse and Mental Health Services Administration (SAMHSA) State Targeted Response to the Opioid Crisis grant. The State Targeted Response grant program ended in State Fiscal Year 2019, and funds from that grant were used to expand critical substance use disorder prevention, treatment, and recovery services to target populations, including child welfare involved families. Extension and expansion of the State's Targeted Response funded initiatives are key components of the State's recently accepted plan for the State Opioid Response grant, which provides funding to address the opioid crisis through September 29, 2020.

As referenced in Form P-37, General Provisions, and in Exhibit C-1, Revisions to General Provisions, Section 3, of the original contracts, the parties have the option to extend the agreements for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and appropriate State approval. The Department previously renewed the contracts for one (1) year and three (3) months, leaving nine (9) months available. The Department is exercising its option to renew services for three (3) months with Granite Pathways) and four (4) months with The Family Resource Center at.

Area served: Statewide

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

Source of Funds: 100% General Funds.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'Lori A. Shibinette'.

Lori A. Shibinette  
Commissioner

FUL

**05-95-92-920510-25590000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG AND ALCOHOL, OPIOID STR GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2018	102- 500731	Contracts for Program Services	92052559	\$148,840	\$0	\$148,840
2019	102- 500731	Contracts for Program Services	92052559	\$595,358	\$0	\$595,358
2020	102- 500731	Contracts for Program Services	92052559	\$0	\$0	\$0
			<b>Subtotal</b>	<b>\$744,198</b>	<b>\$0</b>	<b>\$744,198</b>

**05-95-92-920510-70400000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL SERVICES, STATE OPIOID RESPONSE GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2019	102- 500731	Contracts for Program Services	92057040	\$1,000,000	(\$296,380)	\$703,620
2020	102- 500731	Contracts for Program Services	92057040	\$1,196,206	\$0	\$1,196,206
2021	102- 500731	Contracts for Program Services	92057040	\$0	\$296,380	\$296,380
			<b>Subtotal</b>	<b>\$2,196,206</b>	<b>\$0</b>	<b>\$2,196,206</b>



**05-95-95-950010-19190000 HEALTH AND SOCIAL SERVICES, DEPT OF HEATH  
AND HUMAN SVS, HHS: COMMISSIONER'S OFFICE, OFFICE OF THE  
COMMISSIONER, COVID19 FEMA - DHHS**

<b>SFY</b>	<b>Class/ Account</b>	<b>Class Title</b>	<b>Job Number</b>	<b>Current Amount</b>	<b>Increase/ Decrease</b>	<b>Revised Amount</b>
2021,	102- 500731	Contracts for Program Services	95010895	\$0	\$1,485,000	\$1,485,000
			<b>Subtotal</b>	<b>\$0</b>	<b>\$1,485,000</b>	<b>\$1,485,000</b>
			<b>Grand Total</b>	<b>\$2,940,404</b>	<b>\$1,485,000</b>	<b>\$4,425,404</b>



**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**

**State of New Hampshire  
Department of Health and Human Services  
Amendment #2 to the Targeted Prevention Programming for DCYF-Involved Families**

This 2<sup>nd</sup> Amendment to the Targeted Prevention Programming for DCYF-Involved Families contract (hereinafter referred to as "Amendment #2") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Granite Pathways, (hereinafter referred to as "the Contractor"), a nonprofit with a place of business at 60 Rogers Street, Suite 204, Manchester, NH 03103.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on May 2, 2018, (Item #20), as amended on May 15, 2019, (Item #17A), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to General Provisions, Section 3, 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, and 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 1.7, Completion Date, to read:  
December 31, 2020.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$2,598,589.
3. Exhibit A Amendment #1, Scope of Services, Section 1, Provisions Applicable to All Services, Subsection 1.8 through Subparagraph 1.8.4.4, to read:
  - 1.8. The Contractor shall provide services:
    - 1.8.1 By assisting in developing a strong collaboration between agencies within the Department including, but not limited to.
      - 1.8.1.1 The Bureau of Drug and Alcohol Services (BDAS).
      - 1.8.1.2 The Division for Children, Youth, and Families (DCYF).
      - 1.8.1.3 The Division of Public Health Services (DPHS).
      - 1.8.1.4 The Bureau for Children's Behavioral Health (BCBH).
    - 1.8.2 To individuals involved with DCYF, who have substance use disorder or other challenges that result in neglect, or are at risk for neglect, which may include, but is not limited to:
      - 1.8.2.1. Children.
      - 1.8.2.2. Birth parents.
      - 1.8.2.3. Foster parents.
      - 1.8.2.4. Grandparents.
      - 1.8.2.5. Other caregivers.
      - 1.8.2.6. Siblings.



## New Hampshire Department of Health and Human Services Targeted Prevention Programming for DCYF-Involved Families

- 1.8.2.7. Families with open DCYF cases.
- 1.8.2.8. Families undergoing a DCYF assessment.
- 1.8.3 Prioritizing cases, by working with the DCYF designated gatekeeper, including, but not limited to:
  - 1.8.3.1 Parents/caregivers with mental health issues.
  - 1.8.3.2 Chronic neglect cases as determined by DCYF.
  - 1.8.3.3 Families that qualify for prioritization by the above guidelines and have an active DCYF assessment and may not require an open case if this level of service is available.
  - 1.8.4.4 Families with an open neglect case that requires this level of service to promote an in home case or promote a permanency plan of reunification.
- 4. Exhibit A Amendment #1, Scope of Services, Section 2, Scope of Work, Subsection 2.1 General Provisions, Paragraph 2.1.18, to read:
  - 2.1.18 The Contractor shall engage with treatment providers for mental health in catchment areas to develop relationships and assistance in prioritization for parents/caregivers involved with an open DCYF case or assessment.
- 5. Exhibit A Amendment #1, Scope of Services, Section 2, Scope of Work, Subsection 2.2, DCYF Parent Partner Program (Peer Recovery Support), Paragraph 2.2.1, Subparagraph 2.2.1.4, to read:
  - 2.2.1.4 Ensure that Parent Partners have the appropriate lived experience for the population they are serving.
- 6. Exhibit A Amendment #1, Scope of Services Section 2, Scope of Work, Subsection 2.5, Parent and Child Substance Use Education, Paragraph 2.5.1, Subparagraph 2.5.1.4 through 2.5.1.6 to read:
  - 2.5.1.4 Adjusting messaging, support and curricula as needed to address the primary issues that the parent/caregiver of focus is experiencing, such as their own mental illness, other health conditions and any other Social Determinants of Health that may be presenting challenges and are primary in the identified conditions or neglect in the DCYF case or assessment.
  - 2.5.1.5 Engaging with treatment providers to develop educational/parenting programming relative to parenting while symptomatic for Serious Mental Illness.
  - 2.5.1.6 Providing age appropriate education for children regarding mental illness.
- 7. Exhibit B, Methods and Conditions Precedent to Payment, Section 5, Subsection 5.1, to read:
  - 5.1 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 Exhibits B-1, Budget through Exhibit B-5, Budget.
- 8. Exhibit B, Methods and Conditions Precedent to Payment, Section 5, Subsection 5.2, to read:
  - 5.2 The Contractor shall submit an invoice in a form satisfactory to the State by the fifteenth (15th) working day of the following month, unless otherwise specified, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The Contractor shall ensure the invoice is completed, dated and returned to the Department in order to initiate payment. Invoices shall be net any other revenue received towards the services billed in fulfillment of this agreement.
  - 5.2.1 Backup documentation shall include, but is not limited to:



**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**

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- 5.2.1.1 General Ledger showing revenue and expenses for the contract.
  - 5.2.1.2 Timesheets and/or time cards signed by both employee and supervisor that support the hours employees worked for wages reported under this contract.
    - 5.2.1.1.1 Per 45 CFR Part 75.430(i)(1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed.
  - 5.2.1.3 Per 2 CFR 200.430 (iii) Labor records must reasonably reflect the total activity for which each employee is compensated, showing percentages for time spent on activities under this contract and all other activities (totaling no more than 100%).
  - 5.2.2 The following backup documentation may also be requested as needed:
    - 5.2.2.1 Invoices supporting expenses reported.
      - 5.2.2.1.1 Per SAMSHA requirements, meals are generally unallowable unless they are an integral part of a conference grant or specifically stated as an allowable expense in the FOA. Grant funds may be used for light snacks, not to exceed \$3.00 per person for clients.
  - 5.2.3 Cost center reports, submitted only as requested by the Department.
  - 5.2.4 Profit and loss report, submitted only as requested by the Department.
  - 5.2.5 Remittance Advices from the insurances billed, submitted only as requested by the Department. Remittance Advices do not need to be supplied with the invoice, but should be retained to be available upon request.
9. Add Exhibit B-3 Amendment #2, Budget, which is attached hereto and incorporated by reference herein.
10. Add Exhibit B-4 Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**



All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #2 remain in full force and effect. This amendment shall be effective upon the date of Governor 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

7/30/2020  
Date

K. J. S. Fox  
Name: K. J. S. Fox  
Title: Director

Granite Pathways

7/28/2020  
Date

DocuSigned by:  
Kenneth Brezenoff  
Name: Kenneth Brezenoff  
Title: General Counsel



**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**

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

OFFICE OF THE ATTORNEY GENERAL

08/07/20  
Date

Catherine Pinos  
Name: Catherine Pinos, Attorney  
Title:

I hereby certify that the foregoing Amendment was approved by the Governor on: \_\_\_\_\_

OFFICE OF THE SECRETARY OF STATE

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:

**Exhibit B-3 Amendment #2  
Budget**

**New Hampshire Department of Health and Human Services**

Bidder/Program Name: GRANITE PATHWAYS

Budget Request for: Strength to Succeed Service Expansion - SORS

Budget Period: July 1, 2020 - September 29, 2020

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	\$ 95,169	\$ 9,517	\$ 104,686	\$ -	\$ -	\$ -	\$ 95,169	\$ 9,517	\$ 104,686
2. Employee Benefits	\$ 32,360	\$ 3,236	\$ 35,596	\$ -	\$ -	\$ -	\$ 32,360	\$ 3,236	\$ 35,596
3. Consultants	\$ 297	\$ 30	\$ 327	\$ -	\$ -	\$ -	\$ 297	\$ 30	\$ 327
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 25	\$ 3	\$ 28	\$ -	\$ -	\$ -	\$ 25	\$ 3	\$ 28
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ 338	\$ 34	\$ 372	\$ -	\$ -	\$ -	\$ 338	\$ 34	\$ 372
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical (Naloxone)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 495	\$ 50	\$ 545	\$ -	\$ -	\$ -	\$ 495	\$ 50	\$ 545
6. Travel	\$ 425	\$ 43	\$ 468	\$ -	\$ -	\$ -	\$ 425	\$ 43	\$ 468
7. Occupancy	\$ 3,250	\$ 325	\$ 3,575	\$ -	\$ -	\$ -	\$ 3,250	\$ 325	\$ 3,575
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 183	\$ 18	\$ 201	\$ -	\$ -	\$ -	\$ 183	\$ 18	\$ 201
Postage	\$ 37	\$ 4	\$ 41	\$ -	\$ -	\$ -	\$ 37	\$ 4	\$ 41
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 25	\$ 3	\$ 28	\$ -	\$ -	\$ -	\$ 25	\$ 3	\$ 28
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 74	\$ 7	\$ 81	\$ -	\$ -	\$ -	\$ 74	\$ 7	\$ 81
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 63	\$ 6	\$ 69	\$ -	\$ -	\$ -	\$ 63	\$ 6	\$ 69
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Flex Funding	\$ 89	\$ 9	\$ 98	\$ -	\$ -	\$ -	\$ 89	\$ 9	\$ 98
Technology	\$ 163	\$ 16	\$ 179	\$ -	\$ -	\$ -	\$ 163	\$ 16	\$ 179
Home Visitor Training/Supervision	\$ 375	\$ 38	\$ 413	\$ -	\$ -	\$ -	\$ 375	\$ 38	\$ 413
PASTA Program Supplies	\$ 19	\$ 2	\$ 21	\$ -	\$ -	\$ -	\$ 19	\$ 2	\$ 21
Education Program Supplies	\$ 114	\$ 11	\$ 125	\$ -	\$ -	\$ -	\$ 114	\$ 11	\$ 125
Locking Cases/File Cabinets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 133,501</b>	<b>\$ 13,352</b>	<b>\$ 146,853</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,501</b>	<b>\$ 13,352</b>	<b>\$ 146,853</b>

Indirect As A Percent of Direct

10%

**Exhibit B-4 Amendment #2**  
**Budget**

**New Hampshire Department of Health and Human Services**

Bidder/Program Name: GRANITE PATHWAYS

Budget Request for: Strength to Succeed Service Expansion - Covid 19

Budget Period: July 1, 2020 - January 31, 2021

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHHS contract share		
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	\$ 622,168	\$ 62,217	\$ 684,385	\$ -	\$ -	\$ -	\$ 622,168	\$ 62,217	\$ 684,385
2. Employee Benefits	\$ 211,536	\$ 21,154	\$ 232,690	\$ -	\$ -	\$ -	\$ 211,536	\$ 21,154	\$ 232,690
3. Consultants	\$ 1,939	\$ 194	\$ 2,133	\$ -	\$ -	\$ -	\$ 1,939	\$ 194	\$ 2,133
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 164	\$ 16	\$ 180	\$ -	\$ -	\$ -	\$ 164	\$ 16	\$ 180
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ 2,206	\$ 220	\$ 2,426	\$ -	\$ -	\$ -	\$ 2,206	\$ 220	\$ 2,426
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical (Naloxone)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 3,238	\$ 323	\$ 3,561	\$ -	\$ -	\$ -	\$ 3,238	\$ 323	\$ 3,561
6. Travel	\$ 2,780	\$ 278	\$ 3,058	\$ -	\$ -	\$ -	\$ 2,780	\$ 278	\$ 3,058
7. Occupancy	\$ 21,246	\$ 2,125	\$ 23,371	\$ -	\$ -	\$ -	\$ 21,246	\$ 2,125	\$ 23,371
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 1,198	\$ 120	\$ 1,318	\$ -	\$ -	\$ -	\$ 1,198	\$ 120	\$ 1,318
Postage	\$ 238	\$ 24	\$ 262	\$ -	\$ -	\$ -	\$ 238	\$ 24	\$ 262
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 164	\$ 16	\$ 180	\$ -	\$ -	\$ -	\$ 164	\$ 16	\$ 180
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 482	\$ 49	\$ 531	\$ -	\$ -	\$ -	\$ 482	\$ 49	\$ 531
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 408	\$ 41	\$ 449	\$ -	\$ -	\$ -	\$ 408	\$ 41	\$ 449
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Flex Funding	\$ 583	\$ 58	\$ 641	\$ -	\$ -	\$ -	\$ 583	\$ 58	\$ 641
Technology	\$ 1,062	\$ 107	\$ 1,169	\$ -	\$ -	\$ -	\$ 1,062	\$ 107	\$ 1,169
Home Visitor Training/Supervision	\$ 2,451	\$ 245	\$ 2,696	\$ -	\$ -	\$ -	\$ 2,451	\$ 245	\$ 2,696
PASTA Program Supplies	\$ 122	\$ 12	\$ 134	\$ -	\$ -	\$ -	\$ 122	\$ 12	\$ 134
Education Program Supplies	\$ 741	\$ 75	\$ 816	\$ -	\$ -	\$ -	\$ 741	\$ 75	\$ 816
Locking Cases/File Cabinets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 872,726</b>	<b>\$ 87,274</b>	<b>\$ 960,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 872,726</b>	<b>\$ 87,274</b>	<b>\$ 960,000</b>

Indirect As A Percent of Direct

10%



# 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 GRANITE PATHWAYS is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 08, 2009. 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: 613581

Certificate Number: 0004569835



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 20th day of August A.D. 2019.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF AUTHORITY

I, William Rider, hereby certify that:


1. I am a duly elected Officer of Granite Pathways, Inc.

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 6/11/2020 at which a quorum of the Directors was present and voting.

**VOTED:** That Kenneth Brezenoff is duly authorized on behalf of Granite Pathways Inc. to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

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

Dated: 07/30/2020

  
\_\_\_\_\_  
Signature of Elected Officer  
Name: William Rider  
Title: Granite Pathways Interim Board Chairman

ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/20/2020

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).

<b>PRODUCER</b> USI Insurance Services LLC 333 Westchester Ave, Suite 102 White Plains, NY 10604 914 459-6200		<b>CONTACT NAME:</b> Karin Meltzer <b>PHONE (A/C, No, Ext):</b> 914 459-6294 <b>FAX (A/C, No):</b> 610 537-4220 <b>E-MAIL ADDRESS:</b> Karin.Meltzer@usi.com															
<b>INSURED</b> Granite Pathways, Inc. 303 Belmont Street Manchester, NH 03103		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Berkshire Hathaway Specialty Ins Co.</td> <td>22276</td> </tr> <tr> <td>INSURER B: Berkshire Hathaway Homestate Companies</td> <td>20044</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Berkshire Hathaway Specialty Ins Co.	22276	INSURER B: Berkshire Hathaway Homestate Companies	20044	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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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 SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X	47SPK25564204	09/30/2019	09/30/2020	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$20,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY		47RWS14808205	09/30/2019	09/30/2020	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 checked="" type="checkbox"/> RETENTION \$10000		47SUM14808305	09/30/2019	09/30/2020	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	FEWC013311	12/11/2019	12/11/2020	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liab		47SPK25564204	09/30/2019	09/30/2020	\$1M Per occ / \$3M Agg
A	Abuse & Molest.		47SPK25564204	09/30/2019	09/30/2020	\$1M Per occ / \$3M Agg

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

State of NH, DHHS additional insured

## CERTIFICATE HOLDER

## CANCELLATION

State of 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

*Will Scott*

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## **MISSION STATEMENT**

Our mission is to support individuals with substance use disorders and mental illness in achieving their life goals as valued members of their community.

Granite Pathways develops innovative, and sustainable solutions that are changing people's lives.

Consolidated Financial Statements Together with  
Report of Independent Certified Public Accountants

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

September 30, 2018 and 2017

# **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of  
**FEDCAP Rehabilitation Services, Inc.:**

We have audited the accompanying consolidated financial statements of FEDCAP Rehabilitation Services, Inc. and Subsidiaries (collectively, "FEDCAP"), which comprise the consolidated statements of financial position as of September 30, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's responsibility for the financial statements

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

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to FEDCAP's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FEDCAP's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.





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

#### Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FEDCAP Rehabilitation Services, Inc. and Subsidiaries as of September 30, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Other matters

##### Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Grant Thornton LLP*

New York, New York  
April 8, 2019

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES****Consolidated Statements of Financial Position**

As of September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 10,814,947	\$ 14,353,025
Accounts receivable (net of allowance for doubtful accounts of approximately \$4,622,800 in 2018 and \$1,476,000 in 2017)	44,128,183	42,224,021
Contributions and grants receivable (net of allowance for uncollectible contributions of approximately \$250,000 in 2018 and \$0 in 2017)	1,296,528	3,085,378
Inventories, net	244,690	402,669
Prepaid expenses and other assets	<u>9,413,702</u>	<u>5,120,104</u>
Total current assets	<u>65,898,050</u>	<u>65,185,197</u>
Investments	18,227,270	14,724,135
Property, plant and equipment, net	82,070,717	74,924,787
Art objects	43,950	21,750
Beneficial interest in remainder trust	4,646,739	628,759
Other assets	<u>1,135,754</u>	<u>108,000</u>
Total assets	<u>\$ 172,022,480</u>	<u>\$ 155,592,628</u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued liabilities	\$ 37,108,748	\$ 32,382,996
Deferred revenues	4,129,907	5,064,293
Advances from government agency	1,485,361	1,500,000
Current revolving loans	17,853,273	14,653,273
Current portion of obligation under capital leases	1,944,244	1,672,075
Notes payable, current	<u>1,099,081</u>	<u>674,420</u>
Total current liabilities	63,620,614	55,947,057
<b>LONG-TERM LIABILITIES</b>		
Capital lease obligation	35,351,613	34,867,513
Notes payable	31,337,292	22,750,756
Revolving loan	-	3,000,000
Other liabilities	<u>4,670,840</u>	<u>3,407,780</u>
Total liabilities	<u>134,980,359</u>	<u>119,973,106</u>
Commitments and contingencies		
<b>NET ASSETS</b>		
Unrestricted	28,407,688	32,810,556
Temporarily restricted	6,678,580	2,224,538
Permanently restricted	<u>1,955,853</u>	<u>584,428</u>
Total net assets	<u>37,042,121</u>	<u>35,619,522</u>
Total liabilities and net assets	<u>\$ 172,022,480</u>	<u>\$ 155,592,628</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

## Consolidated Statements of Activities

For the years ended September 30, 2018 and 2017

	2018				2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES</b>								
Contract services and products	\$ 107,418,632	\$ -	\$ -	\$ 107,418,632	\$ 102,267,073	\$ -	\$ -	\$ 102,267,073
Rehabilitation and vocational programs	154,317,661	-	-	154,317,661	137,272,899	-	-	137,272,899
Contributions and grants	22,664,418	50,000	-	22,714,418	13,067,009	1,434,417	-	14,501,426
Inherent contribution	4,841,419	7,249,586	1,371,425	13,462,430	1,985,805	-	-	1,985,805
Unrealized gains on investments	554,658	-	-	554,658	976,558	-	-	976,558
Interest income	347,997	-	-	347,997	319,607	-	-	319,607
Miscellaneous revenue	484,910	-	-	484,910	1,180,845	-	-	1,180,845
Net assets released from restrictions	2,845,544	(2,845,544)	-	-	779,151	(779,151)	-	-
Total revenues	<u>293,475,239</u>	<u>4,454,042</u>	<u>1,371,425</u>	<u>299,300,706</u>	<u>257,848,947</u>	<u>655,266</u>	<u>-</u>	<u>258,504,213</u>
<b>EXPENSES</b>								
Program services:								
Contract services and products	94,956,101	-	-	94,956,101	91,718,680	-	-	91,718,680
Rehabilitation and vocational programs	161,461,598	-	-	161,461,598	131,181,632	-	-	131,181,632
	<u>256,417,699</u>	<u>-</u>	<u>-</u>	<u>256,417,699</u>	<u>222,900,312</u>	<u>-</u>	<u>-</u>	<u>222,900,312</u>
Supporting services:								
Management and general	39,594,457	-	-	39,594,457	33,702,035	-	-	33,702,035
Development	1,865,951	-	-	1,865,951	1,612,479	-	-	1,612,479
	<u>41,460,408</u>	<u>-</u>	<u>-</u>	<u>41,460,408</u>	<u>35,314,514</u>	<u>-</u>	<u>-</u>	<u>35,314,514</u>
Total expenses	<u>297,878,107</u>	<u>-</u>	<u>-</u>	<u>297,878,107</u>	<u>258,214,826</u>	<u>-</u>	<u>-</u>	<u>258,214,826</u>
Change in net assets	(4,402,868)	4,454,042	1,371,425	1,422,599	(365,879)	655,266	-	289,387
Net assets at beginning of year	<u>32,810,556</u>	<u>2,224,538</u>	<u>584,428</u>	<u>35,619,522</u>	<u>33,176,435</u>	<u>1,569,272</u>	<u>584,428</u>	<u>35,330,135</u>
Net assets at end of year	<u>\$ 28,407,688</u>	<u>\$ 6,678,580</u>	<u>\$ 1,955,853</u>	<u>\$ 37,042,121</u>	<u>\$ 32,810,556</u>	<u>\$ 2,224,538</u>	<u>\$ 584,428</u>	<u>\$ 35,619,522</u>

The accompanying notes are an integral part of these consolidated financial statements.

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

## Consolidated Statements of Cash Flows

For the years ended September 30, 2018 and 2017

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,422,599	\$ 289,387
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	4,432,003	4,116,984
Bad debt provision	4,850,731	299,600
Inherent contribution	(13,462,430)	(1,985,805)
Unrealized gains on investments	(554,658)	(976,558)
Changes in assets and liabilities:		
Accounts receivable	(3,281,883)	(8,829,574)
Contribution receivable	2,318,436	(594,742)
Inventories	157,979	12,270
Prepaid expenses and other assets	(3,883,995)	(1,951,224)
Beneficial interest in remainder trust	6,363	(52,847)
Accounts payable and accrued liabilities	2,785,750	3,181,808
Deferred revenue	(934,386)	1,421,674
Other liabilities	614,594	822,186
Net cash used in operating activities	<u>(5,528,897)</u>	<u>(4,246,841)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	43,028	8,015,797
Purchase of investments	(2,446,391)	(4,415,301)
Cash received in acquisition	906,169	4,470,103
Capital expenditures	<u>(4,542,620)</u>	<u>(2,228,568)</u>
Net cash (used in) provided by investing activities	<u>(6,039,814)</u>	<u>5,842,031</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) increase in advances from government agency	(14,639)	1,500,000
Change in revolving loans	(249,000)	1,166,575
Proceeds from notes payable	9,564,622	-
Repayment of notes payable	(982,488)	(745,144)
Repayment of capital lease obligations	<u>(287,862)</u>	<u>(132,832)</u>
Net cash provided by financing activities	<u>8,030,633</u>	<u>1,788,599</u>
(Decrease) increase in cash and cash equivalents	<u>(3,538,078)</u>	<u>3,383,789</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>14,353,025</u>	<u>10,969,236</u>
End of year	<u>\$ 10,814,947</u>	<u>\$ 14,353,025</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash interest paid during the year	<u>\$ 1,834,062</u>	<u>\$ 1,443,501</u>
Fixed assets acquired through capital lease	<u>\$ 1,044,131</u>	<u>\$ -</u>

The accompanying notes are an integral part of these consolidated financial statements.

# **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

## **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

---

### **1. ORGANIZATION AND NATURE OF ACTIVITIES**

Fedcap Rehabilitation Services, Inc. ("FRS") is a private, nonprofit organization incorporated under the laws of New York State. FRS is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

FRS was founded to provide a comprehensive range of vocational and related services to individuals with disabilities and other work-related disadvantages who face significant barriers to employment. FRS's goal is to help each person achieve independence, integration into the community and full participation in the economic mainstream.

FRS provides contract services and products within custodial, homecare, office services, and industrial divisions of FRS. The primary customers in these divisions are federal, and New York State and City agencies and certified home health agencies, that contract with FRS for services.

As part of FRS's rehabilitation and vocation programs, FRS provides vocational evaluations, training, and employment services and other government-funded employment and job search programs. Evaluations combine aptitude tests, computerized assessments, and vocational counseling. After evaluation, FRS offers training in mail clerk/messenger services, building/custodial services, culinary arts/food services, data entry, office skills, document imaging, hospitality operations, and security operations. FRS then seeks to employ individuals who have successfully completed FRS's rehabilitation and vocational programs. FRS also offers the Chelton Loft, a voluntary clubhouse program for people with a history of serious mental illness. FRS also has a vocational education program and a licensed mental health program.

On July 1, 2011, FRS acquired and became the sole member of Wildcat Services Corporation ("Wildcat"), a nonprofit entity located in New York City that provides employment training, jobs placement and "supportive employment" opportunities for individuals with barriers to employment.

On October 1, 2012, FRS acquired and became the sole member of ReServe Elder Service, Inc. ("ReServe"), a nonprofit entity located in New York City that matches continuing professionals age 55+ with organizations that need their expertise. ReServe provides direct services, administrative support, and capacity-building expertise in schools, social service agencies, cultural institutions, and public agencies.

On October 1, 2013, FRS acquired and became the sole member of Community Workshops, Inc. (d/b/a Community Work Services) ("CWS"), a nonprofit corporation located in Boston, Massachusetts, whose mission is to help people who have barriers to work obtain employment and achieve greater self-sufficiency through job training, placement, and support services.

On September 1, 2015, FRS acquired and became the sole member of Easter Seals New York, Inc. ("ESNY"), a nonprofit entity whose purpose is to provide program and services for people with disabilities, assistance to people with disabilities and their families, assistance to communities in developing necessary and appropriate resources for residents, and a climate of acceptance for people with disabilities which will enable them to contribute to the well-being of the community.

On May 1, 2016, ESNY received a contribution in the form of a Red Mango franchise, incorporated as 1184 Deer Park Ave., Inc. ("1184" or "Red Mango"). 1184 is currently managed as a for profit corporation, and operates as a social enterprise which includes a training center and employment opportunities for veterans.

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

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On May 1, 2016, FRS acquired and became the sole member of Granite Pathways, Inc. ("GP"), a nonprofit entity whose mission is to provide services to empower and support adults with mental illness to pursue their personal goals through education, employment, stable housing, and meaningful relationships.

On September 1, 2016, FRS acquired and became the sole member of Easter Seals Rhode Island, Inc. ("ESRI"), a nonprofit entity whose purpose is to provide services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.

On November 1, 2016, GP became the sole member of Seacoast Pathways, Inc ("Seacoast") a nonprofit entity whose mission is to support adults living with mental illness on their paths to recovery through the work-ordered day.

On February 1, 2017, FRS became the sole member of Single Stop USA Inc. ("SS"), a nonprofit entity that provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency.

On October 31, 2017, FRS entered into a combination agreement with Benevolent to become its sole member. This combination was predicated on the similarities of mission and enhancement of our ability to provide economic wellbeing for the individuals we serve. The combination further diversifies funding to individuals and families in need, through non-government sources.

On April 1, 2018, FRS entered into a combination agreement with MVLE to become its sole member. MVLE provides employment, support and rehabilitation services to individuals with disabilities in the Northern Virginia and Washington, D.C. area. This combination was predicated on the synergies of mission and geographic expansion of services in the Mid-Atlantic Region.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals Central Texas ("ESCT") to become its sole member. ESCT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the Central Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESCT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals North Texas ("ESNT") to become its sole member. ESNT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the North Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESNT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island.

Collectively, FRS, Wildcat, ReServe, CWS, ESNY, I184, GP, ESRI, SS, Seacoast, Benevolent, MVLE, ESCT, and ESNT are referred to as "FEDCAP."

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

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## 2. SUMMARY OF ACCOUNTING POLICIES

### Basis of Presentation

The accompanying consolidated financial statements of FEDCAP have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") using the accrual basis of accounting. All intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

Accordingly, FEDCAP's consolidated financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets and changes in net assets as follows:

Unrestricted Net Assets - consist of all funds which are expendable, at the discretion of FEDCAP's management and Board of Directors, for carrying on daily operations. These funds have neither been restricted by donors nor set aside for any specific purpose.

Temporarily Restricted Net Assets - net assets that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of FEDCAP pursuant to those stipulations.

Permanently Restricted Net Assets - net assets subject to donor-imposed stipulations that require resources to be maintained as funds of a permanent duration.

### Cash Equivalents

FEDCAP considers all highly liquid debt instruments with a maturity of three months or less at the date of purchase, including investments in short-term certificates of deposit and certain money market funds, to be cash equivalents.

### Contribution and Grant Revenue

FEDCAP records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets received and contributions with donor stipulations that limit the use of donated assets are classified as either permanently restricted if FEDCAP is required to maintain the contribution permanently or temporarily restricted if the stipulation limits the use of the contribution to specific purposes or a time period. Contributions with donor restrictions that are received and met in the same fiscal year are recorded as unrestricted contributions. Otherwise, once stipulated time restrictions end or purpose restrictions are accomplished, temporarily restricted net assets are reclassified to unrestricted net assets as "net assets released from restrictions" in the accompanying consolidated statements of activities.

### Revenue Recognition and Deferred Revenue

FEDCAP's revenue primarily relates to contract services and products, and rehabilitation and vocational programs. FEDCAP recognizes such revenue ratably over a contract's term for those with fixed rates. For performance-based contracts, revenues are recognized in the period when related expenditures have been incurred, milestones have been achieved, or services have been performed in compliance with the respective contracts. FEDCAP also generates revenue from the sale of related products, which is recognized at the time of shipment.

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

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Deferred revenue represents cash received in advance of services and will be recognized as the services are performed. Deferred revenue amounted to \$4,129,907 and \$5,064,293 as of September 30, 2018 and 2017, respectively.

#### **Allowance for Doubtful Accounts**

The carrying value of contributions and accounts receivable are reduced by an appropriate allowance for uncollectible accounts, and therefore approximates net realizable value. FEDCAP determines its allowance by considering a number of factors, including the length of time receivables are past due, FEDCAP's previous loss history, the donor's current ability to pay its obligation, and the condition of the general economy and the industry as a whole. Receivables outstanding longer than the payment terms are considered past due. FEDCAP writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are recorded as income in the period received.

#### **Inventories**

Inventories, mainly consisting of distress marker light products and related components, are valued at the lower of cost or net realizable value. Cost is determined principally by the first-in, first-out method.

#### **Fixed Assets**

Fixed assets purchased for a value greater than \$1,000 and with depreciable lives greater than one year are carried at cost, net of accumulated depreciation. Depreciation is provided over the estimated useful life of the respective asset and ranges from 3 to 40 years. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Leasehold improvements are amortized based on the lesser of the estimated useful life or remaining lease term.

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### **Commissions**

FEDCAP pays commissions to an unrelated not-for-profit entity and a New York State entity to provide information on government contracts that need competitive bids for services. The contracts provide for commissions to be paid to these organizations in the range of 0.85% to 4.00% of the contract amount. Commissions paid relating to these contracts amounted to \$2,401,578 and \$2,568,642 for the years ended September 30, 2018 and 2017, respectively, and are included within contract services and products expense in the accompanying consolidated statements of activities.

#### **Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. These estimates and assumptions relate to estimates of collectability of accounts receivable, accruals, useful life of property, plant, and equipment, and impairment of long-lived assets. Actual results could differ from those estimates.



## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

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#### **Fair Value of Financial Instruments**

The fair value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities approximates their carrying value due to their short-term maturities. The fair value of long-term debt approximates carrying value based on current interest rates for similar instruments.

#### **Fair Value Measurements**

FEDCAP follows guidance for fair value measurements that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. It maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the entity. FEDCAP considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to FEDCAP's perceived risk of that instrument.

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

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#### Beneficial Interest in Remainder Trusts

Donors have established and funded trusts held by third parties under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. Upon termination of the trusts, FEDCAP will receive the assets remaining in the trusts. Trusts are recorded as increases to net assets at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trusts. At September 30, 2018 and 2017, FEDCAP's interest in these trusts is reflected at fair value in the accompanying consolidated statements of financial position and is classified as Level 3 within the fair value hierarchy.

	2018	2017
Balance, beginning of year	\$ 628,759	\$ 575,912
Contributions / additions	4,024,343	8,578
Distributions	(5,911)	(13,516)
Depreciation (appreciation)	(452)	57,785
Balance, end of year	<u>\$ 4,646,739</u>	<u>\$ 628,759</u>

#### Impairment of Long-lived Assets

FEDCAP reviews the carrying values of its long-lived assets, including property and equipment and other assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Recoverability of long-lived assets is assessed by a comparison of the carrying amount of the asset to the estimated future net cash flows expected to be generated by the asset.

If estimated future net cash flows are less than the carrying amount of the asset, the asset is considered impaired and an expense is recorded in an amount to reduce the carrying amount of the asset to its fair value.

#### Tax-Exempt Status

Fedcap follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

Fedcap is exempt from federal income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to their respective exempt purpose, unless that income is otherwise excluded by the Code. These organizations have processes presently in place to ensure the maintenance of their tax-exempt status; to identify and report unrelated income; to determine their filing and tax obligations in jurisdictions for which they have nexus; and to identify and evaluate other matters that may be considered tax positions. Fedcap has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

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1184, a for-profit corporation, commenced business operations in May of 2016; the Organization has not calculated a tax provision as the projected tax liability is immaterial from a financial statement perspective. In addition, 1184 has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

#### 3. CONTRIBUTIONS RECEIVABLE

At September 30, 2018 and 2017, contributions receivable, net of the allowance for doubtful accounts, consisted of the following:

	<u>2018</u>	<u>2017</u>
Amounts due within one year	\$ 1,237,222	\$ 3,074,667
Amounts due in one to five years	<u>309,306</u>	<u>10,711</u>
	1,546,528	3,085,378
Less: allowance for uncollectible receivables	<u>(250,000)</u>	<u>-</u>
	<u>\$ 1,296,528</u>	<u>\$ 3,085,378</u>

Approximately 26% of the contributions receivable (gross) is due from one donor at September 30, 2018. Approximately 69% of the contributions receivable (gross) is due from two donors at September 30, 2017.

#### 4. INVESTMENTS

Investments, at fair value, consisted of the following at September 30:

	<u>2018</u>	<u>2017</u>
Money market funds	\$ 5,329,461	\$ 3,176,676
Mutual funds	<u>12,897,809</u>	<u>11,547,459</u>
	<u>\$ 18,227,270</u>	<u>\$ 14,724,135</u>

FEDCAP's mutual fund investments are classified as Level 1 within the fair value hierarchy. FEDCAP's money market fund investments do not meet the definition of a security under US GAAP, and as such, the disclosure requirements for fair value measurements are not applicable.

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

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#### 5. INVENTORIES, NET

Inventories consisted of the following at September 30:

	2018	2017
Inventories:		
Raw materials	\$ 219,880	\$ 369,867
Work-in-process and finished goods	114,810	122,802
Reserve	(90,000)	(90,000)
	<u>\$ 244,690</u>	<u>\$ 402,669</u>

#### 6. PROPERTY, PLANT AND EQUIPMENT, NET

Fixed assets, net, consisted of the following at September 30:

	2018	2017
Land	\$ 1,017,809	\$ 1,017,809
Building improvements	3,492,788	531,382
Buildings	37,052,760	33,280,420
Capital lease - building	35,918,547	35,918,547
Furniture, fixtures and computer systems	14,157,674	11,509,522
Leasehold improvements	<u>9,143,432</u>	<u>7,002,207</u>
	100,783,010	89,259,887
Less: accumulated depreciation	<u>(18,712,293)</u>	<u>(14,335,100)</u>
	<u>\$ 82,070,717</u>	<u>\$ 74,924,787</u>

Depreciation and amortization expense for the years ended September 30, 2018 and 2017 was \$4,432,003 and \$4,116,984, respectively.

#### 7. CAPITAL LEASES

In May of 2014, FRS entered into a condominium leasehold agreement in a building located at 205 East 42nd Street in New York City for 64,303 square feet of space consisting of the entire second and third floor and a portion of the ground floor. FRS began occupying the space in December 2014 and the agreement expires in fiscal 2043. The interest rate is fixed at 4.20%. FRS accounted for this agreement as a capital lease, and as such, the related cost of \$35,918,547 representing the present value of the total future minimum lease payments due at the inception of the agreement, is included within "property, plant and equipment, net" in the accompanying consolidated statements of financial position at September 30, 2018 and 2017. FRS occupied the condominium in December 2014 and recorded depreciation expense of \$1,238,571 in fiscal 2018 and 2017. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$36,353,740 and \$36,461,573, respectively.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
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During fiscal 2015, FRS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$22,074 principal and interest are paid monthly. As of September 30, 2018, and 2017, accumulated depreciation associated with this lease agreement is \$15,452 and \$11,037, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$6,622 and \$11,038, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, CWS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$44,464, principal and interest are paid monthly. As of September 30, 2018, and 2017, accumulated depreciation associated with this lease agreement is \$44,464, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$0 and \$22,232, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$80,785, principal and interest are paid monthly. As of September 30, 2018, and 2017, the accumulated depreciation balance was \$ 52,511 and \$36,040, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, was \$28,627 and \$44,745, respectively. The maturity date is June 30, 2020 and the interest rate is fixed at 6.97%.

In 2015 and 2016, ESCT obtained financing pursuant to a capital lease to finance equipment in the amount of \$109,418, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$5,534. The outstanding principal balance on the leases as of September 30, 2018 was \$47,190. The maturity dates run through May 14, 2021 with varying interest rates from 0% - 0.99%.

During fiscal 2018, ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$ 128,298, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$35,573. The outstanding principal balance on the lease as of September 30, 2018 was \$93,362. The maturity dates are through June 30, 2022 and the interest rate is fixed at 6.70% and 8.00%.

During fiscal 2018, FRS and ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$370,074, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$122,766. The outstanding principal balance on the lease as of September 30, 2018 was \$248,418.

During fiscal 2018, FRS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$82,264 principal and interest are paid monthly. As of September 30, 2018, accumulated depreciation associated with these lease agreements is \$13,914. The outstanding principal balance on the lease as of September 30, 2018 is \$77,578. The maturity dates are through November 30, 2022 and the interest rate varies from 7.10% to 7.45%.

On September 14, 2018, FRS obtained financing pursuant to a capital lease to finance office furniture in the amount of \$463,495, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$0. The outstanding principal balance on the lease as of September 30, 2018 was \$440,320. The maturity dates are through June 2023 and the interest rate is 6.58%.

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

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The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of September 30, 2018:

<u>Year Ending September 30,</u>	
2019	\$ 1,944,244
2020	2,156,611
2021	2,159,924
2022	2,089,325
2023	1,990,114
2023	<u>52,678,445</u>
Total minimum lease payments	63,018,663
Less: Amount representing interest	<u>(25,722,806)</u>
Present value of net minimum lease payments	<u>\$ 37,295,857</u>

#### 8. REVOLVING LOANS

##### Israel Discount Bank of New York

FRS entered into a revolving loan agreement with Israel Discount Bank of New York ("IDB") to finance working capital needs with an aggregate principal amount not to exceed \$15,000,000. The line is collateralized by FRS's accounts receivable and matured on January 18, 2019. The interest rate for the revolving loan agreement is the Prime Rate. As of September 30, 2018, and 2017, FEDCAP had borrowings on this line of credit of \$14,653,273, respectively, at an interest rate of 5.25% and 4.25%, respectively. Subsequent to year end, the maturity date was extended, see Note 20.

##### RBS Citizens Bank, N.A.

ESNY has an agreement with RBS Citizens Bank, N.A for a \$3,000,000 revolving line of credit with FRS as the co-borrower, which matured on December 15, 2018 and was subsequently extended until May 2019. As of September 30, 2018, and 2017, ESNY had borrowings on this line of credit of \$3,000,000, respectively, at an interest rate of 4.5% and 3.50%, respectively.

##### Frost Bank

ESCT obtained an uncollateralized revolving line of credit with Frost Bank with a \$200,000 limit that matured on February 6, 2019. As of September 30, 2018, ESCT had borrowings on this line of credit of \$200,000 at a floating interest rate, defined as 1.75% plus the financial institution's prime rate. This line of credit was paid in full in February 2019.

#### 9. LONG-TERM DEBT

##### Notes Payable

On December 5, 2014, ESNY entered into a \$1,980,000 mortgage note payable to finance the acquisition of certain property located in Valhalla, New York. The note was secured by the property and is guaranteed by FRS. The interest rate is 3.66% for the first 60 months then, as of the first day of the sixty-first month, the interest rate will reset to 1.75% in excess of the then bank's five-year Cost of Funds. In no event shall

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the reset rate be less than 3.66%. Principal and interest of \$9,153 is payable monthly through the maturity date of January 1, 2025. At September 30, 2018 and 2017, the outstanding principal balance was \$1,832,909 and \$1,874,696, respectively.

On November 4, 2016, MVLE entered into a \$350,000 note payable with Union Bank & Trust. The note is secured by accounts receivable and equipment. The interest rate is 4.5% and principal and interest are paid monthly. The note matures in November 2019. As of September 30, 2018, the outstanding principal balance was \$142,471.

On Dec 13, 2016, ESCT entered into a \$18,558 note payable with J.P. Morgan Chase Bank, N.A. The note is secured by the assets of ESCT. The interest rate is 6.1% and principal and interest are paid monthly. The note matures in December 2021. As of September 30, 2018, the outstanding principal balance was \$12,702.

On May 18, 2017, ESCT entered into a \$243,650 note payable with Wells Fargo, N.A. The note is secured by accounts receivable and equipment. The interest rate is defined at a variable rate plus prime and principal and interest are paid monthly. The note matures in May 2020. As of September 30, 2018, the outstanding principal balance was \$151,086.

**Bonds Payable**

In December 2013, FRS entered into a Loan Agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the purchase of the sixth floor of a building located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$18,450,000 of tax-exempt revenue bonds ("Series 2013A"). Monthly payments of interest commenced in June 2014. The Series 2013A bonds have a coupon rate of 4.2% with a maturity date of December 1, 2033. The Series A bonds were placed with IDB and, as part of the bond purchase and continuing covenant agreement between FRS and IDB, FRS must maintain a minimum balance with IDB of \$4,000,000, which is included within investments in the accompanying consolidated statements of financial position at September 30, 2018 and 2017. At September 30, 2018 and 2017, the outstanding principal balance of the Series 2013A bonds was \$17,025,000 and \$17,520,000, respectively.

In December 2010, ESNY in connection with the Monroe County Industrial Development Corporation and RBS Citizens Bank, N.A. issued \$5,250,000 in Series 2010 tax-exempt Revenue Bonds ("Series 2010"). The Series 2010 bonds were used to finance the acquisition of certain property located in Irondequoit, New York and to refinance certain ESNY debt. The Series 2010 bonds are secured by a mortgage on all properties and improvements financed by the bond and are guaranteed by FRS. ESNY may elect to prepay some portion or all of the outstanding bonds subject to a prepayment fee as defined in the agreement. The agreement also requires bank approval prior to ESNY incurring additional indebtedness. The Series 2010 bonds are subject to tender for mandatory purchase at the election of the bondholder beginning June 1, 2016 and thereafter every five years through June 1, 2036. At September 30, 2018 and 2017, the outstanding principal balance of the Series 2010 bonds was \$4,399,430 and \$4,537,395, respectively.

On February 23, 2011, ESNY entered into an interest rate swap agreement with a bank in connection with the Series 2010 Bonds. The swap agreement had an outstanding notional amount of \$4,257,920 and \$4,526,910 at September 30, 2018 and 2017, respectively. The outstanding notional amount decreases, in conjunction with bond principal reductions, until the agreement terminates in January 2031. ESNY remits interest at a fixed rate of 2.99% and receives interest at a variable rate (68% of the sum of the monthly LIBOR rate plus 2.65% (3.34% at September 30, 2018 and 2017, respectively)). The fair value of the interest rate swap agreement as of September 30, 2018 and 2017 reflected a liability of \$355,400

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and \$625,315, respectively. The swap is included within other liabilities in the accompanying consolidated statement of financial position, and is classified as Level 2 within the fair value hierarchy.

In December 2017, FRS entered into a loan agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the renovation, equipping and furnishing of the improvements of the sixth floor located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$9,280,000 of tax-exempt revenue bonds ("Series 2017A") and \$715,000 of taxable revenue bonds ("Series 2017B"). Monthly payments of interest commenced in February 2018. The Series 2017A bonds have a coupon rate of 3.9% with a maturity date of December 1, 2042. The Series 2017B bonds have a coupon rate of 4.5% with a maturity date of December 1, 2027. The 2017A and 2017B bonds were placed with TD Bank. At September 30, 2018, the outstanding principal balance of the Series 2017A and 2017B bonds was \$9,116,787 and \$671,807 respectively.

The following is a summary of minimum principal payments due on the notes and bonds at September 30, 2018:

	Notes Payable	Bonds Payable	Total
<b>Year Ending September 30,</b>			
2019	\$ 176,504	\$ 922,577	\$ 1,099,081
2020	181,280	981,862	1,163,142
2021	50,348	1,019,829	1,070,177
2022	48,574	1,063,272	1,111,846
2023	49,307	1,105,555	1,154,862
Thereafter	<u>1,633,155</u>	<u>26,119,929</u>	<u>27,753,084</u>
Total	<u>\$ 2,139,168</u>	<u>\$ 31,213,024</u>	<u>33,352,192</u>
Less: current portion			1,099,081
Less: bond issuance cost			<u>915,819</u>
Long-term debt, net of current portion			<u>\$ 31,337,292</u>

#### 10. ADVANCES FROM GOVERNMENT AGENCY

On August 1, 2012, FRS entered in a contract with New York City Human Resources Agency ("HRA") to operate HRA's WeCare program in the boroughs of Brooklyn and Queens. Under the terms of the contract, HRA may make advances for working capital purposes. These advances are non-interest bearing and will be recouped during the course of the contract in accordance with HRA policy, but no later than the last year of the contract. On September 29, 2017, FRS received a loan of \$1,500,000 from the Fund for the City of New York to cover operating expenses pending receipt of funds from HRA. This loan is non-interest bearing and will be repaid no later than 30 days from the date of the loan, upon receipt of the funds from HRA or on demand for payment by the Fund for the City of New York. At September 30, 2017, the balance from this loan was \$1,500,000. This loan was repaid in November 2017.

On August 30, 2018 FRS received a loan of \$1,485,361 from the Fund for the City of New York to cover operating expenses pending contract registration and receipt of funds from HRA. This loan is non-interest bearing and will be repaid no later than 30 days from the date of the loan, upon receipt of the funds from



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HRA or on demand for payment by the Fund for the City of New York. At September 30, 2018, the balance from this loan was \$1,485,361. This loan was repaid in November of 2018.

**11. FORGIVEABLE CAPITAL ADVANCES**

ESCT has received financial assistance for property acquisition costs from Housing and Urban Development ("HUD") and the Austin Housing Finance Corporation ("AHFC"). Under the terms of the agreements, funds were provided to ESCT in the form of forgivable capital advances to purchase thirty-four housing entities. The principle and any interest are not due and will be forgiven upon maturity, as long as ESCT continues to meet the requirements to maintain the housing units available for low income persons with disabilities. ESCT believes that the possibility that repayment will occur is remote and as such that the treatment of the advance as a contribution upon receipt is appropriate. Accordingly, the advances were recorded as temporarily restricted contributions that are released from restriction over the life of the agreement.

The following table summarizes the forgivable capital advances as of September 30, 2018:

	<u>Amount of Original Advance</u>
<b>Housing I</b>	
U.S. Department of Housing and Urban Development, interest rate of 5.375%, due unless forgiven on October 11, 2045, secured by six rental housing units. At September 30, 2018, \$279,635 was included in temporarily restricted net assets related to the Note.	\$ 413,000
<b>Housing II</b>	
U.S. Department of Housing and Urban Development, interest rate of 5.250%, due unless forgiven on April 1, 2048, secured by ten rental housing units. At September 30, 2018, \$527,767 was included in temporarily restricted net assets related to the Note.	713,600
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on May 1, 2049, secured by ten rental housing units, subordinate to the \$713,600 loan. At September 30, 2018, \$382,292 was included in temporarily restricted net assets related to the Note.	500,000
<b>Housing III</b>	
U.S. Department of Housing and Urban Development, interest rate of 4.125%, due unless forgiven on December 1, 2050, secured by eight rental housing units. At September 30, 2018, \$595,003 was included in temporarily restricted net assets related to the Note.	739,900
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on November 30, 2050, secured by eight rental housing units, subordinate to the \$739,900 loan. At September 30, 2018, \$397,853 was included in temporarily restricted net assets related to the Note.	494,740
<b>Housing IV</b>	
U.S. Department of Housing and Urban Development, interest rate of 4.125%, due unless forgiven on February 15, 2053, secured by ten rental housing units. At September 30, 2018, \$920,990 was included in temporarily restricted net assets related to the Note.	1,070,400

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	<u>Amount of Original Advance</u>
<b>Housing IV (continued)</b>	
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on February 28, 2053, secured by ten rental housing units, subordinate to the \$1,070,400 loan. At September 30, 2018, \$537,673 was included in temporarily restricted net assets related to the Note.	<u>624,898</u>
Total	<u>\$ 4,556,538</u>

**12. COMMITMENTS AND CONTINGENCIES**

FEDCAP has leases for offices, program related facilities, and equipment expiring at various dates through 2032. The approximate future minimum lease commitments under existing operating leases are as follows:

<u>Year Ending September 30,</u>	
2019	\$ 7,856,201
2020	5,581,739
2021	5,042,998
2022	4,752,045
2023	3,084,738
Thereafter	<u>10,004,661</u>
Total	<u>\$ 36,322,382</u>

Certain office leases contain renewal and escalation clauses. For leases with escalation clauses, FEDCAP recognized rent expense on a straight-line basis and recognized a deferred rent liability of \$4,376,734 and \$1,773,782 at September 30, 2018 and 2017, respectively, which is included in other liabilities in the accompanying consolidated statements of financial position. In addition to the base rents, FEDCAP is obligated to pay additional amounts for increased operating costs.

Rent expense was \$12,639,752 and \$11,208,061 for the years ended September 30, 2018 and 2017, respectively.

FEDCAP sublets a portion of its facilities to tenants under operating leases that expire between April 2017 and December 2025. For the years ended September 30, 2018 and 2017, rental income from these subleases was \$562,172 and \$293,318, respectively. The future minimum sublease rental payments to be received are as follows:

<u>Year Ending September 30,</u>	
2019	\$ 451,974
2020	309,641
2021	279,677
2022	290,411
Thereafter	<u>989,946</u>
Total	<u>\$ 2,321,649</u>

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FEDCAP is engaged in various lawsuits incidental to its operations. In the opinion of management, the ultimate outcome of pending litigation will not have a material adverse effect on the consolidated financial position and results of operations of FEDCAP.

FEDCAP participates in a number of federal and state programs. These programs require that FEDCAP comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government contracts by government agencies is presently not determinable, it should not, in the opinion of management, have a material effect on FEDCAP's financial position or change in net assets. Accordingly, no provision for any such liability that may result has been made in the accompanying consolidated financial statements.

#### 13. TUITION REVENUE

FRS receives funding for the Career Design School from the New York State Education Department, administered by the Bureau of Proprietary School Supervision. Gross tuition income, which equaled net tuition income, was \$1,012,460 and \$1,094,605 for the years ended September 30, 2018 and 2017, respectively, and has been included within rehabilitation and vocational programs in the accompanying consolidated statements of activities.

#### 14. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted for the following purposes as of September 30, 2018 and 2017:

	2018	2017
For use in future periods for:		
Employment and job search programs	\$ 122,221	\$ 602,111
ESCT HUD capital advances	3,641,213	-
Time restricted	2,915,146	1,622,427
Total	<u>\$ 6,678,580</u>	<u>\$ 2,224,538</u>

Net assets released from restrictions during the years ended September 30, 2018 and 2017 were as follows:

	2018	2017
Employment and job search programs	\$ 490,089	\$ 779,151
ESCT HUD capital advances	915,325	-
Time restricted	1,440,130	-
Total	<u>\$ 2,845,544</u>	<u>\$ 779,151</u>

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

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#### 15. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are comprised of the following as of September 30, 2018 and 2017:

	<u>2018</u>	<u>2017</u>
Easter Seals endowment	\$ 1,880,853	\$ 509,428
ReServe endowment	<u>75,000</u>	<u>75,000</u>
	<u>\$ 1,955,853</u>	<u>\$ 584,428</u>

#### 16. RELATED PARTY TRANSACTIONS

Members of the Board of Directors of FEDCAP are associated with a law firm that has provided legal services to FEDCAP with fees of \$381,465 and \$312,012 during the years ended September 30, 2018 and 2017, respectively.

A CWS Board member is a trustee of the Eaton Fund. CWS leases its facilities from the Eaton Fund. Rent paid to Eaton Fund for each of the years ended September 30, 2018 and 2017 was \$129,996.

#### 17. EMPLOYEE BENEFIT PLANS

Effective January 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employee voluntary salary reduction contributions. Employees are eligible to participate in the plan as of their employment date.

Effective October 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employees working on government contracts with a defined contribution pension plan based on a contractual formula. Employees are eligible to participate in the plan upon satisfactory completion of a three-month probationary period.

Effective October 1, 1994, FEDCAP established a Defined Contribution Plan under Section 403(b) of the Internal Revenue Code for qualified participants, primarily employees who do not work on contracts. In November 1, 2010, the Defined Contribution Plan was amended to allow all employees to participate in the plan immediately upon hire. FEDCAP matches employee contributions up to 3% of their salaries. Employer matching contributions fully vest after three years of employment.

Plan contributions are invested in one or more of the funding vehicles available to participants under the plans. Each participant is fully and immediately vested in employee contributions. Employer contributions to the plans amounted to \$6,648,313 and \$6,186,322 for the years ended September 30, 2018 and 2017, respectively.

#### 18. ACQUISITIONS

On February 1, 2017, FRS entered into a combination agreement with Single Stop USA, Inc. to become its sole member. The determination to acquire Single Stop USA, Inc. was predicated on the similarities in mission. Single Stop provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$1,947,081 was

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On November 1, 2016, GP entered into a combination agreement with Seacoast Pathways, Inc. to become its sole member. The determination to acquire Seacoast Pathways, Inc. was predicated on the similarities in mission and a geographic expansion of services in the New England Region. The mission of Seacoast Pathways is to support adults living with mental illness on their paths to recovery through the work-ordered day. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$38,724 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisitions for the year ended September 30, 2017:

	Single Stop USA	GP	Total
Cash and cash equivalents	\$ 4,434,379	\$ 35,724	\$ 4,470,103
Accounts receivables, net	252,430	-	252,430
Contributions and grants receivables	1,449,503	-	1,449,503
Investments	-	3,000	3,000
Prepaid expenses and other assets	131,553	-	131,553
Other assets	271,816	-	271,816
Property, plant and equipment, net	958,033	-	958,033
Accounts payable and accrued liabilities	(2,671,188)	-	(2,671,188)
Deferred revenue	(2,485,700)	-	(2,485,700)
Other liabilities	(393,745)	-	(393,745)
	<u>\$ 1,947,081</u>	<u>\$ 38,724</u>	<u>\$ 1,985,805</u>

On October 31, 2017, FRS entered into a combination agreement with Benevolent to become its sole member. This combination was predicated on the similarities of mission and enhancement of our ability to provide economic wellbeing for the individuals we serve. The combination further diversifies funding to individuals and families in need, through non-government sources. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$1,231 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On April 1, 2018, FRS entered into a combination agreement with MVLE to become its sole member. MVLE provides employment, support and rehabilitation services to individuals with disabilities in the Northern Virginia and Washington, D.C. area. This combination was predicated on the synergies of mission and geographic expansion of services in the Mid-Atlantic Region. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$3,644,595 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals Central Texas ("ESCT") to become its sole member. ESCT provides services to individuals with disabilities throughout the life cycle

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

through outpatient medical rehabilitation, workforce development and community housing and integration programs in the Central Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESCT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$4,368,955 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals North Texas ("ESNT") to become its sole member. ESNT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the North Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESNT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$5,447,649 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisitions for the year ended September 30, 2018:

	Benevolent	MVLE	ESCT	ESNT	Total
Cash and cash equivalents	\$ 5,488	\$ 633,234	\$ 215,266	\$ 52,181	\$ 906,169
Accounts receivables, net	-	2,194,671	665,681	362,658	3,223,010
Grants receivables	-	-	641,971	137,615	779,586
Prepaid expenses and other assets	2,081	82,077	134,423	655,117	873,698
Investments	-	-	-	545,114	545,114
Other assets	-	384,614	120,094	81,151	585,859
Property, plant and equipment, net	-	1,695,518	3,948,025	347,639	5,991,182
Beneficial interest in remainder trust	-	-	-	4,024,343	4,024,343
Accounts payable and accrued liabilities	(6,338)	(817,914)	(762,580)	(353,169)	(1,940,001)
Other liabilities	-	(326,652)	(165,815)	(156,000)	(648,467)
Revolving loans	-	-	(200,000)	(249,000)	(449,000)
Notes payable	-	(200,953)	(228,110)	-	(429,063)
	<u>\$ 1,231</u>	<u>\$ 3,644,595</u>	<u>\$ 4,368,955</u>	<u>\$ 5,447,649</u>	<u>\$ 13,462,430</u>

#### 19. CONCENTRATIONS

FEDCAP provides building services for federal buildings, which comprised 22% and 20% of total revenues during the years ended September 30, 2018 and 2017, respectively. FEDCAP provides offsite data entry personnel, custodial and other services to various branches of the state and city government through one New York State organization, which comprised 7% and 5% of total revenues during the years ended September 30, 2018 and 2017, respectively.

Financial instruments that potentially subject FEDCAP to concentrations of credit and market risk consist principally of cash and cash equivalents on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation ("FDIC") limit. Management does not believe that a significant risk of loss exists due to the failure of a financial institution.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2018 and 2017**

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**20. SUBSEQUENT EVENTS**

FEDCAP evaluated its September 30, 2018 consolidated financial statements for subsequent events through April 8, 2019, the date the consolidated financial statements were available for issuance. FEDCAP is unaware of any events which would require recognition or disclosure in the accompanying consolidated financial statements, except as noted below.

On November 1, 2018, FRS acquired Kennedy Scott, Limited, a United Kingdom company through a stock purchase. Kennedy Scott provides high quality job support, placement, retention and related services to people in the United Kingdom.

On December 31, 2018, FRS entered into an agreement with Israel Discount Bank of New York to extend the maturity date of the revolving loan to October 17, 2020 and to increase the revolving loan, as described in Note 8, by \$10,000,000 to an aggregate principal amount not to exceed \$25,000,000.

## **SUPPLEMENTARY INFORMATION**



**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Financial Position**  
**As of September 30, 2018**

	Fedcap Rehabilitation Services, Inc.	Whitton Services Corporation	Re-Store	Community Work Services	Enter Scale NY	Greene Industries	Red House	Enter Scale RI	Shore Shop	Seaside Industries	Seaside at Seaside	KYLE	Enter Scale CT	Enter Scale VT	Plantations	Capitol Hill
<b>ASSETS</b>																
<b>CURRENT ASSETS</b>																
Cash and cash equivalents	\$ 6,997,812	\$ 25,095	\$ 91,491	\$ 287,649	\$ 513,796	\$ 22,879	\$ 1,961	\$ 57,529	\$ 1,468,440	\$ (166)	\$ 9,853	\$ 75,188	\$ 347,345	\$ 228,300	\$ -	\$ 38,115,947
Accounts receivable (net of allowance for doubtful accounts of approximately \$14,622,800 in 2018 and \$11,174,000 in 2017)	26,048,538	6,025,475	950,225	435,571	4,522,209	675,188	-	973,148	456,854	-	-	1,407,807	1,799,373	1,001,379	-	44,128,181
Investment in accounts receivable	111,522,967	21,481,966	11,463,729	17,680,888	21,882,684	2,297,281	107,543	1,684,451	34,638,174	123,858	1,516	254,731	51,886	1,59,227	(231,891,178)	-
Contributions and grants receivable (net of allowance for non-refundable contributions of approximately \$250,000 in 2018 and \$0 in 2017)	389,631	-	-	-	541,437	276	-	22,228	572,642	1,295	-	127,563	-	-	-	1,296,129
Investments in	241,889	-	-	-	-	-	-	-	-	-	-	-	-	-	-	241,889
Prepaid expenses and other assets	1,776,362	16,393	-	4,775	129,398	7,678	13,759	11,752	1,080,312	-	2,873	288,737	151,173	92,405	-	9,113,708
Total current assets	148,812,222	33,129,361	12,465,245	14,334,913	26,598,178	2,885,671	233,772	2,725,708	38,871,299	124,297	38,422	3,226,862	2,251,967	1,579,836	(231,891,178)	45,898,958
Investments in	11,229,384	-	116,037	-	385,841	-	-	11,536	-	1,808	-	-	88,125	557,860	-	11,229,229
Property, plant and equipment (net)	67,628,829	1,739	38,188	298,129	7,427,116	94,317	94,238	88,416	193,722	-	-	1,621,599	3,979,678	378,782	-	62,676,717
Intangible assets	31,759	-	-	-	-	-	-	-	-	-	-	-	-	32,880	-	31,959
Goodwill (net of impairment loss)	-	-	-	-	577,530	-	-	37,822	-	-	-	-	-	1,032,147	-	2,446,779
Other assets	897,525	-	-	-	264,642	-	-	-	-	-	-	275,176	-	61,751	-	1,175,751
Total assets	\$ 241,598,429	\$ 35,170,489	\$ 12,615,272	\$ 14,629,728	\$ 33,564,634	\$ 3,089,981	\$ 327,422	\$ 2,814,644	\$ 38,664,421	\$ 126,297	\$ 38,422	\$ 5,093,699	\$ 4,379,862	\$ 4,572,554	\$ (231,891,178)	\$ 172,822,488
<b>LIABILITIES AND NET ASSETS</b>																
<b>CURRENT LIABILITIES</b>																
Accounts payable and accrued liabilities	\$ 20,398,979	\$ 288,317	\$ 864	\$ 334,151	\$ 1,472,917	\$ 41,487	\$ 711	\$ 129,364	\$ 4,086,779	\$ 389	\$ 11,973	\$ 882,477	\$ 965,892	\$ 251,431	\$ -	\$ 37,888,738
Intercompany payable	108,474,644	53,673,882	11,899,824	14,617,488	25,089,785	2,887,573	1,875,136	3,071,798	38,377,547	256,887	152,965	137,776	428,353	547,498	(231,891,178)	-
Deferred revenues	198,318	17,469	1,126	-	1,384	-	(1,905)	-	3,581,597	-	-	21,937	-	2,408	-	(1,287,907)
Advances from government agency	1,495,361	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,495,361
Current revolving loans	14,613,123	-	-	-	1,000,000	-	-	-	-	-	-	-	300,000	-	-	(1,751,275)
Current portion of obligations under capital leases	1,672,384	-	-	-	49,702	-	-	-	-	-	-	-	32,873	-	-	(942,214)
Notes payable, current	785,977	-	-	-	113,341	-	-	-	-	-	-	48,315	75,148	-	-	1,099,293
Total current liabilities	117,038,135	73,462,499	11,886,114	14,951,934	29,782,654	2,889,389	1,872,636	3,208,758	46,779,791	256,266	164,278	1,067,661	1,711,888	879,788	(231,891,178)	43,628,611
<b>LONG-TERM LIABILITIES</b>																
Capital lease obligations	31,254,074	-	-	-	72,882	-	-	-	-	-	-	-	31,867	-	-	31,356,943
Notes payable	25,363,773	-	-	-	5,952,915	-	-	-	-	-	-	11,996	68,648	-	-	31,337,292
Revolving loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	1,647,881	17,719	132,377	74,344	499,888	129	2,334	85	494,324	-	-	402,877	291,571	117,465	-	4,678,449
Total liabilities	174,243,869	73,480,218	11,998,491	15,026,278	30,282,546	2,889,518	1,874,970	3,208,873	47,274,115	256,266	164,278	1,470,538	1,812,511	997,253	(231,891,178)	48,306,353
<b>NET ASSETS</b>																
Unrestricted	29,252,416	(473,729)	(1,889,384)	(1,887,315)	(1,213,351)	250,454	(27,423)	(1,886,365)	1,439,479	(128,269)	(124,436)	3,471,486	669,373	1,296,338	-	25,449,648
Temporarily restricted	388,233	-	30,789	-	-	-	-	-	-	-	-	-	3,641,219	2,847,316	-	6,678,588
Permanently restricted	-	-	25,888	2,381	388,688	-	-	-	-	-	-	-	-	1,371,428	-	1,993,855
Total net assets	29,640,649	(473,729)	(1,858,595)	(1,884,934)	(1,213,351)	250,454	(27,423)	(1,886,365)	1,439,479	(128,269)	(124,436)	3,471,486	6,410,608	4,475,082	-	33,122,191
Total liabilities and net assets	\$ 241,598,429	\$ 35,170,489	\$ 12,615,272	\$ 14,629,728	\$ 33,564,634	\$ 3,089,981	\$ 327,422	\$ 2,814,644	\$ 38,664,421	\$ 126,297	\$ 38,422	\$ 5,093,699	\$ 4,379,862	\$ 4,572,554	\$ (231,891,178)	\$ 172,822,488

This statement should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Activities**  
**For the year ended September 30, 2018**

	Unrestricted														
	Fedcap Rehabilitation Services Inc.	Wildcat Services Corporation	ReServe	Community Work Services	Enter Seash New York	Granite Pathways	Red Mango	Enter Seash Rhode Island	Single Step	Seacoast Pathways	Benevolence	NYLE	Enter Seash Central Texas	Enter Seash North Texas	Consolidated
REVENUES															
Contract services and products	\$ 24,263,318	\$ 9,258,242	\$ -	\$ 812,162	\$ -	\$ -	\$ 190,197	\$ -	\$ -	\$ -	\$ -	\$ 2,052,093	\$ -	\$ -	\$ 107,413,612
Rehabilitation and vocational programs	100,672,995	3,534,052	4,677,532	1,749,971	25,244,028	1,234,832	-	1,416,294	3,361,224	3,090	-	4,915,953	1,713,512	1,369,928	154,217,661
Contributions and grants	1,422,499	-	12,273	474,722	349,248	64,792	-	213,445	15,116,944	46,381	23,197	93,549	1,312,306	224,262	22,664,419
Inherent contributions	-	-	-	-	-	-	-	-	-	-	1,231	3,644,393	1,267,176	-	4,841,619
Unrecovered pass-on fee estimates	470,311	-	-	-	64,164	-	-	512	-	-	-	-	-	15,227	534,656
Interest income	332,077	-	1,034	797	2,778	-	-	-	7,477	-	-	191	2	3,281	347,967
Manufacturing revenue	259,421	938	-	102	9,216	-	-	173	5,577	-	-	340,575	79,236	2,469	243,910
Net assets released from restrictions	143,979	-	6,110	-	-	-	-	-	1,426,437	-	-	-	915,325	5,712	2,343,544
Total revenues	198,017,798	13,423,502	4,696,949	4,992,344	25,673,699	1,421,874	390,197	1,629,741	21,166,099	51,161	24,226	10,436,956	1,831,998	1,014,857	191,475,239
EXPENSES															
Program services															
Contract services and products	10,346,744	3,065,941	-	1,115,675	-	-	527,768	-	-	-	-	1,629,723	-	-	14,955,101
Rehabilitation and vocational programs	41,595,134	3,295,411	3,922,531	2,259,100	26,491,309	1,312,232	-	1,519,378	22,405,111	133,876	-	2,042,474	2,155,996	1,297,030	161,461,555
	177,121,918	11,361,354	3,922,531	3,375,765	26,491,309	1,312,232	527,768	1,519,378	22,405,111	133,876	-	4,312,607	2,155,996	1,297,030	236,417,699
Supporting services															
Management and general	24,301,197	1,540,015	1,401,612	1,095,289	1,041,996	134,918	-	136,522	41,060	-	-	2,789,279	728,061	270,298	19,594,457
Development	769,463	-	4,091	40,907	182,974	-	-	245,561	240,000	-	-	345,382	78,761	51,822	1,365,591
	24,141,660	1,540,015	1,405,703	1,136,196	1,224,974	134,918	-	382,083	331,060	-	-	3,134,661	806,822	321,120	21,460,448
Total expenses	216,225,278	15,951,389	5,329,214	4,511,861	29,736,682	1,447,150	527,768	1,791,453	22,736,171	133,876	-	4,312,607	2,155,996	1,618,157	237,879,107
Change in net assets - unrestricted	(8,227,480)	(2,527,887)	(1,632,265)	(1,519,517)	(1,062,983)	(2,024,276)	(137,571)	(171,712)	629,924	(62,495)	-	(124,350)	3,471,401	1,346,530	(4,403,968)
Net assets at beginning of year - unrestricted	34,294,406	(1,335,713)	(1,168,099)	29,502	(181,561)	374,434	(89,156)	(117,094)	300,251	(45,714)	-	-	-	-	32,810,156
Net assets at end of year - unrestricted	\$ 26,066,926	\$ (4,863,600)	\$ (2,800,364)	\$ (1,839,313)	\$ (1,244,544)	\$ (2,050,455)	\$ (247,227)	\$ (786,805)	\$ 1,430,175	\$ (124,350)	\$ (124,350)	\$ 3,471,401	\$ 3,471,401	\$ 1,346,530	\$ 28,407,488
Temporarily Restricted															
	Fedcap Rehabilitation Services Inc.	Wildcat Services Corporation	ReServe	Community Work Services	Enter Seash New York	Granite Pathways	Red Mango	Enter Seash Rhode Island	Single Step	Seacoast Pathways	Benevolence	NYLE	Enter Seash Central Texas	Enter Seash North Texas	Consolidated
REVENUES															
Contributions and grants	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Inherent contributions	-	-	-	-	-	-	-	-	-	-	-	-	3,526,534	2,667,008	7,249,596
Net assets released from restrictions	(481,979)	-	(6,110)	-	-	-	-	-	(1,434,417)	-	-	-	(915,325)	(5,712)	(2,445,544)
Total revenues	(481,979)	-	(6,110)	-	-	-	-	-	(1,434,417)	-	-	-	3,611,209	2,661,296	4,854,052
Change in net assets - temporarily restricted	(481,979)	-	(6,110)	-	-	-	-	-	(1,434,417)	-	-	-	3,611,209	2,661,296	4,854,052
Net assets at beginning of year - temporarily restricted	791,212	-	(1,091)	-	-	-	-	-	1,434,417	-	-	-	-	-	2,224,538
Net assets at end of year - temporarily restricted	\$ 309,233	\$ -	\$ (7,201)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,611,209	\$ 2,661,296	\$ 6,272,500
Permanently Restricted															
	Fedcap Rehabilitation Services Inc.	Wildcat Services Corporation	ReServe	Community Work Services	Enter Seash New York	Granite Pathways	Red Mango	Enter Seash Rhode Island	Single Step	Seacoast Pathways	Benevolence	NYLE	Enter Seash Central Texas	Enter Seash North Texas	Consolidated
REVENUES															
Inherent Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,371,425	\$ 1,371,425
Total revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	1,371,425	-
Change in net assets - permanently restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	1,371,425	1,371,425
Net assets at beginning of year - permanently restricted	-	-	75,000	7,768	501,660	-	-	-	-	-	-	-	-	-	584,428
Net assets at end of year - permanently restricted	\$ -	\$ -	\$ 75,000	\$ 7,768	\$ 501,660	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,371,425	\$ 1,955,853

This statement should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Schedule of Functional Expenses**  
**For the year ended September 30, 2018 (with comparative totals for the year ended September 30, 2017)**

	2018						2017	
	Program Services			Supporting Services			Total Expenses	Total Expenses
	Contract Services and Products	Rehabilitation and Vocational Programs	Total	Management and General	Development	Total		
Salaries and related expenses	\$ 64,831,121	\$ 87,171,397	\$ 152,002,518	\$ 18,061,071	\$ 543,763	\$ 18,604,834	\$ 170,607,352	\$ 154,660,498
Professional fees	113,423	25,140,718	25,254,141	2,759,130	420,672	3,179,802	28,433,943	17,090,960
Professional development and evaluation	52,094	747,241	799,335	132,123	4,025	136,148	935,483	660,987
Materials and supplies	3,608,680	1,797,653	5,406,333	210,071	18,540	228,611	5,634,944	5,629,326
Commissions	2,656,552	11,500	2,668,052	-	-	-	2,668,052	2,943,520
Telephone	174,268	911,010	1,085,278	574,671	7,514	582,185	1,667,463	1,271,348
Postage and shipping	760,678	243,769	1,004,447	78,091	3,626	81,717	1,086,164	1,022,196
Insurance	1,373,800	1,283,658	2,657,458	664,319	8,609	672,928	3,330,386	2,371,710
Occupancy costs	2,427,298	14,728,399	17,155,697	2,167,689	39,011	2,206,700	19,362,397	15,756,227
Equipment rental and maintenance	835,996	610,584	1,446,580	251,619	9,045	260,664	1,707,244	1,520,182
Equipment purchases	340,665	460,452	801,117	23,478	726	24,204	825,321	962,987
Client transportation and travel	336,303	4,382,234	4,718,537	659,059	60,186	719,245	5,437,782	5,668,520
Subscription and printing	25,142	108,809	133,951	88,013	9,997	98,010	231,961	251,122
Technology	453,739	1,700,845	2,154,584	2,062,538	48,820	2,111,358	4,265,942	3,284,437
Interest expense and bank charges	49	37,509	37,558	3,528,905	260	3,529,165	3,566,723	3,079,150
Bad debt provision (recovery)	-	10,877	10,877	4,589,854	250,000	4,839,854	4,850,731	299,600
Subcontractor expense	15,845,823	13,440,507	29,286,330	167,236	-	167,236	29,453,566	27,807,907
Stipends	32,225	4,396,280	4,428,505	50,720	5,056	55,776	4,484,281	3,835,041
Security guard expense	17,820	1,016,874	1,034,694	16,075	13	16,088	1,050,782	924,131
Other	814,148	2,372,594	3,186,742	223,719	435,126	658,845	3,845,587	5,057,893
Total expenses before depreciation and amortization	94,699,824	160,572,910	255,272,734	36,308,381	1,864,989	38,173,370	293,446,104	254,097,842
Depreciation and amortization	256,277	888,688	1,144,965	3,285,076	962	3,287,038	4,432,003	4,116,984
Total expenses	\$ 94,956,101	\$ 161,461,598	\$ 256,417,699	\$ 39,594,457	\$ 1,865,951	\$ 41,460,408	\$ 297,878,107	\$ 258,214,826

*This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.*



## **BOARD OF DIRECTORS**

William Rider – Interim Chairman

Lynn Westaway – Treasurer

Mark Lore

Nick Brattan

## **Lori A. Hebert**

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### **Professional Qualifications**

- Over 15 years of process and customer management combined with an extensive background in private and government contracting operations
- 2 years of civic engagement and advising within Child Welfare

### **Volunteer Experience**

#### **Fairgrounds Elementary School**

##### *Volunteer*

- PTO Board member since 2015
- Member of Leadership and Family Engagement teams
- Member of interview panel for hiring new staff

#### **Nashua Department of Education**

##### *Strategic Planning Committee Member 2018/2019*

- Survey development and input from a parent's perspective
- Mission statement development
- Five-year strategic plan development

### **Civic Engagement and Advising Experience**

#### **NH Department of Health and Human services**

##### **Division for Children Youth and Families**

**2015-2017**

##### *Parent Leader – Practice Advisor*

- Serves as an advisor to the field and the Division's leadership in matters of family engagement
- As a training partner, attends Core Academy Better Together Workshops helping train DCYF staff and foster parents on how to partner with birth parents to improve child welfare outcomes
- Attends bi-monthly Statewide Steering Committee Meetings providing oversight and leadership to the Parent Partner Program, a program that promotes parents as leaders within Child Welfare
- Provides coaching and support to parents new to the system through the peer to peer support model to improve reunification outcomes and the lives of children in New Hampshire

### **Professional Work History**

#### **Granite Pathways**

**2018-Present**

##### *Program Director, Strength to Succeed*

- Program development for peer-to-peer services for families involved within the Division for Child Youth and Families
- Supervise staff including hiring, training/development, managing CRSW (certified recovery support worker) certifications and performance
- Monthly DCYF staff outreach and meeting attendance
- Community collaborations to include location and social determinant services for program participants
- Ongoing development of participant Medicaid building and expansion opportunities for the program

- Monthly and quarterly data reporting on measurables and deliverables

**Department of Health and Human Services  
Division of Health and Human Services (DCYF)**

**2017-2018**

*Parent Consultant*

- Statewide consultation to DCYF within development of internal policies and statewide programs
- Parent Leader recruitment and development
- Participate in planning, testing, evaluation and measurable for new program implementations
- Monthly reporting on measurable and deliverables

**Sunnyside Acura**  
*Concierge*

**2017-2018**

- Front of the house position, face of the dealership in accordance with Honda/Acura standards
- Answering, screening and transferring all phone calls to the dealership
- Administrative work supporting sales, service and accounting departments

**Cityside Management Corporation, Manchester NH**  
*Project Manager*

**2004-2013**

- Government contract bidding process including requests for proposal completions and negotiations
- Development and start up of Housing and Urban Development (HUD) Asset Manager contracts throughout the United States
- HUD program administration and management in accordance with housing regulations and scope of service compliance
- Supervise large staff, including hiring, training/development, employment reviews
- Training and seminar hosting for regional listing brokers
- IT support in developing Asset Management software package
- Manage and coordinate negotiations with HUD Contractors including the Mortgage Compliance Managers and Field Service Manager
- Extensive knowledge with reviewing and implementing government housing regulations
- Member of senior leadership team

*Contract Manager*

- Manage New England Management and Marketing HUD contract
- Manage Property Management, Real Estate and Mortgagee Compliance companies

Education

Keene State College

**PATRICIA M. REED**  
**NEW HAMPSHIRE STATE DIRECTOR**

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**QUALIFICATIONS**

Demonstrated executive with more than 30 years' experience serving individuals with disabilities in children and youth services, addiction services, and residential treatment programs

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**EXPERIENCE**

**2018 New Hampshire State Director, Granite Pathways, Inc.**

- Responsible for overall program management, program expansion and development, fiscal integrity, quality compliance and external relationships in New Hampshire for Granite Pathways, Inc.

**2017 to 2018 Consultant**

- Provide system analysis and consultation for a variety of entities providing services to individuals with intellectual and other developmental disabilities and behavioral health needs
- Led three NH regional agencies serving this population to plan for youth with challenging behaviors to receive adult services to meet their needs in a community based context

**2015 to 2017 Vice President and Chief Operating Officer, Lakeview Management, Inc., Austin TX**

- Responsible to provide program and operations consultation and support to Lakeview Specialty Hospital and Rehabilitation Center in Waterford, WI
- Directed to develop relationships with funders and providers in other states to pursue program development to most effectively utilize Lakeview's resources
- Represented the company in all matters for New England, New Jersey and Pennsylvania

**2015 Executive Director, Lakeview Neurorehabilitation Center, Inc., Effingham, NH**

- Responsible to provide program and operations consultation and support to Lakeview Specialty Hospital and Rehabilitation Center in Waterford, WI
- Directed to develop relationships with funders and providers in other states to pursue program development to most effectively utilize Lakeview's resources
- Represented the company in all matters for New England, New Jersey and Pennsylvania

**2014 to 2015 Children's Director, NH Bureau of Behavioral Health, Concord, NH**

- Responsible to provide leadership in planning and development of the state children's behavioral health system, act as liaison between CMHC Children's programs and the state office for program and client specific information exchange and problem solving
- Provided support to implement statewide initiatives
- Represented the Department of Health and Human Service on the Children's Behavioral Health Collaborative Executive Committee, Steering Committee and various workgroups
- Co-coordinated the Safe Schools/Health Students grant with the Department of Education

**2011 to 2014 Project Director, Health Profession Opportunity Project, NH Office of Minority Health and Refugee Affairs, Concord, NH**

- Directed and implemented a five-year, \$12 million-dollar healthcare workforce development grant to recruit, train and place low income individuals in healthcare jobs
- Developed RFP's, negotiated and managed contracts, and monitored grant and contractor budgets
- Worked closely with regional health care providers to understand their workforce needs; partnered with educational programs and other community groups to ensure that the individuals are well prepared to meet employer expectations for technical and soft skills
- Provided leadership and direction to develop innovative strategies to overcome system based barriers to education, training and self-sufficiency for NH citizens
- Collaborated with other NH workforce programs to efficiently use available resources to achieve shared employment goals

**2002 to 2010 Senior Director of Clinical Services, Easter Seals of NH, Manchester, NH**

- Provided leadership and oversight for the design, organization and delivery of clinical services for Easter Seals NH, including the development of Autism Services, an adolescent program for dual disorder treatment, residential DBT program and management of a residential treatment program for adults with substance abuse issues
- Provided oversight for the DCYF Administrative Case Review contract
- Developed and monitored budgets for programs
- Worked collaboratively with Easter Seals Development to write federal, state, and foundation grants, progress reports and budget monitoring
- Developed relationships with funders and providers in NH and other states to pursue program development and effective treatment and services for individuals and families

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**EDUCATION**

- 1982 – 1987 Boston College, Chestnut Hill, MA: Graduate School of Arts and Science Department of Sociology (Four Year Doctoral Work)
- 1982 B.A. Norte Dame College, Manchester, NH Major- Behavioral Science/ Minor- English Summa Cum Laude, Dean's List

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**RESEARCH EXPERIENCE**

Contracted to assist staff and clients on three community based residential facilities in the development of client self-government programs through participant observation and didactics. Responsible for both training and evaluation. Sites included Seacoast Mental Health Center- Portsmouth, NH and Greater Manchester Mental Health Center- Manchester, NH. Responsible for leading the research design, data collection and reporting for the evaluation of a partial Hospital Program. The primary methodology was intensive interviewing.



## **Tara Mercado**

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### **Summary of Qualifications**

- ICD-10-CM, •EPIC •PCIS •PATCOM •MEDISENSE •Meditech •Carevoyant •eClinical Works LMR/Data view • Ebridge •RIS • ScerIS •PaySpan •Emdeon •CPU •QS1 •Wits •Cerner •Microsoft Office
- Medicare •Medicaid •United HealthCare •Cigna •Anthem •Harvard Pilgrim •Tufts •BCBS •Commercial/Workers Comp Insurances • Self-Pay •State Contracts

### **Education**

<b>Seacoast Career School</b> Manchester, NH Health Claims Certificate	2007
<b>New Hampshire Community Technical College</b> Studied Design	2003-2004
<b>Central High School</b>	1999-2003

### **Professional Background**

<b>Financial/Budget Contract Manager</b> Fed Cap/Granite Pathways • Manchester NH	November 2018 to current
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- Create billing operations and structure for multiple State and Federal funded programs
- Oversight and management of billing staff and workflow
- Maintain stable cash flow and reduced AR over 30 days
- Act as a liaison between multiple recovery programs, billing company and corporate office
- Sort and process incoming correspondence for all programs
- Responsible for communication with clients, vendors, funders and insurance companies
- Developed/Maintain multiple spreadsheets with high volume data entry and measuring metrics
- Review, code and submit vendor invoices and employee expenses to accounts payable
- Maintain risk management processes to ensure revenue is on track and not miscalculated
- Track multiple program budget lines/expenses to ensure budgets are maximized

<b>Billing Representative</b> XRAY Professional Association • Concord NH	October 2017 to October 2018
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- Ancillary Billing
- High volume posting of payments
- Electronic paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds
- Answer high volume patient calls and review monthly statements
- Sort and process incoming correspondence
- Communicate with hospital/facility staff and or responsible parties of patients
- Research payer policies and covered policies via websites

**Billing Representative**

US Labs • Lakeville MA

August 2016 to April 2017

- Lab Billing
- Assist in reducing A/R for multiple payers over 30 days
- Data, Insurance, Order Entry
- Electronic paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds
- Answer patient calls and review monthly statements
- Sort and process incoming correspondence
- Research payer policies via payer websites

**Billing Representative II**

Mass General Physicians Organization • Bedford, NH

December 2012 to July 2016

- Physicians Billing
- Assist in reducing A/R for multiple payers over 30 days
- Identify trends or inconsistencies with payers
- Electronic and paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds, credits
- Maintain quality communication with A/R managers within organization
- Resolve customer service inquiries for patient requests
- Assist GPM with account resolutions with projects or patient/provider concerns
- Sort and process incoming correspondence
- Research payer policies via payer websites

**Claims Resolution Associate**

Affiliated Professional Services • Wareham, MA

October 2011 to October 2012

- Physicians Billing
- Responsible for high volume collections via electronic remittance as well as paper denials
- Complete monthly aging over 45 days on all accounts to improve cash flow
- Obtain all billing information, authorizations, and referrals via phone email and hospital systems
- Process mail, payer denials, attorney requests, PIP exhaust letters, bankruptcies, self-pay statements
- Perform follow up on outstanding claims
- Process paper and/or electronic appeals

**Accounts Receivable/Collections Specialist**

Easter Seals • Manchester NH

December 2007 to June 2010

- Residential and Physicians Billing
- Responsible for high volume collections (65 to 70 calls per day)
- Complete monthly aging reports over 30 days to improve cash flow
- Maintain electronic, web, paper and statement billing for several group homes
- Perform data charge entry for residential stays, schooling and special stays
- Obtain all billing information, authorizations, and referrals via phone email and hospital systems
- Research contracts thru state funded insurances, private carriers, self-pay and responsible school districts
- Maintain monthly reports on revenue adjustments

- Research variances
- Report monthly cash projections for all insurance carriers

### **Achievement/Honors**

- Recipient of the President's Award at Easter Seals. Developed and implemented a new procedure for current staff and state of NH workers to follow. This procedure eliminated revenue adjustments and saved resources for collecting payments on outstanding claims deemed un-collectable. This procedure changed the department goal of outstanding claims from 60 days to 30 days. The result was increased cash flow and reduction in A/R over 90 days.
- Completed – Effective Performance Management Strategy Workshop - 2019

## **Anna Battle, CRSW**

**Qualifications:** Person in long term recovery who has a passion for working and helping others to overcome barriers and find their pathway to recovery. I am an accomplished and energetic professional who is experienced in working in a clinical setting or peer to peer recovery support services.

### **Experience:**

#### **Granite Pathways, Concord NH**

##### *Field Supervisor*

**February 2020- Present**

Assists Director with daily operations of the Strength to Succeed Program. Trains and supervises Parent Partners. Tasked with offering case supports and consultation to Strength to Succeed Staff members. Participates in interviews for potential Parent Partners. Offers support to all nine DCYF district office supervisors and staff. Assists Program Director in file reviews for Medicaid billing quality control at all nine Strength to Succeed catchment areas. Approves and reviews expense reports, time off requests and sick days for Parent Partners. Responsible for continuing personal education on evidence-based peer recovery services. Provides outreach to community partners and maintains professional relationships with partners in the field.

##### *Parent Partner*

**June 2018 – February 2020**

Tasked with receiving referrals from Child Protective and Clinical staff at the Seacoast Division for Children Youth and Families in NH. Liaison between client and DCYF staff members. Provides Recovery Coaching and resources to families involved with DCYF. Provides education and consultation to staff members on Substance Use Disorder, as well as updates on area resources. Provides mentoring to other parent partners in offices state-wide. Participates in planning events in collaboration with DCYF staff for The Seacoast Better Together Team. Assists program director in searching for and writing grants for program sustainability. Conducts on-going outreach in the Seacoast catchment area for the Strength to Succeed program.

#### **Balance Recovery Center, Nashua, NH**

**November 2017 – March 2018**

##### *Community Outreach*

Responsible for creating and maintaining relationships with like organizations in healthcare and Substance Use Disorder treatment field. Verifying various insurance benefits and navigating treatment that accepts clients' insurances. Liaison between client, SUD Treatment Facility and family. Offering recovery coaching in group and individual settings.

#### **Hope on Haven Hill- Rochester, NH**

**September 2016 – September 2017**

##### *Recovery Support Staff*

Tasked with identifying, researching and procuring formal and informal resources in the surrounding communities. Responsible for collecting pertinent demographic and organizational performance data for reporting as needed by the Executive Director. Created and maintained a resource hub where staff, clients and families could access available resources within our surrounding communities. Worked directly with clients to best assess their needs and place them in the proper resource to address such needs. Responsible for jail and institution outreach, frequenting such environments to help individuals access treatment and available services upon release. Worked closely with Clinical Director and Case Manager and provided updates on clients. Offered clients recovery support services for SUD in parallel with coaching on parenting and life skills. Transported clients to court, probation check ins, and the like. Assisted Clinical staff in discharges and voluntary hospitalizations. Supported residents through pregnancy, birth and postnatal NAS care.

### **Education:**

**Portsmouth High School, Class of 2008 - Portsmouth, NH**  
**CCAR Recovery Coach Academy October 2016- Dover, NH**  
**Ethical Considerations for Recovery Coaches, November 2016- Portsmouth, NH**  
**HIV/AIDS Awareness February 2017- Nashua, NH**  
**Suicide Prevention Training, January 2017- Ossipee, NH**  
**Trauma and Compassion Care, October 2016- Rochester, NH**  
**Anti-Stigma Campaign Partnership for a Drug Free NH, November 2016- Concord, NH**  
**Trained at Strafford County DOC in PREA and Safety, October 2016- Dover, NH**  
**Sober Parenting Journey Facilitator, November 2018 – Tilton NH**  
**Supervising Peer Recovery Support Workers, May 2020 – NHADACA**  
**Certified Recovery Support Workers: Performance Domains, April 2020 – NHADACA**

**State Credentials: Certified Recovery Support Worker (CRSW) license number #0155, October 2018 to Present**



### Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Patricia Reed	Granite Pathways State Director	\$105,00	30%	\$31,500
Donna Keefe	Director of New Initiatives	\$77,696	25%	\$19,424
Lori Hebert	STS Program Director	\$60,000	100%	\$60,000
Tara Mercado	Billing Specialist	\$55,000	25%	\$13,750
Anna Battle	STS Field Supervisor	\$48,000	100%	\$48,000



Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9544 1-800-852-3345 Ext. 9544  
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

April 30, 2019

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 for Behavioral Health, to exercise a renewal option with a **sole source** amendment to an existing agreement with one of the contractors listed below (in bold print) for the provision of Targeted Prevention Programming for DCYF-Involved Families with Substance Use Disorder by increasing the contract price limitation by \$1,029,700 from \$1,910,704 to \$2,940,404 in the aggregate, and extending the contract completion date from June 30, 2019 to September 30, 2020, effective upon approval by the Governor and Executive Council. 100% Federal Funds.

The original agreement was approved by the Governor and Executive Council on May 2, 2018 (Item #20).

Contractor Name	Vendor ID	Contractor Address	Current Amount	Increase/ Decrease	Revised Amount
<b>Granite Pathways</b>	228900-B001	10 Ferry Street Concord, NH 03301	\$608,889	\$1,029,700	\$1,638,589
The Family Resource Center at Gorham	162412-B001	123 Main Street Gorham, NH 03581	\$1,301,815	\$0	\$1,301,815
		<b>Total</b>	<b>\$1,910,704</b>	<b>\$1,029,700</b>	<b>\$2,940,404</b>

Funds are available in the following accounts for state fiscal year (SFY) 2019, and are expected to be available in SFY 2020, upon the availability and continued appropriation of funds in the future operating budget, with authority to adjust amounts within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, if needed and justified.

**05-95-92-920510-25590000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH  
AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF  
DRUG AND ALCOHOL, OPIOID STR GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2018	102- 500731	Contracts for Program Services	92052559	\$148,840	\$0	\$148,840
2019	102- 500731	Contracts for Program Services	92052559	\$595,358	\$0	\$595,358
2020	102- 500731	Contracts for Program Services	92052559	\$0	\$0	\$0
			<i>Subtotal</i>	<i>\$744,198</i>	<i>\$0</i>	<i>\$744,198</i>

**05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, DEPT OF HEATH AND  
HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL  
SERVICES, STATE OPIOID RESPONSE GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2019	102- 500731	Contracts for Program Services	92057040	\$568,403	\$431,597	\$1,000,000
2020	102- 500731	Contracts for Program Services	92057040	\$598,103	\$598,103	\$1,196,206
			<i>Subtotal</i>	<i>\$1,166,506</i>	<i>\$1,029,700</i>	<i>\$2,196,206</i>
			<b>Grand Total</b>	<b>\$1,910,704</b>	<b>\$1,029,700</b>	<b>\$2,940,404</b>



### **EXPLANATION**

This request is **sole source** because the requested increase in funding exceeds ten percent (10%) of the original contract price limitation. The Contractor is currently providing the Strength to Succeed (STS) Program, which consists of substance use disorder (SUD) prevention and early intervention services to families who have open cases with the Division for Children, Youth and Families (DCYF) as a result of substance use. The Contractor has established programs in place that provide accessible, integrated services to reduce and mitigate childhood trauma that results from substance use in the family. Core components of the STS program include rapid access to treatment for parents within the DCYF reunification timeframe, DCYF Parent Partner peer support, home visiting services, direct prevention services to children to mitigate risk of substance misuse, and caregiver support for relative caregivers of children exposed to substance use in the home. This request, if approved, will provide additional funding to expand services to an additional group of children and their families and extend the existing program for another fifteen (15) months.

The original services were contracted when the State received funding authorized by the 21st Century CURES Act through the Substance Abuse and Mental Health Services Administration (SAMHSA) State Targeted Response (STR) to the Opioid Crisis grant. The STR grant program ends in FY2019, and funds from that grant were used to expand critical SUD prevention, treatment and recovery services to target populations, including child welfare involved families. Extension and expansion of STR funded initiatives are a key component of the State's recently accepted plan for the State Opioid Response (SOR) grant, which provides funding to address the opioid crisis through September 29, 2020.

The purpose of this request is to expand access to STS services to children, parents and caregivers who are undergoing an assessment by DCYF, and are affected by a substance use disorder. This request, if approved, will expand the number of families that are eligible to access the STS program given that current funding limits eligibility to open cases. The expanded services will also require the Contractor to implement the evidence-based Parenting a Second Time Around or equivalent evidence-based curriculum for grandparents who are caring for a minor child as a result of DCYF involvement and parental substance use. More than 100 individuals received services through this program in 2018. This request, if approved, will expand the program to provide services for than 150 individuals statewide.

As referenced in Form P-37, General Provisions, and in Exhibit C-1, Revisions to General Provisions, Section 3, the State reserves the option to extend contract services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval by the Governor and Executive Council. This request, if approved, will exercise one (1) year and three (3) months of the two (2) available years of renewal.

Should the Governor and Executive Council not authorize this request, children impacted by substance misuse issues within their family may not receive the services and targeted prevention messaging necessary to support their current needs, and may not receive early support to help them avoid substance misuse issues in the future. In

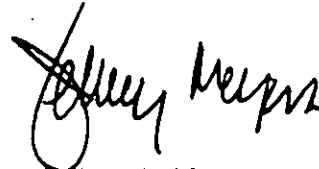
addition, relative caregivers impacted by familial substance misuse may not receive the services and supports that are necessary to continue to support the children in their family.

Area served: Statewide.

Source of Funds: 100% Federal Funds from DHHS, Substance Abuse and Mental Health Services Administration; Center for Substance Abuse Treatment, Targeting Capacity Expansion State Targeted Response to the Opioid Crisis Grant (CFDA # 93.788 FAIN TI080246) and State Opioid Response Grant (CFDA #93.788 FAIN TI081685).

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Jeffrey Meyers", written over a circular stamp or seal.

Jeffrey A. Meyers  
Commissioner



**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming  
For DCYF-Involved Families**

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**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the Targeted Prevention Programming  
for DCYF-Involved Families Contract**

This 1<sup>st</sup> Amendment to the Targeted Prevention Programming for DCYF-Involved Families contract (hereinafter referred to as "Amendment #1") dated this 15<sup>th</sup> day of April, 2019, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Granite Pathways, (hereinafter referred to as "the Contractor"), a corporation with a place of business at 10 Ferry St. Concord, New Hampshire 03301.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on May 2, 2018 (Item #20), 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, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to General Provisions Paragraph 3, the State may modify the scope of work and the payment schedule of the contract, and extend the Contract Completion Date for up to two (2) additional years, 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, and 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 1.7, Completion Date, to read:  
September 29, 2020.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,638,589.
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:  
Nathan D. White, Director.
4. Form P-37, General Provisions, Block 1.8, State Agency Telephone Number, to read:  
603-271-9631.
5. Delete Exhibit A, Scope of Services in its entirety and replace with Exhibit A Amendment #1.
6. Add Exhibit B-1 Amendment #1, SFY 2019 Strength to Succeed Service Expansion Budget.
7. Add Exhibit B-2 Amendment #1, SFY 2020 Strength to Succeed Service Expansion Budget.



**New Hampshire Department of Health and Human Services**  
**Targeted Prevention Programming**  
**For DCYF-Involved Families**

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

4/26/19  
Date

Kathy S Fox  
Name: Kathy S Fox  
Title: Director

Granite Pathways

4/23/19  
Date

Kenneth Brezenoff  
Name: Kenneth Brezenoff  
Title: General Counsel

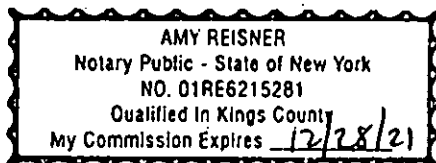
Acknowledgement of Contractor's signature:

State of New York, County of New York on April 23, 2019, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Amy Reisner  
Signature of Notary Public or Justice of the Peace

Amy Reisner, Notary Public  
Name and Title of Notary or Justice of the Peace

My Commission Expires: 12/28/21





**New Hampshire Department of Health and Human Services**  
**Targeted Prevention Programming**  
**For DCYF-Involved Families**

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

OFFICE OF THE ATTORNEY GENERAL

5/3/2019  
Date

Nancy J. Smith  
Name: Nancy J. Smith  
Title: Sr. Asst. Atty General

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:



## **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. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data obtained or created on behalf of DHHS, shall be subject to the requirements stated in Exhibit K.
- 1.4. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data containing protected health information (PHI), or in the case of substance use disorder (SUD) data created by a Part 2 provider, the Contractor shall be subject to the requirements stated in Exhibit I and 45 CFR Part 2, including the prohibition against redisclosure.
- 1.5. The Contractor agrees to have consent to share or redisclose any confidential information, including PHI or SUD information, consistent with state rules, and state and federal law including appropriate consents pursuant to 42 CFR Part 2.
- 1.6. The Contractor agrees that in the performance of any services all staff members shall have training in confidentiality and information security relating to the information, files and data that is involved in the performance of the contract.
- 1.7. The Contractor agrees that any database, dashboard, or information system designed, built, or modified on behalf of DHHS shall be defined and subject to the requirements in Exhibit K, Exhibit I, and all applicable NH Department of Information Technology (DoIT) standards, policies, and procedures.
- 1.8. The Contractor shall assist in developing a strong collaboration between agencies within the Department including, but not limited to the Bureau of Drug and Alcohol Services (BDAS), the Division for Children, Youth, and Families (DCYF), the Division of Public Health Services (DPHS), and the Bureau for Children's Behavioral Health (BCBH) for the purpose of providing services to children and families with substance use disorder that are involved with DCYF, which may include, but is not limited to:
  - 1.8.1. Children.
  - 1.8.2. Birth parents.
  - 1.8.3. Foster parents.
  - 1.8.4. Grandparents.
  - 1.8.5. Other caregivers.
  - 1.8.6. Siblings.
  - 1.8.7. Families with open DCYF cases.



- 1.8.8. Families undergoing a DCYF assessment.
- 1.9. The Contractor shall provide services for nine (9) DCYF District Offices listed below. See Exhibit A-1 for more details.
  - 1.9.1. Claremont.
  - 1.9.2. Concord.
  - 1.9.3. Conway.
  - 1.9.4. Keene.
  - 1.9.5. Laconia.
  - 1.9.6. Manchester.
  - 1.9.7. Rochester.
  - 1.9.8. Seacoast.
  - 1.9.9. Southern.
- 1.10. 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 and SFY 2022-2023 biennia.
- 1.11. Notwithstanding any provisions of this Agreement to the contrary, all obligations of the State are contingent upon receipt of federal funds under the State Opioid Response Grant from the Substance Abuse and Mental Health Services Administration.

## 2. Scope of Work

### 2.1. General Provisions

- 2.1.1. The Contractor shall create and implement programs to reduce and mitigate childhood trauma by:
  - 2.1.1.1. Increasing access to, and participation in, evidence-based home visiting services;
  - 2.1.1.2. Reducing the child's risk of substance use issues; and
  - 2.1.1.3. Increasing training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma-informed care so that the workforce is better prepared to address the challenges of this population.
- 2.1.2. The Contractor shall engage, educate, and empower parents and primary caregivers in a peer-to-peer model to increase family protective factors and reduce risk factors in order to better support childhood social and emotional needs by:
  - 2.1.2.1. Fostering positive parent/primary caregiver child attachment;
  - 2.1.2.2. Increasing parent/primary caregiver knowledge about childhood development and learning;
  - 2.1.2.3. Increasing resiliency and social connectedness in parents/primary caregivers; and



- 2.1.2.4. Educating parents on the topic of trauma for children and the risk continued substance use poses to the child.
- 2.1.3. The Contractor shall maintain one (1) point of contact and one (1) alternate contact who can receive requests from the nine (9) covered District Offices the Contractor supports that will refer families to this program.
- 2.1.4. The Contractor shall ensure that families who are referred for services are offered all program components in a timely fashion, with the understanding that DCYF involvement has a twelve (12) month timeframe for permanency decisions that can impact a parent's parental rights.
- 2.1.5. The Contractor shall re-offer services at two (2) and six (6) weeks after the initial offer to families that decline the initial offer of services, cease to participate, or do not attend a scheduled visit.
- 2.1.6. The Contractor shall collaborate with Department partners when any issues/barriers arise including, but not limited to, timely access to treatment and program partner capacity issues such as program waitlists or lack of treatment provider capacity.
- 2.1.7. The Contractor shall ensure that when there is an Infant Safe Plan of Care (ISPOC) for a child, all participating partners are knowledgeable about the plan of care and are assisting DCYF and the family to fulfill the plan of care by having a Parent Partner schedule a call with the identified agencies and workers within the first two (2) weeks of receiving a referral to the Strength to Succeed program.
- 2.1.8. The Contractor shall be familiar with the DCYF practice model and Solution Based Casework (SBC) in order to provide services within these frameworks. (More information can be found at <https://www.dhhs.nh.gov/dcyf/documents/nhdcyf%202015-2019cfsp.pdf> and <http://www.solutionbasedcasework.com/about/>.)
- 2.1.9. The Contractor shall collaborate with the Department on federally-mandated outcome design and de-identified, aggregate data collection for program evaluation and federal reporting purposes.
- 2.1.10. The Contractor shall collaborate with existing program providers including, but not limited to Family Resource Centers, and SUD treatment and peer recovery support service providers to ensure consistency in practice and enrollment of clients in appropriate programming including, but not limited to:
- 2.1.10.1. Understanding past client assessments and utilizing a current assessment process to determine the proper case plan.
- 2.1.10.2. Employing a case plan that focuses on the individual's strengths, seeks solutions and builds on success.
- 2.1.10.3. Assessing the efficacy of the case plan on an ongoing basis.
- 2.1.11. The Contractor shall establish a protocol within the Regional Access Point programming to ensure the prioritization of the Strength to Succeed referred families, in gaining rapid access to treatment.
- 2.1.12. The Contractor shall inform the Integrated Delivery Network(s) (IDNs) of this project in order to align this work with IDN projects that may be similar or impact the same populations and workforce issues.

*[Signature]*





- 2.1.13. When treatment services cannot be provided within forty-eight (48) hours of referral, the Contractor shall ensure the client has access to interim services, defined as recovery support services or services with a lower American Society of Addiction Medicine (ASAM) Level of Care, under this contract or by referral to an agency that has an earlier available opening in the client's service area. This shall be accomplished through:
- 2.1.13.1. Making referrals to treatment providers who will complete both the evaluation and service plan; or
  - 2.1.13.2. Completing clinical evaluations and service plans through subcontracts with Master Licensed Alcohol and Drug Counselors (MLADC) until such time as a local provider can be located, if there are not treatment providers where the individual resides.
- 2.1.14. The Contractor shall identify or develop, when indicated, appropriate Strength to Succeed training curriculum and educational materials including, but not limited to:
- 2.1.14.1. Parenting curriculum for parents and families while in treatment and recovery including, but not limited to:
    - 2.1.14.1.1. Recovery Curriculum, the Contractor's parenting curriculum.
    - 2.1.14.1.2. Nurturing Parenting: Families in Substance Abuse Treatment and Recovery.
    - 2.1.14.1.3. The Greater-Tilton Family Resource Center's Forever Hope: Families Impacted by Substance Use Disorder.
  - 2.1.14.2. Prevention messaging geared for young children regarding substance use including, but not limited to:
    - 2.1.14.2.1. Stages of Child Development:
    - 2.1.14.2.2. Nurturing Parenting: Families in Substance Abuse Treatment and Recovery
  - 2.1.14.3. Addiction 101, which the Contractor shall develop with BDAS to be delivered to the program partners who are not SUD treatment providers and do not have the basic training already, including DCYF.
  - 2.1.14.4. DCYF Involvement 101, which the Contractor shall develop with DCYF to be delivered to the program partners not affiliated with DCYF to include the DCYF practice model and the tenets of Solution Based Casework.
- 2.1.15. The Contractor shall develop pre- and post-tests for the trainings addressed in Subsection 2.1.14 and will collect and score the tests in order to determine improvement gained from the training.
- 2.1.16. The Contractor shall utilize the "Strength to Succeed" name, when marketing or conducting business for this program.
- 2.1.17. All individuals and points of contact who have access to confidential information during the course of providing the services under this Agreement, shall be trained in and maintain the proper process for the handling, storage



and transmission of such information.

**2.2. DCYF Parent Partner Program (Peer Recovery Support)**

2.2.1. The Contractor shall collaborate with the DCYF Parent Partner Program in order to:

2.2.1.1. Hire qualified Parent Partners which shall include, but not be limited to:

2.2.1.1.1. Developing job descriptions and standards for Parent Partners, the program manager and supervisory staff.

2.2.1.1.2. Posting the positions on online job boards.

2.2.1.1.3. Seeking referrals for positions from recovery programs, the Contractor's Regional Access Program (RAP) staff, and area agencies.

2.2.1.2. Develop program oversight and an integrated supervision model for Parent Partners to include, but not be limited to providing a point of contact and oversight at each of the nine (9) covered District Offices which shall include, but not be limited to:

2.2.1.2.1. Creating Memorandums of Understanding (MOUs) that clearly address supervision, training and oversight of Parent Partners.

2.2.1.2.2. Training Parent Partners regarding applicable operational policies and procedures including, but not limited to:

2.2.1.2.2.1. Work hours.

2.2.1.2.2.2. Human resources practices.

2.2.1.2.2.3. Health and safety protocols.

2.2.1.3. Train Parent Partners in providing support to families with SUD/ODD which shall include, but not be limited to:

2.2.1.3.1. DYCF's approach to service delivery and Solutions Based Casework.

2.2.1.3.2. Policies and procedures associated with home and community-based work.

2.2.2. The Contractor shall collaborate with DCYF to establish a recruitment and hiring plan that ensures Parent Partners are co-located in each of the nine (9) covered District Offices as an integrated member of the team. The plan must include which offices are of higher need to staff first and then a plan with timeframes for staffing the rest of the offices.

2.2.3. The Contractor shall ensure Parent Partners are adequately trained and supervised to provide peer support and are educated regarding the goals of peer support which include, but are not limited to:

2.2.3.1. Instilling hope in families.

2.2.3.2. Providing support and promoting self-advocacy.



2.2.3.3. Providing an understanding of the DCYF practice, policies, and regulations.

2.2.4. The Contractor shall collaborate with the DCYF Parent Partner program to identify Parent Partners that are willing and able to become Certified Recovery Support Workers (CRSW's). Upon obtaining agreement from Parent Partners to become CRSW's, the Contractor shall:

2.2.4.1. Support the parent partners in all aspects of certification as outlined by the Office of Professional Licensure and Certification (OPLC). <https://www.oplc.nh.gov/alcohol-other-drug/index.htm>

2.2.4.2. Ensure all components necessary for billing for CRSW's are in place in accordance with Rule He-W513.

2.2.4.3. Enroll with Medicaid and managed care organizations.

### 2.3. Home Visiting Programming

2.3.1. The Contractor shall collaborate with other agencies that provide evidenced-based home visiting programming as outlined in Paragraph 2.3.3 and provide assistance to them to expand their delivery of home visiting programming to open DCYF cases. (More information available at <https://homvee.acf.hhs.gov/models.aspx>) Evidenced-based home visiting programming includes, but is not limited to:

2.3.1.1. Providing Ages & Stages Questionnaires, Third Edition Developmental screenings (ASQ-3™) (More information available at <http://agesandstages.com/products-services/asq3/>)

2.3.1.2. Providing parent education.

2.3.1.3. Providing in-home supports.

2.3.1.4. Providing age and developmentally appropriate Substance Use prevention messages and program curriculums.

2.3.1.5. Assisting families in locating and contacting community supports as needed.

2.3.1.6. Collaborating with DCYF case workers to monitor families' progress and create a shared goal plan for the family.

2.3.1.7. Collaborating with DCYF to identify realistic strategies for supporting families and to build success in reaching family case goals as stated in the Solution Based Case (SBC) Plans.

2.3.1.8. Collaborating with existing Child Welfare Agencies in all nine (9) covered District Offices to create referral relationships for Home Visiting Services.

2.3.1.9. Utilizing Healthy Families America as a primary home visiting model and ensuring appropriate and effective modifications are employed for children over the age five (5) being served by home visiting.

2.3.2. The Contractor shall use a Department-approved parent-child interaction assessment tool to measure progress towards achieving the performance measures.

2.3.3. The Contractor shall collaborate with community partners including, but not



limited to:

- 2.3.3.1. Family Resource Centers.
- 2.3.3.2. Family Support New Hampshire.
- 2.3.3.3. Thirteen (13) Regional Public Health Networks.
- 2.3.3.4. Partnership of a Drug Free NH.
- 2.3.3.5. Communities for Alcohol and Drug-Free Youth (CADY).
- 2.3.3.6. Raymond Coalition for Youth (RCFY).
- 2.3.4. The Contractor shall use a Department-approved, parent-child interaction form to collect a baseline and to follow up with families enrolled in home visiting programs in order to show an increase in positive parenting skills and knowledge of childhood development.

#### 2.4. Relative Caregiver Support

- 2.4.1. The Contractor shall develop relative caregiver support groups to help reduce caregiver strain and create a natural system of support among relative caregivers. The Contractor's support groups must be accessible to all nine (9) District Office covered catchment areas and based on areas of high need.
- 2.4.2. The Contractor shall develop and implement the Safe Harbor Recovery Program and Family Supports Program to recruit, train, and oversee an extensive network of volunteers to facilitate the support groups.
- 2.4.3. The Contractor shall recruit and train parent partners to act as group facilitators.
- 2.4.4. The Contractor shall collaborate with DCYF to ensure relative caregivers are informed of supports including, but not limited to:
  - 2.4.4.1. The Relative Caregiver specialist at DCYF and the Resource Guide developed by DCYF.
  - 2.4.4.2. Relative caregiver support groups in their area.
  - 2.4.4.3. Other community resources to help support the caregiver and the child, and reduce caregiver strain.
- 2.4.5. The Contractor shall provide the Parenting a Second Time Around curriculum for grandparents who are caring for a minor grandchild which shall include, but is not limited to:
  - 2.4.5.1. Providing no less than four (4) workshops on relevant topics which may include, but are not limited to:
    - 2.4.5.1.1. Child development.
    - 2.4.5.1.2. Discipline and guidance.
    - 2.4.5.1.3. Personal care.
    - 2.4.5.1.4. Raising teenagers.
    - 2.4.5.1.5. An overview of support services.
    - 2.4.5.1.6. Legal issues.



- 2.4.5.2. Providing individual counseling for relative caregivers, including grandparents.
- 2.4.5.3. Providing the pamphlet A Resource Guide for New Hampshire Relative Caregivers(<https://www.dhhs.nh.gov/dcyf/documents/relativecaregivers.pdf>) to relative caregivers, including grandparents.
- 2.4.6. The Contractor shall provide education to relative caregivers on how to interact with their child(ren) in a developmentally-appropriate manner regarding parental substance use disorder and how to prevent addiction in their own lives. The education provided will include, but not be limited to:
  - 2.4.6.1. Strategies regarding preventing addiction in their own lives;
  - 2.4.6.2. Strategies to reinforce healthy, pro-social behaviors;
  - 2.4.6.3. Examples of rewards or reinforcers; and
  - 2.4.6.4. Strategies for managing the effects of a parent with SUD.
- 2.5. Parent and Child Substance Use Education
  - 2.5.1. The Contractor shall provide parent and child substance use education, using the Nurturing Parenting program (<http://www.nurturingparenting.com>) which includes, but is not limited to:
    - 2.5.1.1. Training all relevant staff in the Nurturing Parenting program.
    - 2.5.1.2. Providing education in a variety of settings including in single or co-facilitated group settings.
    - 2.5.1.3. Modifying the education for individuals and families not yet ready for a group setting.
    - 2.5.1.4. Collaborating with the Greater Tilton Area Family Resource Center to offer aspects of Forever Hope's Training for Families Affected by Substance Use.
- 2.6. The Contractor shall develop and submit a work plan to the Department for review and approval within thirty (30) days of Governor and Executive Council approval of the contract which describes the process for ensuring the completion of all aspects of the Scope of Services.
- 2.7. Data and Reporting
  - 2.7.1. The Contractor shall submit monthly narrative reports to the Department including a summary of project progress, barriers met and addressed, and general aggregate information regarding the families served by the program. The aggregate information must include, but is not limited to:
    - 2.7.1.1. Primary drug of choice for family members.
    - 2.7.1.2. General treatment access information for family members.
    - 2.7.1.3. Number and ages of children served by program.
    - 2.7.1.4. Date of enrollment in program.
    - 2.7.1.5. Living arrangements for each child served by this program including, but not limited to in his or her own home with parents; in a relative



caregiver home; in a foster home; or in a residential group home at the time of the referral, until program discharge.

2.7.1.6. Change in the living status of each child.

2.7.1.7. Number of provider organizations providing direct services as listed in the scope of service.

2.7.1.8. Number of parent partners hired and the district offices covered.

2.7.2. The Contractor shall collaborate with the Department-selected technical assistance vendor to collect de-identified, aggregate data and implement an evaluation process that is culturally appropriate for the population served and is approved by the Department.

### 3. Performance Measures

3.1. The Contractor shall ensure that the following performance indicators are quarterly achieved and monitored monthly to measure the effectiveness of the agreement:

3.1.1. The Contractor shall provide evidence-based home visiting services to one hundred percent (100 %) of families referred to the program that require home visiting services as part of their treatment plan.

3.1.2. The Contractor shall increase training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma informed care by three (3) trainings per calendar year and increase the knowledge of substance misuse prevention, recovery and trauma informed care among the early childhood and home visiting workforce, as demonstrated by an increase of (10%) in aggregate as measured quarterly from training pre-tests to training post-tests

3.1.3. The Contractor shall ensure that eighty percent (80%) of families referred to the program receive access to treatment or interim treatment services within forty-eight (48) hours of referral.

3.2. Quarterly, the Contractor shall develop and submit to the Department, a corrective action plan for any performance measure that was not achieved.

**Exhibit B-1 Amendment #1  
SFY:2019 Strength to Succeed Expansion Budget**

New Hampshire Department of Health and Human Services

Bidder/Program Name: GRANTE PATHWAYS

Budget Request for: Strength to Succeed Service Expansion

Budget Period: January 1, 2019 - June 30, 2019

BOR

9431,697.00

Line Item	Total Program Cost			Contractor/Share/Match			Funded by/DHHS/contract share		
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total
1. Total Salary/Wages	271,301.00	32,556	303,857	-	-	-	271,301	32,556	303,857
2. Employee Benefits	73,252.00	6,780	80,032	-	-	-	73,252	6,780	80,032
3. Consultants	2,373.00	785	3,158	-	-	-	2,373	785	3,158
4. Equipment:	-	-	-	-	-	-	-	-	-
Rental	-	-	-	-	-	-	-	-	-
Repair and Maintenance	-	-	-	-	-	-	-	-	-
Purchase/Depreciation	6,690.00	1,043	7,733	-	-	-	6,690	1,043	7,733
5. Supplies:	-	-	-	-	-	-	-	-	-
Educational	1,680.00	202	1,882	-	-	-	1,680	202	1,882
Lab	-	-	-	-	-	-	-	-	-
Pharmacy	-	-	-	-	-	-	-	-	-
Medical (Materials)	-	-	-	-	-	-	-	-	-
Office	4,658.00	547	5,205	-	-	-	4,658	547	5,205
6. Travel	1,331.00	184	1,515	-	-	-	1,331	184	1,515
7. Occupancy	2,800.00	300	3,100	-	-	-	2,800	300	3,100
8. Current Expenses	-	-	-	-	-	-	-	-	-
Telephone	4,706.00	505	5,211	-	-	-	4,706	505	5,211
Postage	330.00	40	370	-	-	-	330	40	370
Subscriptions	672.00	81	753	-	-	-	672	81	753
Audit and Legal	-	-	-	-	-	-	-	-	-
Insurance	112.00	13	125	-	-	-	112	13	125
Board Expenses	-	-	-	-	-	-	-	-	-
9. Software	1,482.00	178	1,660	-	-	-	1,482	178	1,660
10. Marketing/Communications	-	-	-	-	-	-	-	-	-
11. Staff Education and Training	1,800.00	182	1,982	-	-	-	1,800	182	1,982
12. Subcontract/Agreements	-	-	-	-	-	-	-	-	-
13. Other (specific details mandatory):	-	-	-	-	-	-	-	-	-
Flex Funding	7,813.00	914	8,727	-	-	-	7,813	914	8,727
Technology	2,450.00	284	2,734	-	-	-	2,450	284	2,734
Home Visitor Training/Supervision	750.00	90	840	-	-	-	750	90	840
PASTA Program Supplies	750.00	30	780	-	-	-	750	30	780
Education Program Supplies	-	-	-	-	-	-	-	-	-
Locking Casework/Files Cabinets	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>313,333</b>	<b>44,344</b>	<b>357,677</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>313,333</b>	<b>44,344</b>	<b>357,677</b>

Indirect As A Percent of Direct

-12.0%

**Exhibit B-2 Amendment #1  
SFY 2020 Strength to Succeed Expansion Budget**

**New Hampshire Department of Health and Human Services**

**Eligible Program Name: GRANITE PATHWAYS**

**Budget Request for: Strength to Succeed Service Expansion  
(Phase of RFP)**

**Budget Period: July 1, 2019 - June 30, 2020**

Line Item	Funded by State				Funded by Local/Contractor/Share			
	Direct	Indirect	Total	Program Cost	Direct	Indirect	Total	Program Cost
1. Total Salary/Wages	\$ 380,703	\$ 45,684	\$ 426,387		\$ 380,703	\$ 45,684	\$ 426,387	
2. Employee Benefits	\$ 129,439	\$ 15,533	\$ 144,972		\$ 129,439	\$ 15,533	\$ 144,972	
3. Consultants	\$ 1,187	\$ 142	\$ 1,329		\$ 1,187	\$ 142	\$ 1,329	
4. Equipment:								
Rental	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Repair and Maintenance	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Purchase/Depreciation	\$ 100	\$ 12	\$ 112		\$ 100	\$ 12	\$ 112	
5. Supplies:								
Educational	\$ 1,350	\$ 162	\$ 1,512		\$ 1,350	\$ 162	\$ 1,512	
Lab	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Pharmacy	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Medical (Malware)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Office	\$ 1,861	\$ 228	\$ 2,219		\$ 1,861	\$ 228	\$ 2,219	
6. Travel	\$ 1,701	\$ 204	\$ 1,905		\$ 1,701	\$ 204	\$ 1,905	
7. Occupancy	\$ 13,000	\$ 1,500	\$ 14,500		\$ 13,000	\$ 1,500	\$ 14,500	
8. Current Expenses								
Telephone	\$ 733	\$ 88	\$ 821		\$ 733	\$ 88	\$ 821	
Postage	\$ 148	\$ 18	\$ 164		\$ 148	\$ 18	\$ 164	
Subscriptions	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Audit and Legal	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Insurance	\$ 100	\$ 12	\$ 112		\$ 100	\$ 12	\$ 112	
Board Expenses	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
9. Software	\$ 793	\$ 25	\$ 830		\$ 793	\$ 25	\$ 830	
10. Marketing/Communications	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
11. Staff Education and Training	\$ 250	\$ 30	\$ 280		\$ 250	\$ 30	\$ 280	
12. Subcontracts/Agreements	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
13. Other (specific details mandatory):	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Flex Funding	\$ 337	\$ 43	\$ 400		\$ 337	\$ 43	\$ 400	
Technology	\$ 630	\$ 78	\$ 728		\$ 630	\$ 78	\$ 728	
Home Visitor Training/Supervision	\$ 1,500	\$ 180	\$ 1,680		\$ 1,500	\$ 180	\$ 1,680	
PASTA Program Supplies	\$ 75	\$ 9	\$ 84		\$ 75	\$ 9	\$ 84	
Education Program Supplies	\$ 434	\$ 54	\$ 508		\$ 434	\$ 54	\$ 508	
Lackey Center/Fife Children	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
<b>TOTAL</b>	<b>\$34,621</b>	<b>\$4,662</b>	<b>\$39,283</b>		<b>\$34,621</b>	<b>\$4,662</b>	<b>\$39,283</b>	

Indirect As A Percent of Direct

12.6%



# 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 GRANITE PATHWAYS is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on May 08, 2009. 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: 613581

Certificate Number: 0004486191



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 2nd day of April A.D. 2019.

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

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, William T. Rider, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Granite Pathways, Inc.  
(Agency Name)

2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of  
the Agency duly held on 2/28/19:  
(Date)

RESOLVED: That the General Counsel  
(Title of Contract Signatory)

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to  
execute any and all documents, agreements and other instruments, and any amendments, revisions,  
or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of  
the 23 day of April, 2019.  
(Date Contract Signed)

4. Kenneth Brezenoff is the duly elected General Counsel  
(Name of Contract Signatory) (Title of Contract Signatory)  
of the Agency.

W. Rider  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Hillsborough

The forgoing instrument was acknowledged before me this 23<sup>rd</sup> day of April, 2019

By William T. Rider  
(Name of Elected Officer of the Agency)

Joanne C. Duclos  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

JOANNE C. DUCLOS, Notary Public  
My Commission Expires August 8, 2023

Commission Expires August 8, 2023

Client#: 1497832

FEDCAREH1

ACORD

## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
4/02/2019

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.

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).

<b>PRODUCER</b> USI Insurance Services LLC 333 Westchester Ave, Suite 102 White Plains, NY 10604 914 459-6200	<b>CONTACT NAME:</b> Khalil Elaouni <b>PHONE (A/C, No, Ext):</b> 914 459-6200 <b>FAX (A/C, No):</b> 610 537-4220 <b>E-MAIL ADDRESS:</b> khalil.elaouni@usi.com														
<b>INSURED</b> Granite Pathways, Inc. 303 Belmont Street Manchester, NH 03103	<table border="1"> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> <tr> <td>INSURER A: Berkshire Hathaway Specialty Ins Co.</td> <td>22276</td> </tr> <tr> <td>INSURER B: Berkshire Hathaway Specialty Ins Co.</td> <td>20044</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Berkshire Hathaway Specialty Ins Co.	22276	INSURER B: Berkshire Hathaway Specialty Ins Co.	20044	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER B: Berkshire Hathaway Specialty Ins Co.	20044														
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 SUBR INSR	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 type="checkbox"/> POLICY <input type="checkbox"/> PRO. JECT <input type="checkbox"/> LOC OTHER:		47SPK25564203	09/30/2018	09/30/2018	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$1,000,000 MED EXP (Any one person) \$20,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY		47RWS14808204	09/30/2018	09/30/2018	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"/> EXCESS LIAB <input type="checkbox"/> RETENTION \$10000		47SUM14808304	09/30/2018	09/30/2018	EACH OCCURRENCE \$25,000,000 AGGREGATE \$25,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A	FEWC9211281	12/11/2018	12/11/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
A	Professional Liab		47SPK25564203	09/30/2018	09/30/2018	\$3mm Agg/\$1mm Occ
A	Abuse & Molest.		47SPK25564203	09/30/2018	09/30/2018	\$3mm Agg/\$1mm Occ

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

State of New Hampshire Department of Health and Human Services is included as additional insured as required by written contract.

## CERTIFICATE HOLDER

## CANCELLATION

State of New Hampshire, Department of Health and Human Services 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>Ullie Scott</i>
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**Our Mission**  
Our mission is to support individuals with substance use disorders and mental illness in achieving their life goals as valued members of their community.  
Granite Pathways develops innovative and sustainable solutions that are changing people's lives.



Consolidated Financial Statements Together with  
Report of Independent Certified Public Accountants

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

September 30, 2018 and 2017

# **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

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## REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of  
**FEDCAP Rehabilitation Services, Inc.:**

We have audited the accompanying consolidated financial statements of FEDCAP Rehabilitation Services, Inc. and Subsidiaries (collectively, "FEDCAP"), which comprise the consolidated statements of financial position as of September 30, 2018 and 2017, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### Management's responsibility for the financial statements

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

### Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to FEDCAP's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FEDCAP's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



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

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of FEDCAP Rehabilitation Services, Inc. and Subsidiaries as of September 30, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other matters**

**Supplementary information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Grant Thornton LLP*

New York, New York  
April 8, 2019



**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidated Statements of Financial Position**  
**As of September 30, 2018 and 2017**

	2018	2017
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 10,814,947	\$ 14,353,025
Accounts receivable (net of allowance for doubtful accounts of approximately \$4,622,800 in 2018 and \$1,476,000 in 2017)	44,128,183	42,224,021
Contributions and grants receivable (net of allowance for uncollectible contributions of approximately \$250,000 in 2018 and \$0 in 2017)	1,296,528	3,085,378
Inventories, net	244,690	402,669
Prepaid expenses and other assets	9,413,702	5,120,104
Total current assets	<u>65,898,050</u>	<u>65,185,197</u>
Investments	18,227,270	14,724,135
Property, plant and equipment, net	82,070,717	74,924,787
Art objects	43,950	21,750
Beneficial interest in remainder trust	4,646,739	628,759
Other assets	1,135,754	108,000
Total assets	<u>\$ 172,022,480</u>	<u>\$ 155,592,628</u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable and accrued liabilities	\$ 37,108,748	\$ 32,382,996
Deferred revenues	4,129,907	5,064,293
Advances from government agency	1,485,361	1,500,000
Current revolving loans	17,853,273	14,653,273
Current portion of obligation under capital leases	1,944,244	1,672,075
Notes payable, current	1,099,081	674,420
Total current liabilities	63,620,614	55,947,057
<b>LONG-TERM LIABILITIES</b>		
Capital lease obligation	35,351,613	34,867,513
Notes payable	31,337,292	22,750,756
Revolving loan	-	3,000,000
Other liabilities	4,670,840	3,407,780
Total liabilities	<u>134,980,359</u>	<u>119,973,106</u>
Commitments and contingencies		
<b>NET ASSETS</b>		
Unrestricted	28,407,688	32,810,556
Temporarily restricted	6,678,580	2,224,538
Permanently restricted	1,955,853	584,428
Total net assets	<u>37,042,121</u>	<u>35,619,522</u>
Total liabilities and net assets	<u>\$ 172,022,480</u>	<u>\$ 155,592,628</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

## Consolidated Statements of Activities

For the years ended September 30, 2018 and 2017

	2018				2017			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>REVENUES</b>								
Contract services and products	\$ 107,418,632	\$ -	\$ -	\$ 107,418,632	\$ 102,267,073	\$ -	\$ -	\$ 102,267,073
Rehabilitation and vocational programs	154,317,661	-	-	154,317,661	137,272,899	-	-	137,272,899
Contributions and grants	22,664,418	50,000	-	22,714,418	13,067,009	1,434,417	-	14,501,426
Inherent contribution	4,841,419	7,249,586	1,371,425	13,462,430	1,985,805	-	-	1,985,805
Unrealized gains on investments	554,658	-	-	554,658	976,558	-	-	976,558
Interest income	347,997	-	-	347,997	319,607	-	-	319,607
Miscellaneous revenue	484,910	-	-	484,910	1,180,845	-	-	1,180,845
Net assets released from restrictions	2,845,544	(2,845,544)	-	-	779,151	(779,151)	-	-
Total revenues	293,475,239	4,454,042	1,371,425	299,300,706	257,848,947	655,266	-	258,504,213
<b>EXPENSES</b>								
Program services:								
Contract services and products	94,956,101	-	-	94,956,101	91,718,680	-	-	91,718,680
Rehabilitation and vocational programs	161,461,598	-	-	161,461,598	131,181,632	-	-	131,181,632
	256,417,699	-	-	256,417,699	222,900,312	-	-	222,900,312
Supporting services:								
Management and general	39,594,457	-	-	39,594,457	33,702,035	-	-	33,702,035
Development	1,865,951	-	-	1,865,951	1,612,479	-	-	1,612,479
	41,460,408	-	-	41,460,408	35,314,514	-	-	35,314,514
Total expenses	297,878,107	-	-	297,878,107	258,214,826	-	-	258,214,826
Change in net assets	(4,402,868)	4,454,042	1,371,425	1,422,599	(365,879)	655,266	-	289,387
Net assets at beginning of year	32,810,556	2,224,538	584,428	35,619,522	33,176,435	1,569,272	584,428	35,330,135
Net assets at end of year	\$ 28,407,688	\$ 6,678,580	\$ 1,955,853	\$ 37,042,121	\$ 32,810,556	\$ 2,224,538	\$ 584,428	\$ 35,619,522

The accompanying notes are an integral part of these consolidated financial statements.

# FEDCAP-REHABILITATION SERVICES, INC. AND SUBSIDIARIES

## Consolidated Statements of Cash Flows

For the years ended September 30, 2018 and 2017.

	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 1,422,599	\$ 289,387
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	4,432,003	4,116,984
Bad debt provision	4,850,731	299,600
Inherent contribution	(13,462,430)	(1,985,805)
Unrealized gains on investments	(554,658)	(976,558)
Changes in assets and liabilities:		
Accounts receivable	(3,281,883)	(8,829,574)
Contribution receivable	2,318,436	(594,742)
Inventories	157,979	12,270
Prepaid expenses and other assets	(3,883,995)	(1,951,224)
Beneficial interest in remainder trust	6,363	(52,847)
Accounts payable and accrued liabilities	2,785,750	3,181,808
Deferred revenue	(934,386)	1,421,674
Other liabilities	614,594	822,186
Net cash used in operating activities	<u>(5,528,897)</u>	<u>(4,246,841)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	43,028	8,015,797
Purchase of investments	(2,446,391)	(4,415,301)
Cash received in acquisition	906,169	4,470,103
Capital expenditures	<u>(4,542,620)</u>	<u>(2,228,568)</u>
Net cash (used in) provided by investing activities	<u>(6,039,814)</u>	<u>5,842,031</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
(Decrease) increase in advances from government agency	(14,639)	1,500,000
Change in revolving loans	(249,000)	1,166,575
Proceeds from notes payable	9,564,622	-
Repayment of notes payable	(982,488)	(745,144)
Repayment of capital lease obligations	<u>(287,862)</u>	<u>(132,832)</u>
Net cash provided by financing activities	<u>8,030,633</u>	<u>1,788,599</u>
(Decrease) increase in cash and cash equivalents	<u>(3,538,078)</u>	<u>3,383,789</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	<u>14,353,025</u>	<u>10,969,236</u>
End of year	<u>\$ 10,814,947</u>	<u>\$ 14,353,025</u>
<b>Supplemental disclosure of cash flow information:</b>		
Cash interest paid during the year	<u>\$ 1,834,062</u>	<u>\$ 1,443,501</u>
Fixed assets acquired through capital lease	<u>\$ 1,044,131</u>	<u>\$ -</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

---

#### **1. ORGANIZATION AND NATURE OF ACTIVITIES**

Fedcap Rehabilitation Services, Inc. ("FRS") is a private, nonprofit organization incorporated under the laws of New York State. FRS is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

FRS was founded to provide a comprehensive range of vocational and related services to individuals with disabilities and other work-related disadvantages who face significant barriers to employment. FRS's goal is to help each person achieve independence, integration into the community and full participation in the economic mainstream.

FRS provides contract services and products within custodial, homecare, office services, and industrial divisions of FRS. The primary customers in these divisions are federal, and New York State and City agencies and certified home health agencies, that contract with FRS for services.

As part of FRS's rehabilitation and vocation programs, FRS provides vocational evaluations, training, and employment services and other government-funded employment and job search programs. Evaluations combine aptitude tests, computerized assessments, and vocational counseling. After evaluation, FRS offers training in mail clerk/messenger services, building/custodial services, culinary arts/food services, data entry, office skills, document imaging, hospitality operations, and security operations. FRS then seeks to employ individuals who have successfully completed FRS's rehabilitation and vocational programs. FRS also offers the Chelton Loft, a voluntary clubhouse program for people with a history of serious mental illness. FRS also has a vocational education program and a licensed mental health program.

On July 1, 2011, FRS acquired and became the sole member of Wildcat Services Corporation ("Wildcat"), a nonprofit entity located in New York City that provides employment training, jobs placement and "supportive employment" opportunities for individuals with barriers to employment.

On October 1, 2012, FRS acquired and became the sole member of ReServe Elder Service, Inc. ("ReServe"), a nonprofit entity located in New York City that matches continuing professionals age 55+ with organizations that need their expertise. ReServe provides direct services, administrative support, and capacity-building expertise in schools, social service agencies, cultural institutions, and public agencies.

On October 1, 2013, FRS acquired and became the sole member of Community Workshops, Inc. (d/b/a Community Work Services) ("CWS"), a nonprofit corporation located in Boston, Massachusetts, whose mission is to help people who have barriers to work obtain employment and achieve greater self-sufficiency through job training, placement, and support services.

On September 1, 2015, FRS acquired and became the sole member of Easter Seals New York, Inc. ("ESNY"), a nonprofit entity whose purpose is to provide program and services for people with disabilities, assistance to people with disabilities and their families, assistance to communities in developing necessary and appropriate resources for residents, and a climate of acceptance for people with disabilities which will enable them to contribute to the well-being of the community.

On May 1, 2016, ESNY received a contribution in the form of a Red Mango franchise, incorporated as 1184 Deer Park Ave., Inc. ("1184" or "Red Mango"). 1184 is currently managed as a for profit corporation, and operates as a social enterprise which includes a training center and employment opportunities for veterans.

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

---

On May 1, 2016, FRS acquired and became the sole member of Granite Pathways, Inc. ("GP"), a nonprofit entity whose mission is to provide services to empower and support adults with mental illness to pursue their personal goals through education, employment, stable housing, and meaningful relationships.

On September 1, 2016, FRS acquired and became the sole member of Easter Seals Rhode Island, Inc. ("ESRI"), a nonprofit entity whose purpose is to provide services to ensure that all people with disabilities or special needs and their families have equal opportunities to live, learn, work and play in their communities.

On November 1, 2016, GP became the sole member of Seacoast Pathways, Inc. ("Seacoast") a nonprofit entity whose mission is to support adults living with mental illness on their paths to recovery through the work-ordered day.

On February 1, 2017, FRS became the sole member of Single Stop USA Inc. ("SS"), a nonprofit entity that provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency.

On October 31, 2017, FRS entered into a combination agreement with Benevolent to become its sole member. This combination was predicated on the similarities of mission and enhancement of our ability to provide economic wellbeing for the individuals we serve. The combination further diversifies funding to individuals and families in need, through non-government sources.

On April 1, 2018, FRS entered into a combination agreement with MVLE to become its sole member. MVLE provides employment, support and rehabilitation services to individuals with disabilities in the Northern Virginia and Washington, D.C. area. This combination was predicated on the synergies of mission and geographic expansion of services in the Mid-Atlantic Region.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals Central Texas ("ESCT") to become its sole member. ESCT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the Central Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESCT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals North Texas ("ESNT") to become its sole member. ESNT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the North Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESNT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island.

Collectively, FRS, Wildcat, ReServe, CWS, ESNY, I 184, GP, ESRI, SS, Seacoast, Benevolent, MVLE, ESCT, and ESNT are referred to as "FEDCAP."

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**  
**September 30, 2018 and 2017**

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**2. SUMMARY OF ACCOUNTING POLICIES**

**Basis of Presentation**

The accompanying consolidated financial statements of FEDCAP have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") using the accrual basis of accounting. All intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

Accordingly, FEDCAP's consolidated financial statements distinguish between unrestricted, temporarily restricted and permanently restricted net assets and changes in net assets as follows:

Unrestricted Net Assets - consist of all funds which are expendable, at the discretion of FEDCAP's management and Board of Directors, for carrying on daily operations. These funds have neither been restricted by donors nor set aside for any specific purpose.

Temporarily Restricted Net Assets - net assets that have been limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by the actions of FEDCAP pursuant to those stipulations.

Permanently Restricted Net Assets - net assets subject to donor-imposed stipulations that require resources to be maintained as funds of a permanent duration.

**Cash Equivalents**

FEDCAP considers all highly liquid debt instruments with a maturity of three months or less at the date of purchase, including investments in short-term certificates of deposit and certain money market funds, to be cash equivalents.

**Contribution and Grant Revenue**

FEDCAP records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair value of the assets received and contributions with donor stipulations that limit the use of donated assets are classified as either permanently restricted if FEDCAP is required to maintain the contribution permanently or temporarily restricted if the stipulation limits the use of the contribution to specific purposes or a time period. Contributions with donor restrictions that are received and met in the same fiscal year are recorded as unrestricted contributions. Otherwise, once stipulated time restrictions end or purpose restrictions are accomplished, temporarily restricted net assets are reclassified to unrestricted net assets as "net assets released from restrictions" in the accompanying consolidated statements of activities.

**Revenue Recognition and Deferred Revenue**

FEDCAP's revenue primarily relates to contract services and products, and rehabilitation and vocational programs. FEDCAP recognizes such revenue ratably over a contract's term for those with fixed rates. For performance-based contracts, revenues are recognized in the period when related expenditures have been incurred, milestones have been achieved, or services have been performed in compliance with the respective contracts. FEDCAP also generates revenue from the sale of related products, which is recognized at the time of shipment.

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Deferred revenue represents cash received in advance of services and will be recognized as the services are performed. Deferred revenue amounted to \$4,129,907 and \$5,064,293 as of September 30, 2018 and 2017, respectively.

#### **Allowance for Doubtful Accounts**

The carrying value of contributions and accounts receivable are reduced by an appropriate allowance for uncollectible accounts, and therefore approximates net realizable value. FEDCAP determines its allowance by considering a number of factors, including the length of time receivables are past due, FEDCAP's previous loss history, the donor's current ability to pay its obligation, and the condition of the general economy and the industry as a whole. Receivables outstanding longer than the payment terms are considered past due. FEDCAP writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are recorded as income in the period received.

#### **Inventories**

Inventories, mainly consisting of distress marker light products and related components, are valued at the lower of cost or net realizable value. Cost is determined principally by the first-in, first-out method.

#### **Fixed Assets**

Fixed assets purchased for a value greater than \$1,000 and with depreciable lives greater than one year are carried at cost, net of accumulated depreciation. Depreciation is provided over the estimated useful life of the respective asset and ranges from 3 to 40 years. Significant additions or improvements extending asset lives are capitalized; normal maintenance and repair costs are expensed as incurred. Leasehold improvements are amortized based on the lesser of the estimated useful life or remaining lease term.

#### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### **Commissions**

FEDCAP pays commissions to an unrelated not-for-profit entity and a New York State entity to provide information on government contracts that need competitive bids for services. The contracts provide for commissions to be paid to these organizations in the range of 0.85% to 4.00% of the contract amount. Commissions paid relating to these contracts amounted to \$2,401,578 and \$2,568,642 for the years ended September 30, 2018 and 2017, respectively, and are included within contract services and products expense in the accompanying consolidated statements of activities.

#### **Use of Estimates**

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. These estimates and assumptions relate to estimates of collectability of accounts receivable, accruals, useful life of property, plant, and equipment, and impairment of long-lived assets. Actual results could differ from those estimates.

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

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#### **Fair Value of Financial Instruments**

The fair value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other liabilities approximates their carrying value due to their short-term maturities. The fair value of long-term debt approximates carrying value based on current interest rates for similar instruments.

#### **Fair Value Measurements**

FEDCAP follows guidance for fair value measurements that defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the inputs used to measure fair value and enhances disclosure requirements for fair value measurements. It maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the transparency of inputs as follows:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.
- Level 2 - Pricing inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the measurement date. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters of which can be directly observed.
- Level 3 - Securities that have little to no pricing observability as of the measurement date. These securities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes "observable" requires significant judgment by the entity. FEDCAP considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to FEDCAP's perceived risk of that instrument.



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#### Beneficial Interest in Remainder Trusts

Donors have established and funded trusts held by third parties under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trusts' term. Upon termination of the trusts, FEDCAP will receive the assets remaining in the trusts. Trusts are recorded as increases to net assets at the fair value of trust assets, less the present value of the estimated future payments to be made under the specific terms of the trusts. At September 30, 2018 and 2017, FEDCAP's interest in these trusts is reflected at fair value in the accompanying consolidated statements of financial position and is classified as Level 3 within the fair value hierarchy.

	2018	2017
Balance, beginning of year	\$ 628,759	\$ 575,912
Contributions / additions	4,024,343	8,578
Distributions	(5,911)	(13,516)
Depreciation (appreciation)	(452)	57,785
Balance, end of year	\$ 4,646,739	\$ 628,759

#### Impairment of Long-lived Assets

FEDCAP reviews the carrying values of its long-lived assets, including property and equipment and other assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Recoverability of long-lived assets is assessed by a comparison of the carrying amount of the asset to the estimated future net cash flows expected to be generated by the asset.

If estimated future net cash flows are less than the carrying amount of the asset, the asset is considered impaired and an expense is recorded in an amount to reduce the carrying amount of the asset to its fair value.

#### Tax-Exempt Status

Fedcap follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is "more-likely-than-not" to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

Fedcap is exempt from federal income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to their respective exempt purpose, unless that income is otherwise excluded by the Code. These organizations have processes presently in place to ensure the maintenance of their tax-exempt status; to identify and report unrelated income; to determine their filing and tax obligations in jurisdictions for which they have nexus; and to identify and evaluate other matters that may be considered tax positions. Fedcap has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

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1184, a for-profit corporation, commenced business operations in May of 2016; the Organization has not calculated a tax provision as the projected tax liability is immaterial from a financial statement perspective. In addition, 1184 has determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

#### 3. CONTRIBUTIONS RECEIVABLE

At September 30, 2018 and 2017, contributions receivable, net of the allowance for doubtful accounts, consisted of the following:

	2018	2017
Amounts due within one year	\$ 1,237,222	\$ 3,074,667
Amounts due in one to five years	309,306	10,711
	<u>1,546,528</u>	<u>3,085,378</u>
Less: allowance for uncollectible receivables	(250,000)	-
	<u>\$ 1,296,528</u>	<u>\$ 3,085,378</u>

Approximately 26% of the contributions receivable (gross) is due from one donor at September 30, 2018. Approximately 69% of the contributions receivable (gross) is due from two donors at September 30, 2017.

#### 4. INVESTMENTS

Investments, at fair value, consisted of the following at September 30:

	2018	2017
Money market funds	\$ 5,329,461	\$ 3,176,676
Mutual funds	12,897,809	11,547,459
	<u>\$ 18,227,270</u>	<u>\$ 14,724,135</u>

FEDCAP's mutual fund investments are classified as Level 1 within the fair value hierarchy. FEDCAP's money market fund investments do not meet the definition of a security under US GAAP, and as such, the disclosure requirements for fair value measurements are not applicable.

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

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### 5. INVENTORIES, NET

Inventories consisted of the following at September 30:

	2018	2017
Inventories:		
Raw materials	\$ 219,880	\$ 369,867
Work-in-process and finished goods	114,810	122,802
Reserve	(90,000)	(90,000)
	<u>\$ 244,690</u>	<u>\$ 402,669</u>

### 6. PROPERTY, PLANT AND EQUIPMENT, NET

Fixed assets, net, consisted of the following at September 30:

	2018	2017
Land	\$ 1,017,809	\$ 1,017,809
Building improvements	3,492,788	531,382
Buildings	37,052,760	33,280,420
Capital lease - building	35,918,547	35,918,547
Furniture, fixtures and computer systems	14,157,674	11,509,522
Leasehold improvements	9,143,432	7,002,207
	<u>100,783,010</u>	<u>89,259,887</u>
Less: accumulated depreciation	<u>(18,712,293)</u>	<u>(14,335,100)</u>
	<u>\$ 82,070,717</u>	<u>\$ 74,924,787</u>

Depreciation and amortization expense for the years ended September 30, 2018 and 2017 was \$4,432,003 and \$4,116,984, respectively.

### 7. CAPITAL LEASES

In May of 2014, FRS entered into a condominium leasehold agreement in a building located at 205 East 42nd Street in New York City for 64,303 square feet of space consisting of the entire second and third floor and a portion of the ground floor. FRS began occupying the space in December 2014 and the agreement expires in fiscal 2043. The interest rate is fixed at 4.20%. FRS accounted for this agreement as a capital lease, and as such, the related cost of \$35,918,547 representing the present value of the total future minimum lease payments due at the inception of the agreement, is included within "property, plant and equipment, net" in the accompanying consolidated statements of financial position at September 30, 2018 and 2017. FRS occupied the condominium in December 2014 and recorded depreciation expense of \$1,238,571 in fiscal 2018 and 2017. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$36,353,740 and \$36,461,573, respectively.

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During fiscal 2015, FRS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$22,074 principal and interest are paid monthly. As of September 30, 2018, and 2017, accumulated depreciation associated with this lease agreement is \$15,452 and \$11,037, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$6,622 and \$11,038, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, CWS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$44,464, principal and interest are paid monthly. As of September 30, 2018, and 2017, accumulated depreciation associated with this lease agreement is \$44,464, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, is \$0 and \$22,232, respectively. The maturity date is March 31, 2020 and the interest rate is fixed at 6.73%.

During fiscal 2015, ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$80,785, principal and interest are paid monthly. As of September 30, 2018, and 2017, the accumulated depreciation balance was \$52,511 and \$36,040, respectively. The outstanding principal balance on the lease as of September 30, 2018 and 2017, was \$28,627 and \$44,745, respectively. The maturity date is June 30, 2020 and the interest rate is fixed at 6.97%.

In 2015 and 2016, ESCT obtained financing pursuant to a capital lease to finance equipment in the amount of \$109,418, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$5,534. The outstanding principal balance on the leases as of September 30, 2018 was \$47,190. The maturity dates run through May 14, 2021 with varying interest rates from 0% - 0.99%.

During fiscal 2018, ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$128,298, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$35,573. The outstanding principal balance on the lease as of September 30, 2018 was \$93,362. The maturity dates are through June 30, 2022 and the interest rate is fixed at 6.70% and 8.00%.

During fiscal 2018, FRS and ESNY obtained financing pursuant to a capital lease to finance vehicles in the amount of \$370,074, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$122,766. The outstanding principal balance on the lease as of September 30, 2018 was \$248,418.

During fiscal 2018, FRS obtained financing pursuant to a capital lease to finance vehicles in the amount of \$82,264 principal and interest are paid monthly. As of September 30, 2018, accumulated depreciation associated with these lease agreements is \$13,914. The outstanding principal balance on the lease as of September 30, 2018 is \$77,578. The maturity dates are through November 30, 2022 and the interest rate varies from 7.10% to 7.45%.

On September 14, 2018, FRS obtained financing pursuant to a capital lease to finance office furniture in the amount of \$463,495, principal and interest are paid monthly. As of September 30, 2018, the accumulated depreciation balance was \$0. The outstanding principal balance on the lease as of September 30, 2018 was \$440,320. The maturity dates are through June 2023 and the interest rate is 6.58%.

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The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of September 30, 2018:

<u>Year Ending September 30,</u>	
2019	\$ 1,944,244
2020	2,156,611
2021	2,159,924
2022	2,089,325
2023	1,990,114
2023	<u>52,678,445</u>
Total minimum lease payments	<u>63,018,663</u>
Less: Amount representing interest	<u>(25,722,806)</u>
Present value of net minimum lease payments	<u>\$ 37,295,857</u>

#### 8. REVOLVING LOANS

##### Israel Discount Bank of New York

FRS entered into a revolving loan agreement with Israel Discount Bank of New York ("IDB") to finance working capital needs with an aggregate principal amount not to exceed \$15,000,000. The line is collateralized by FRS's accounts receivable and matured on January 18, 2019. The interest rate for the revolving loan agreement is the Prime Rate. As of September 30, 2018, and 2017, FEDCAP had borrowings on this line of credit of \$14,653,273, respectively, at an interest rate of 5.25% and 4.25%, respectively. Subsequent to year end, the maturity date was extended, see Note 20.

##### RBS Citizens Bank, N.A.

ESNY has an agreement with RBS Citizens Bank, N.A for a \$3,000,000 revolving line of credit with FRS as the co-borrower, which matured on December 15, 2018 and was subsequently extended until May 2019. As of September 30, 2018, and 2017, ESNY had borrowings on this line of credit of \$3,000,000, respectively, at an interest rate of 4.5% and 3.50%, respectively.

##### Frost Bank

ESCT obtained an uncollateralized revolving line of credit with Frost Bank with a \$200,000 limit that matured on February 6, 2019. As of September 30, 2018, ESCT had borrowings on this line of credit of \$200,000 at a floating interest rate, defined as 1.75% plus the financial institution's prime rate. This line of credit was paid in full in February 2019.

#### 9. LONG-TERM DEBT

##### Notes Payable

On December 5, 2014, ESNY entered into a \$1,980,000 mortgage note payable to finance the acquisition of certain property located in Valhalla, New York. The note was secured by the property and is guaranteed by FRS. The interest rate is 3.66% for the first 60 months then, as of the first day of the sixty-first month, the interest rate will reset to 1.75% in excess of the then bank's five-year Cost of Funds. In no event shall

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the reset rate be less than 3.66%. Principal and interest of \$9,153 is payable monthly through the maturity date of January 1, 2025. At September 30, 2018 and 2017, the outstanding principal balance was \$1,832,909 and \$1,874,696, respectively.

On November 4, 2016, MVLE entered into a \$350,000 note payable with Union Bank & Trust. The note is secured by accounts receivable and equipment. The interest rate is 4.5% and principal and interest are paid monthly. The note matures in November 2019. As of September 30, 2018, the outstanding principal balance was \$142,471.

On Dec 13, 2016, ESCT entered into a \$18,558 note payable with J.P. Morgan Chase Bank, N.A. The note is secured by the assets of ESCT. The interest rate is 6.1% and principal and interest are paid monthly. The note matures in December 2021. As of September 30, 2018, the outstanding principal balance was \$12,702.

On May 18, 2017, ESCT entered into a \$243,650 note payable with Wells Fargo, N.A. The note is secured by accounts receivable and equipment. The interest rate is defined at a variable rate plus prime and principal and interest are paid monthly. The note matures in May 2020. As of September 30, 2018, the outstanding principal balance was \$151,086.

**Bonds Payable**

In December 2013, FRS entered into a Loan Agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the purchase of the sixth floor of a building located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$18,450,000 of tax-exempt revenue bonds ("Series 2013A"). Monthly payments of interest commenced in June 2014. The Series 2013A bonds have a coupon rate of 4.2% with a maturity date of December 1, 2033. The Series A bonds were placed with IDB and, as part of the bond purchase and continuing covenant agreement between FRS and IDB, FRS must maintain a minimum balance with IDB of \$4,000,000, which is included within investments in the accompanying consolidated statements of financial position at September 30, 2018 and 2017. At September 30, 2018 and 2017, the outstanding principal balance of the Series 2013A bonds was \$17,025,000 and \$17,520,000, respectively.

In December 2010, ESNY in connection with the Monroe County Industrial Development Corporation and RBS Citizens Bank, N.A. issued \$5,250,000 in Series 2010 tax-exempt Revenue Bonds ("Series 2010"). The Series 2010 bonds were used to finance the acquisition of certain property located in Irondequoit, New York and to refinance certain ESNY debt. The Series 2010 bonds are secured by a mortgage on all properties and improvements financed by the bond and are guaranteed by FRS. ESNY may elect to prepay some portion or all of the outstanding bonds subject to a prepayment fee as defined in the agreement. The agreement also requires bank approval prior to ESNY incurring additional indebtedness. The Series 2010 bonds are subject to tender for mandatory purchase at the election of the bondholder beginning June 1, 2016 and thereafter every five years through June 1, 2036. At September 30, 2018 and 2017, the outstanding principal balance of the Series 2010 bonds was \$4,399,430 and \$4,537,395, respectively.

On February 23, 2011, ESNY entered into an interest rate swap agreement with a bank in connection with the Series 2010 Bonds. The swap agreement had an outstanding notional amount of \$4,257,920 and \$4,526,910 at September 30, 2018 and 2017, respectively. The outstanding notional amount decreases, in conjunction with bond principal reductions, until the agreement terminates in January 2031. ESNY remits interest at a fixed rate of 2.99% and receives interest at a variable rate (68% of the sum of the monthly LIBOR rate plus 2.65% (3.34% at September 30, 2018 and 2017, respectively)). The fair value of the interest rate swap agreement as of September 30, 2018 and 2017 reflected a liability of \$355,400.

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and \$625,315, respectively. The swap is included within other liabilities in the accompanying consolidated statement of financial position, and is classified as Level 2 within the fair value hierarchy.

In December 2017, FRS entered into a loan agreement with Build NYC Resource Corporation ("Build NYC"), a local development corporation, for Build NYC to issue bonds to finance the renovation, equipping and furnishing of the improvements of the sixth floor located at 633 Third Avenue in New York City and related expenses. Build NYC issued \$9,280,000 of tax-exempt revenue bonds ("Series 2017A") and \$715,000 of taxable revenue bonds ("Series 2017B"). Monthly payments of interest commenced in February 2018. The Series 2017A bonds have a coupon rate of 3.9% with a maturity date of December 1, 2042. The Series 2017B bonds have a coupon rate of 4.5% with a maturity date of December 1, 2027. The 2017A and 2017B bonds were placed with TD Bank. At September 30, 2018, the outstanding principal balance of the Series 2017A and 2017B bonds was \$9,116,787 and \$671,807 respectively.

The following is a summary of minimum principal payments due on the notes and bonds at September 30, 2018:

	Notes Payable	Bonds Payable	Total
Year Ending September 30,			
2019	\$ 176,504	\$ 922,577	\$ 1,099,081
2020	181,280	981,862	1,163,142
2021	50,348	1,019,829	1,070,177
2022	48,574	1,063,272	1,111,846
2023	49,307	1,105,555	1,154,862
Thereafter	1,633,155	26,119,929	27,753,084
Total	<u>\$ 2,139,168</u>	<u>\$ 31,213,024</u>	<u>33,352,192</u>
Less: current portion			1,099,081
Less: bond issuance cost			915,819
Long-term debt, net of current portion			<u>\$ 31,337,292</u>

**10. ADVANCES FROM GOVERNMENT AGENCY**

On August 1, 2012, FRS entered in a contract with New York City Human Resources Agency ("HRA") to operate HRA's WeCare program in the boroughs of Brooklyn and Queens. Under the terms of the contract, HRA may make advances for working capital purposes. These advances are non-interest bearing and will be recouped during the course of the contract in accordance with HRA policy, but no later than the last year of the contract. On September 29, 2017, FRS received a loan of \$1,500,000 from the Fund for the City of New York to cover operating expenses pending receipt of funds from HRA. This loan is non-interest bearing and will be repaid no later than 30 days from the date of the loan, upon receipt of the funds from HRA or on demand for payment by the Fund for the City of New York. At September 30, 2017, the balance from this loan was \$1,500,000. This loan was repaid in November 2017.

On August 30, 2018 FRS received a loan of \$1,485,361 from the Fund for the City of New York to cover operating expenses pending contract registration and receipt of funds from HRA. This loan is non-interest bearing and will be repaid no later than 30 days from the date of the loan, upon receipt of the funds from

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HRA or on demand for payment by the Fund for the City of New York. At September 30, 2018, the balance from this loan was \$1,485,361. This loan was repaid in November of 2018.

**11. FORGIVEABLE CAPITAL ADVANCES**

ESCT has received financial assistance for property acquisition costs from Housing and Urban Development ("HUD") and the Austin Housing Finance Corporation ("AHFC"). Under the terms of the agreements, funds were provided to ESCT in the form of forgivable capital advances to purchase thirty-four housing entities. The principle and any interest are not due and will be forgiven upon maturity, as long as ESCT continues to meet the requirements to maintain the housing units available for low income persons with disabilities. ESCT believes that the possibility that repayment will occur is remote and as such that the treatment of the advance as a contribution upon receipt is appropriate. Accordingly, the advances were recorded as temporarily restricted contributions that are released from restriction over the life of the agreement.

The following table summarizes the forgivable capital advances as of September 30, 2018:

	<u>Amount of Original Advance</u>
<b>Housing I</b>	
U.S. Department of Housing and Urban Development, interest rate of 5.375%, due unless forgiven on October 11, 2045, secured by six rental housing units. At September 30, 2018, \$279,635 was included in temporarily restricted net assets related to the Note.	\$ 413,000
<b>Housing II</b>	
U.S. Department of Housing and Urban Development, interest rate of 5.250%, due unless forgiven on April 1, 2048, secured by ten rental housing units. At September 30, 2018, \$527,767 was included in temporarily restricted net assets related to the Note.	713,600
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on May 1, 2049, secured by ten rental housing units, subordinate to the \$713,600 loan. At September 30, 2018, \$382,292 was included in temporarily restricted net assets related to the Note.	500,000
<b>Housing III</b>	
U.S. Department of Housing and Urban Development, interest rate of 4.125%, due unless forgiven on December 1, 2050, secured by eight rental housing units. At September 30, 2018, \$595,003 was included in temporarily restricted net assets related to the Note.	739,900
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on November 30, 2050, secured by eight rental housing units, subordinate to the \$739,900 loan. At September 30, 2018, \$397,853 was included in temporarily restricted net assets related to the Note.	494,740
<b>Housing IV</b>	
U.S. Department of Housing and Urban Development, interest rate of 4.125%, due unless forgiven on February 15, 2053, secured by ten rental housing units. At September 30, 2018, \$920,990 was included in temporarily restricted net assets related to the Note.	1,070,400



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	Amount of Original Advance
Housing IV (continued)	
City of Austin passed through Austin Housing Finance Corporation, interest rate of 0%, unless forgiven on February 28, 2053, secured by ten rental housing units, subordinated to the \$1,070,400 loan. At September 30, 2018, \$537,673 was included in temporarily restricted net assets related to the Note.	624,898
Total	<u>\$ 4,556,538</u>

## 12. COMMITMENTS AND CONTINGENCIES

FEDCAP has leases for offices, program related facilities, and equipment expiring at various dates through 2032. The approximate future minimum lease commitments under existing operating leases are as follows:

<u>Year Ending September 30</u>	
2019	\$ 7,856,201
2020	5,581,739
2021	5,042,998
2022	4,752,045
2023	3,084,738
Thereafter	10,004,661
Total	<u>\$ 36,322,382</u>

Certain office leases contain renewal and escalation clauses. For leases with escalation clauses, FEDCAP recognized rent expense on a straight-line basis and recognized a deferred rent liability of \$4,376,734 and \$1,773,782 at September 30, 2018 and 2017, respectively, which is included in other liabilities in the accompanying consolidated statements of financial position. In addition to the base rents, FEDCAP is obligated to pay additional amounts for increased operating costs.

Rent expense was \$12,639,752 and \$11,208,061 for the years ended September 30, 2018 and 2017, respectively.

FEDCAP sublets a portion of its facilities to tenants under operating leases that expire between April 2017 and December 2025. For the years ended September 30, 2018 and 2017, rental income from these subleases was \$562,172 and \$293,318, respectively. The future minimum sublease rental payments to be received are as follows:

<u>Year Ending September 30</u>	
2019	\$ 451,974
2020	309,641
2021	279,677
2022	290,411
Thereafter	989,946
Total	<u>\$ 2,321,649</u>

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

FEDCAP is engaged in various lawsuits incidental to its operations. In the opinion of management, the ultimate outcome of pending litigation will not have a material adverse effect on the consolidated financial position and results of operations of FEDCAP.

FEDCAP participates in a number of federal and state programs. These programs require that FEDCAP comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government contracts by government agencies is presently not determinable, it should not, in the opinion of management, have a material effect on FEDCAP's financial position or change in net assets. Accordingly, no provision for any such liability that may result has been made in the accompanying consolidated financial statements.

#### 13. TUITION REVENUE

FRS receives funding for the Career Design School from the New York State Education Department, administered by the Bureau of Proprietary School Supervision. Gross tuition income, which equaled net tuition income, was \$1,012,460 and \$1,094,605 for the years ended September 30, 2018 and 2017, respectively, and has been included within rehabilitation and vocational programs in the accompanying consolidated statements of activities.

#### 14. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were restricted for the following purposes as of September 30, 2018 and 2017:

	2018	2017
For use in future periods for:		
Employment and job search programs	\$ 122,221	\$ 602,111
ESCT HUD capital advances	3,641,213	
Time restricted	2,915,146	1,622,427
Total	<u>\$ 6,678,580</u>	<u>\$ 2,224,538</u>

Net assets released from restrictions during the years ended September 30, 2018 and 2017 were as follows:

	2018	2017
Employment and job search programs	\$ 490,089	\$ 779,151
ESCT HUD capital advances	915,325	
Time restricted	1,440,130	
Total	<u>\$ 2,845,544</u>	<u>\$ 779,151</u>

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

#### 15. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are comprised of the following as of September 30, 2018 and 2017:

	2018	2017
Easter Seals endowment	\$ 1,880,853	\$ 509,428
ReServe endowment	75,000	75,000
	<u>\$ 1,955,853</u>	<u>\$ 584,428</u>

#### 16. RELATED PARTY TRANSACTIONS

Members of the Board of Directors of FEDCAP are associated with a law firm that has provided legal services to FEDCAP with fees of \$381,465 and \$312,012 during the years ended September 30, 2018 and 2017, respectively.

A CWS Board member is a trustee of the Eaton Fund. CWS leases its facilities from the Eaton Fund. Rent paid to Eaton Fund for each of the years ended September 30, 2018 and 2017 was \$129,996.

#### 17. EMPLOYEE BENEFIT PLANS

Effective January 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employee voluntary salary reduction contributions. Employees are eligible to participate in the plan as of their employment date.

Effective October 1, 1991, FEDCAP established a Tax Deferred Annuity Retirement Plan under Section 403(b) of the Internal Revenue Code for employees working on government contracts with a defined contribution pension plan based on a contractual formula. Employees are eligible to participate in the plan upon satisfactory completion of a three-month probationary period.

Effective October 1, 1994, FEDCAP established a Defined Contribution Plan under Section 403(b) of the Internal Revenue Code for qualified participants, primarily employees who do not work on contracts. In November 1, 2010, the Defined Contribution Plan was amended to allow all employees to participate in the plan immediately upon hire. FEDCAP matches employee contributions up to 3% of their salaries. Employer matching contributions fully vest after three years of employment.

Plan contributions are invested in one or more of the funding vehicles available to participants under the plans. Each participant is fully and immediately vested in employee contributions. Employer contributions to the plans amounted to \$6,648,313 and \$6,186,322 for the years ended September 30, 2018 and 2017, respectively.

#### 18. ACQUISITIONS

On February 1, 2017, FRS entered into a combination agreement with Single Stop USA, Inc. to become its sole member. The determination to acquire Single Stop USA, Inc. was predicated on the similarities in mission. Single Stop provides coordinated services to holistically connect people to the resources they need to attain higher education, obtain good jobs, and achieve financial self-sufficiency. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$1,947,081 was

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On November 1, 2016, GP entered into a combination agreement with Seacoast Pathways, Inc. to become its sole member. The determination to acquire Seacoast Pathways, Inc. was predicated on the similarities in mission and a geographic expansion of services in the New England Region. The mission of Seacoast Pathways is to support adults living with mental illness on their paths to recovery through the work-ordered day. This acquisition was effected without the transfer of consideration, and as such an inherent contribution of \$38,724 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisitions for the year ended September 30, 2017:

	Single Stop USA	GP	Total
Cash and cash equivalents	\$ 4,434,379	\$ 35,724	\$ 4,470,103
Accounts receivables, net	252,430	-	252,430
Contributions and grants receivables	1,449,503	-	1,449,503
Investments	-	3,000	3,000
Prepaid expenses and other assets	131,553	-	131,553
Other assets	271,816	-	271,816
Property, plant and equipment, net	958,033	-	958,033
Accounts payable and accrued liabilities	(2,671,188)	-	(2,671,188)
Deferred revenue	(2,485,700)	-	(2,485,700)
Other liabilities	(393,745)	-	(393,745)
	<u>\$ 1,947,081</u>	<u>\$ 38,724</u>	<u>\$ 1,985,805</u>

On October 31, 2017, FRS entered into a combination agreement with Benevolent to become its sole member. This combination was predicated on the similarities of mission and enhancement of our ability to provide economic wellbeing for the individuals we serve. The combination further diversifies funding to individuals and families in need, through non-government sources. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$1,231 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On April 1, 2018, FRS entered into a combination agreement with MVLE to become its sole member. MVLE provides employment, support and rehabilitation services to individuals with disabilities in the Northern Virginia and Washington, D.C. area. This combination was predicated on the synergies of mission and geographic expansion of services in the Mid-Atlantic Region. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$3,644,595 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals Central Texas ("ESCT") to become its sole member. ESCT provides services to individuals with disabilities throughout the life cycle

## FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2018 and 2017

through outpatient medical rehabilitation, workforce development and community housing and integration programs in the Central Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESCT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$4,368,955 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

On July 1, 2018, FRS entered into a combination agreement with Easter Seals North Texas ("ESNT") to become its sole member. ESNT provides services to individuals with disabilities throughout the life cycle through outpatient medical rehabilitation, workforce development and community housing and integration programs in the North Texas region. This combination was predicated on the similarities of mission and geographic expansion of services into the Southwest Region. The addition of ESNT expands the core services to the populations served through our Easter Seals brand whose current operations are in New York and Rhode Island. This acquisition was affected without the transfer of consideration, and as such an inherent contribution of \$5,447,649 was recognized, which represented the excess of the acquisition date fair values of the identifiable assets acquired over the acquisition date fair values of the liabilities assumed.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the date of acquisitions for the year ended September 30, 2018:

	Benevolent	MYLE	ESCT	ESNT	Total
Cash and cash equivalents	\$ 5,488	\$ 633,234	\$ 215,266	\$ 52,181	\$ 906,169
Accounts receivables, net	-	2,194,671	665,681	362,638	3,223,010
Grants receivables	-	-	641,971	137,615	779,586
Prepaid expenses and other assets	2,081	82,077	134,423	655,117	873,698
Investments	-	-	-	545,114	545,114
Other assets	-	384,614	120,094	81,151	585,859
Property, plant and equipment, net	-	1,695,518	3,948,025	347,639	5,991,182
Beneficial interest in remainder trust	-	-	-	4,024,343	4,024,343
Accounts payable and accrued liabilities	(6,338)	(817,914)	(762,580)	(353,169)	(1,940,001)
Other liabilities	-	(326,652)	(165,815)	(156,000)	(648,467)
Revolving loans	-	-	(200,000)	(249,000)	(449,000)
Notes payable	-	(200,953)	(228,110)	-	(429,063)
	<u>\$ 1,231</u>	<u>\$ 3,644,395</u>	<u>\$ 4,368,955</u>	<u>\$ 5,447,649</u>	<u>\$ 13,462,430</u>

#### 19. CONCENTRATIONS

FEDCAP provides building services for federal buildings, which comprised 22% and 20% of total revenues during the years ended September 30, 2018 and 2017, respectively. FEDCAP provides offsite data entry personnel, custodial and other services to various branches of the state and city government through one New York State organization, which comprised 7% and 5% of total revenues during the years ended September 30, 2018 and 2017, respectively.

Financial instruments that potentially subject FEDCAP to concentrations of credit and market risk consist principally of cash and cash equivalents on deposit with financial institutions, which from time to time may exceed the Federal Deposit Insurance Corporation ("FDIC") limit. Management does not believe that a significant risk of loss exists due to the failure of a financial institution.

## **FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**

### **Notes to Consolidated Financial Statements**

**September 30, 2018 and 2017**

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#### **20. SUBSEQUENT EVENTS**

FEDCAP evaluated its September 30, 2018 consolidated financial statements for subsequent events through April 8, 2019, the date the consolidated financial statements were available for issuance. FEDCAP is unaware of any events which would require recognition or disclosure in the accompanying consolidated financial statements, except as noted below.

On November 1, 2018, FRS acquired Kennedy Scott, Limited, a United Kingdom company through a stock purchase. Kennedy Scott provides high quality job support, placement, retention and related services to people in the United Kingdom.

On December 31, 2018, FRS entered into an agreement with Israel Discount Bank of New York to extend the maturity date of the revolving loan to October 17, 2020 and to increase the revolving loan, as described in Note 8, by \$10,000,000 to an aggregate principal amount not to exceed \$25,000,000.

**SUPPLEMENTARY INFORMATION**

**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Financial Position**  
**As of September 30, 2018**

	Fedcap Rehabilitation Services, Inc.	Other Rehab Corporation	Other Rehab Corporation	Community Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services	Other Rehab Services
<b>ASSETS</b>																			
<b>CURRENT ASSETS</b>																			
Cash and cash equivalents	\$ 1,382,127	\$ 71,523	\$ 8,400	\$ 17,048	\$ 23,778	\$ 77,228	\$ 1,400	\$ 11,328	\$ 1,488,000	\$ 1,000	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Accounts receivable (net of allowance for doubtful accounts of approximately \$5,422,000 in 2018 and \$1,000,000 in 2017)	\$ 3,581,709	\$ 4,523,075	\$ 52,028	\$ 43,528	\$ 432,228	\$ 71,228	\$ 1,400	\$ 11,328	\$ 1,488,000	\$ 1,000	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Inventory, current assets	\$ 18,523,007	\$ 2,401,000	\$ 10,028	\$ 10,028	\$ 1,401,000	\$ 2,71,228	\$ 17,000	\$ 1,401,000	\$ 1,488,000	\$ 1,000	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Contributions and gifts receivable (net of allowance for doubtful accounts of approximately \$70,000 in 2018 and \$0 in 2017)	\$ 38,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Prepaid expenses and other assets	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Other current assets	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Investments	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Property, plant and equipment, net	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Intangible assets	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Other assets	\$ 1,714,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>Total assets</b>	\$ 10,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<b>LIABILITIES AND NET ASSETS</b>																			
<b>CURRENT LIABILITIES</b>																			
Accounts payable and accrued liabilities	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Deferred revenues	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Current portion of long-term debt	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Other current liabilities	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<b>LONG-TERM LIABILITIES</b>																			
Capital lease obligations	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Other long-term liabilities	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<b>NET ASSETS</b>																			
Unrestricted net assets	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Restricted net assets	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
<b>Total net assets</b>	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000

This statement should be read in conjunction with the accompanying consolidated financial statements and notes thereto.



**FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES**  
**Consolidating Statement of Activities**  
**For the year ended September 30, 2018**

	Continuing													
	Fedcap Rehabilitation Services Inc.	Without Services Corporation	Referrals	Community Work Centers	Enter South New York	Greater Pittsburgh	Red Hump	Enter South Rhode Island	Single Stop	Seawood Pittsburgh	Shawmut	NYC	Enter South Central Texas	Enter South North Texas
<b>REVENUES</b>														
Contract services and products	\$ 94,363,715	\$ 3,858,941	\$ -	\$ 812,343	\$ -	\$ -	\$ 178,897	\$ -	\$ -	\$ -	\$ -	\$ 1,163,897	\$ -	\$ -
Rehabilitation and treatment programs	889,872,997	3,334,852	4,473,332	3,339,911	283,468,228	1,254,882	-	1,146,794	3,381,734	5,070	-	4,335,953	1,715,512	1,399,325
Contributions and grants	1,422,499	-	13,173	479,732	349,289	89,792	-	213,440	15,116,904	46,381	22,793	93,549	3,912,888	12,482,178
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized gains on investments	476,911	-	-	-	64,369	-	-	-	-	-	1,231	3,444,539	1,972,557	1,982,176
Interest income	312,871	-	1,004	797	2,778	-	-	-	332	-	-	-	-	19,237
Management services	238,411	908	-	181	9,234	-	-	-	7,377	-	-	19	1	3,291
Net assets released from subsidiaries	253,472	-	1,118	-	-	-	-	-	773	-	-	180,975	79,238	4,999
Total revenues	1,709,972,791	11,433,591	4,486,423	4,672,344	283,672,828	1,254,882	178,897	1,146,794	17,266,097	31,291	24,293	10,156,934	7,113,272	13,904,341
<b>EXPENSES</b>														
Program services														
Contract services and products	\$ 43,386,764	\$ 3,858,941	\$ -	\$ 1,113,873	\$ -	\$ -	\$ 157,788	\$ -	\$ -	\$ -	\$ -	\$ 1,629,733	\$ -	\$ -
Rehabilitation and treatment programs	87,779,124	3,679,413	3,753,332	3,377,428	28,461,828	1,211,221	-	1,113,179	11,079,111	1,547	-	1,893,470	1,377,272	1,377,428
Supporting services	177,811,218	11,814,728	3,714,311	3,173,281	26,771,899	1,211,221	177,788	1,113,179	11,079,111	1,547	-	1,893,470	1,377,272	1,377,428
Management and general	25,462,187	1,310,801	1,454,021	1,893,289	1,841,986	134,918	-	134,918	1,160,122	11,600	-	2,399,239	722,864	276,286
Depreciation	786,411	-	1,004	48	125,078	-	-	225,511	1,160,122	11,600	-	2,399,239	722,864	276,286
Total expenses	238,441,711	11,814,728	3,714,311	3,173,281	26,771,899	1,211,221	177,788	1,113,179	11,079,111	1,547	-	1,893,470	1,377,272	1,377,428
Change in net assets - consolidated	(6,217,966)	(1,381,137)	(2,227,888)	(5,000,937)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)
Net assets at beginning of year - consolidated	15,089,088	(1,381,137)	(2,227,888)	(5,000,937)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)	(1,103,071)
Net assets at end of year - consolidated	\$ 8,871,122	\$ (2,762,274)	\$ (4,455,776)	\$ (10,001,908)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)	\$ (2,206,142)
<b>Temporarily Restricted</b>														
	Fedcap Rehabilitation Services Inc.	Without Services Corporation	Referrals	Community Work Centers	Enter South New York	Greater Pittsburgh	Red Hump	Enter South Rhode Island	Single Stop	Seawood Pittsburgh	Shawmut	NYC	Enter South Central Texas	Enter South North Texas
<b>REVENUES</b>														
Contributions and grants	\$ -	\$ -	\$ 16,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Net assets released from subsidiaries	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Total revenues	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Change in net assets - temporarily restricted	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Net assets at beginning of year - temporarily restricted	79,111	-	1,000	-	-	-	-	-	-	-	-	-	3,841,211	1,397,237
Net assets at end of year - temporarily restricted	242,284	-	17,800	-	-	-	-	-	-	-	-	-	8,177,547	2,796,562
<b>Permanently Restricted</b>														
	Fedcap Rehabilitation Services Inc.	Without Services Corporation	Referrals	Community Work Centers	Enter South New York	Greater Pittsburgh	Red Hump	Enter South Rhode Island	Single Stop	Seawood Pittsburgh	Shawmut	NYC	Enter South Central Texas	Enter South North Texas
<b>REVENUES</b>														
Interest income	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Total revenues	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Change in net assets - permanently restricted	163,173	-	16,800	-	-	-	-	-	-	-	-	-	4,336,336	1,399,325
Net assets at beginning of year - permanently restricted	79,111	-	1,000	-	-	-	-	-	-	-	-	-	3,841,211	1,397,237
Net assets at end of year - permanently restricted	242,284	-	17,800	-	-	-	-	-	-	-	-	-	8,177,547	2,796,562

This statement should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

# FEDCAP REHABILITATION SERVICES, INC. AND SUBSIDIARIES

## Consolidated Schedule of Functional Expenses

For the year ended September 30, 2018 (with comparative totals for the year ended September 30, 2017)

	2018						2017	
	Program Services			Supporting Services			Total Expenses	Total Expenses
	Contract Services and Products	Rehabilitation and Vocational Programs	Total	Management and General	Development	Total		
Salaries and related expenses	\$ 64,831,121	\$ 87,171,397	\$ 152,002,518	\$ 18,061,071	\$ 543,763	\$ 18,604,834	\$ 170,607,352	\$ 154,660,498
Professional fees	113,423	25,140,718	25,254,141	2,759,130	420,672	3,179,802	28,433,943	17,090,960
Professional development and evaluation	52,094	747,241	799,335	132,123	4,025	136,148	935,483	660,987
Materials and supplies	3,608,680	1,797,653	5,406,333	210,071	18,540	228,611	5,634,944	5,629,326
Commissions	2,656,552	11,500	2,668,052	-	-	-	2,668,052	2,943,520
Telephone	174,268	911,010	1,085,278	574,671	7,514	582,185	1,667,463	1,271,348
Postage and shipping	760,678	243,769	1,004,447	78,091	3,626	81,717	1,086,164	1,022,196
Insurance	1,373,800	1,283,658	2,657,458	664,319	8,609	672,928	3,330,386	2,371,710
Occupancy costs	2,427,298	14,728,399	17,155,697	2,167,689	39,011	2,206,700	19,362,397	15,756,227
Equipment rental and maintenance	835,996	610,584	1,446,580	251,619	9,045	260,664	1,707,244	1,520,182
Equipment purchases	340,665	460,452	801,117	23,478	726	24,204	825,321	962,987
Client transportation and travel	336,303	4,382,234	4,718,537	659,059	60,186	719,245	5,437,782	5,668,620
Subscription and printing	25,142	108,809	133,951	88,013	9,997	98,010	231,961	251,122
Technology	453,739	1,700,845	2,154,584	2,062,538	48,820	2,111,358	4,265,942	3,284,437
Interest expense and bank charges	49	37,509	37,558	3,528,905	260	3,529,165	3,566,723	3,079,150
Bad debt provision (recovery)	-	10,877	10,877	4,589,854	250,000	4,839,854	4,850,731	299,600
Subcontractor expense	15,845,823	13,440,507	29,286,330	167,236	-	167,236	29,453,566	27,807,907
Stipends	32,225	4,396,280	4,428,505	50,720	5,056	55,776	4,484,281	3,835,041
Security guard expense	17,820	1,016,874	1,034,694	16,075	13	16,088	1,050,782	924,131
Other	814,148	2,372,594	3,186,742	223,719	435,126	658,845	3,845,587	5,057,893
Total expenses before depreciation and amortization	94,699,824	160,572,910	255,272,734	36,308,381	1,864,989	38,173,370	293,446,104	254,097,842
Depreciation and amortization	256,277	888,688	1,144,965	3,286,076	962	3,287,038	4,432,003	4,116,984
Total expenses	\$ 94,956,101	\$ 161,461,598	\$ 256,417,699	\$ 39,594,457	\$ 1,865,951	\$ 41,460,408	\$ 297,878,107	\$ 258,214,826

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

## Granite Pathways Board of Directors

First	Last	Board Position
Deborah	Jameson	Finance Committee
Lynne	Westaway	Treasurer
William	Rider	Interim Chairman
Monsignor John	Quinn	
Courtney	Gray-Tanner	
Nick	Brattan	
Jacqueline	Ellis	Seacoast Pathways Board Chair
Heather	Blumenfeld	SHRC Advisory Board
Mark	Lore	

Robin J. Fisk

**PROFESSIONAL EXPERIENCE**

**FEDCAP REHABILITATION SERVICES, INC.**, 8/2017 – present. Senior Vice President, Occupational Health. Oversee and develop the clinical services division of the company, including mental health, primary care, substance use disorder vocational health, home health and service coordination services. Responsible for setting and monitoring budgets, establishing systems and tools to monitor productivity and sustainability and developing new services to meet client needs.

**APRIA HEALTHCARE LLC**, 9/2016 – 7/2017. Corporate Counsel, advising on managed care contracts for national durable medical equipment company.

**FISK LAW OFFICE, PLLC**, 2000 – present. Represented health providers, insurers and plans with an emphasis on commercial, Medicare & Medicaid plans, business arrangements, contract negotiations, claim payment, compliance & regulatory relations. Functioned as in-house counsel for managed care companies in metropolitan New York, Texas and Massachusetts. Served as lead counsel for 4 insurer start-ups, several service line and service area expansions and as contract counsel to a national provider. Also from 1997 – 98.

**PLYMOUTH STATE UNIVERSITY MBA Program**, 2014 - Adjunct Instructor, Health Law & Ethics.

**MANAGED CARE CONTRACTING & PROVIDER PAYMENT**, April 2006 – 2011. Author of on line column on managed care contracting and issues between payers and providers.

**ORR & RENO, P.A.**, Concord, New Hampshire, July 1, 1998 - December 31, 1999, Of Counsel. Practice areas same as above with general business representation.

**HEALTHSOURCE, Inc.**, New Hampshire, January 1994 - December 1997, Associate General Counsel responsible for Health Plans, Government Programs line of business. Supported start-up Medicare risk plans and communicated compliance issues to commercial lines of business. Liaison with trade organization for Medicare risk issues, participating on Physician Incentive Plan, Grievance & Appeals and Safe Harbor Task Forces. Assisted with plan work, contracting and member materials. Left position when company was sold.

Regional General Counsel. Primary attorney to affiliated HMOs, TPAs, PPOs and insurance companies. Negotiated and drafted contracts with health care providers, purchasers of insurance, and provider organizations. Drafted and interpreted descriptions of benefits. Performed start up work for several affiliates, including general corporate work, applications for licensure/certification, and working with regulators on compliance. Promoted to Associate General Counsel.

**OBER, KALER, GRIMES & SHRIVER**, Baltimore, MD September 1988 - January 1994, Health Law & Employee Benefits Departments. Drafted health benefit plan documents for self-funded plans, agreements with managed care providers and advised plans on administrative issues. Counseled health providers on compliance with state requirements and regulatory developments including the Americans with Disabilities Act, the Medicare Secondary Payer Program and fraud and abuse provisions. Extensive involvement Medicare cost and prospective payment appeals on behalf of hospitals and prepaid health plans, devising winning arguments on pension funding, time and intensity adjustments and accrued earnings on HMO reserves.

**MEMBERSHIPS MEMBER**, Healthcare Financial Management Association, **MEMBER** 1999 – present, **DIRECTOR & ACTIVITIES** NH-VT, 2008-10, Educational, Physician Practice and LIINK Committees  
**LIFE MEMBER**, American Health Lawyers Association, 1988 - present.  
**BOARD OF ADVISORS**, Managed Care Contract Negotiator 1997 - present.  
**DIRECTOR**, Mid-State Health Center, 2006 – 2015.  
**DIRECTOR**, Speare Memorial, 2016 – present.

SECRETARY, Health Law Section, New Hampshire Bar Association, 2008 – 2009  
VICE CHAIR RESEARCH, American Health Lawyers, Payers, Plans & Managed Care Group, 2009-10

**EDUCATION** DARTMOUTH COLLEGE, Tuck School - The Dartmouth Institute, Master of Health Care Delivery Science, 2017  
BOSTON UNIVERSITY School of Law, Boston, MA. J.D.  
UNIVERSITY OF PITTSBURGH, Pittsburgh, PA, B.A.  
Additional Courses: Courses toward LLM in Taxation at the University of Baltimore School of Law.  
Courses in Financial and Managerial Accounting, Harvard University Extension

**LICENSES** Maryland; New Hampshire

#### **PRESENTATIONS**

11/2015 "Organizational Design Principles to Support Value-Based Contracting", HFMA Webinar  
11/2014 "Hot Topics in Medicaid Plan-Provider Managed Care Contracting", AHLA Webinar  
3/2013 "Health Insurance Exchanges – The New Hampshire Partnership Exchange"  
11/2012 "PPACA and ACOs" North Country Health Consortium  
4/2012 "Strategies for Negotiating Managed Care Contracts" Association for Quality Imaging, DC  
11/2011 "The PPACA Insurance Reforms", NH-VT HFMA, Annual Claims Workshop  
10/2011 "Contracting Strategies for New Payment & Delivery Systems" Healthcare Association of New York State  
5/2011 "The New Basics of Appeals" National Council for Behavioral Health, San Diego, CA  
2/2011 "Accountable Care Organizations" 2011 Network Contracting Congress  
10/2010 "Strategies for Dealing with Payers in the Health Reform Environment" HANYS  
3/2010 "Contracting in a Time of Uncertainty" Managed Care Online, Health Plan Contracting Summit  
02/10 "2010 Challenges, Solutions and Opportunities for Network Contracting", Network Contracting Congress  
05/2009 "Silent PPOs—Developments & Preventative Strategies" HFMA Region I  
04/2009 "The Carrot & The Stick" Payment Incentives for Quality" HFMA  
11/2008 "Red Flag Rules & Readiness" NH – VT HFMA Audioconference  
10/2008 "Basics of Managed Care Contracting", AHLA Payers, Plans & Managed Care Conf.  
6/2008 "Hot Topics in Managed Care", AHLA In House Counsel Conference  
"Discounting Best Practices" HCPro Audio Conference  
"Burning Ethical Issues for Health Lawyers" NH Bar Assn – HFMA Health Law Update  
"High Deductible Health Plans – Collection Issues for PFS Staff" CHCA PFS Conference  
"High Deductible Health Plans –Issues for Contracting Staff" CHCA Contracting Conference  
"Issues Presented by Medicare Advantage Plans" Northern New England Home Care Conference  
"Negotiating Effective Private Payer Contracts", DecisionHealth, MD Payment Seminar  
"High Deductible Health Plans: Navigating the Minefield" DecisionHealth  
"Payer Initiated Healthcare Transparency", Progressive Business Conferences  
"Managed Care Contracting from Soup to Nuts", NH – VT HFMA  
"When Payers make your Quality & Cost Data Public", DecisionHealth  
"Consumer Directed Health Plans: Strategies to help Boost Collections", Teleconference, HCPro  
"Health Care Law Update", New Hampshire Bar Association; Manchester, NH  
"Managed Care Contracting: Using Denial Data to Improve Financial Performance", HCPro  
"Contemporary Health Law Issues in New Hampshire"; NBI, Concord, NH;  
"Developments in Managed Care Contracting" New Hampshire Hospital Ass'n;  
"Emerging Trends in Health Care Law in New Hampshire"; NBI, Concord, NH;

#### **PUBLICATIONS**

AHLA Health Plan Contracting Handbook 5<sup>th</sup>, 6<sup>th</sup> & 7<sup>th</sup> editions, chapter 5 "Payer Programs & Policies";  
CMS Issues Final Rule for Medicare Shared Savings Program, AHLA Alert 6/10/2015;  
CO-OPs: A Little Known Provision of the Health Reform Law, ABA, *The Health Lawyer*, 10/2011  
The ABCs of ACOs - What we know about Accountable Care Organizations so far, New Hampshire Bar Association 12/2010  
Recent Federal Regulations Mandate Tough New Minimum Health Benefit Appeal Rights, AHLA PPMC Summary 9/2010  
What Are "Never Events" and Why Do They Matter?, ABA, *The Health Lawyer*, Fall '08  
The Future of Silent PPOs, AHLA, *Payers, Plans and Managed Care Newsletter*, June '08, Vol. 11, Issue 2  
Contributing Editor, Top Managed Care Contracting Clauses for Providers, HCPro, Fall, 2007  
Silent PPOs: Developments & Resources, Health Care Review, July 2007  
Contributing Editor, Beyond the Contract HCPro Publications, Due Fall, 2006  
Patient Financial Responsibility Under High Deductible Health Plans: What Providers Can do if the Patient Can't Pay, ABA *Health*

Resume for Robin Fisk

Page 3

*Lawyer:*

When the HMO Says No.... Aspen Health Care Law Bulletin;

EEOC Finds the ADA Bars AIDS Exclusions/Caps from Self-Insured Plans. ABA Health Lawyer;

Fraud and Abuse Issues for Prepaid Health Plans. Medical Interface;

Medicare and Medicaid Patient Protection Provisions. Medical Interface;

Published the following articles in the Ober Kaler Health Law Alert:

- Cafeteria Plans Allow Small Employers to Increase Benefits at Minimum Cost;
- Self-Insured Plan Exclusions Could Cloud Coverage Determinations In Patient Emergency;
- Increased Antitrust Risks of Hospital - Home Care Exclusive Referral Arrangements;
- Leased Employee Rules Can Affect Your Employee Benefit Plan's Qualified Status.

**ADDITIONAL  
ACTIVITIES**

On line column: <http://ManagedCareContracting.com>

Pre-Law School: Personnel and recruiting.

Paid 100% of educational expenses through scholarships and earnings.

**PATRICIA M. REED**  
**NEW HAMPSHIRE STATE DIRECTOR**

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**QUALIFICATIONS**

Demonstrated executive with more than 30 years' experience serving individuals with disabilities in children and youth services, addiction services, and residential treatment programs

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**EXPERIENCE**

**2018 New Hampshire State Director, Fedcap Rehabilitation Services, Inc., Manchester, NH**

- Responsible for overall program management, program expansion and development, fiscal integrity, quality compliance and external relationships in New Hampshire for Granite Pathways, Inc.

**2017 to 2018 Consultant**

- Provide system analysis and consultation for a variety of entities providing services to individuals with intellectual and other developmental disabilities and behavioral health needs
- Led three NH regional agencies serving this population to plan for youth with challenging behaviors to receive adult services to meet their needs in a community based context

**2015 to 2017 Vice President and Chief Operating Officer, Lakeview Management, Inc., Austin TX**

- Responsible to provide program and operations consultation and support to Lakeview Specialty Hospital and Rehabilitation Center in Waterford, WI
- Directed to develop relationships with funders and providers in other states to pursue program development to most effectively utilize Lakeview's resources
- Represented the company in all matters for New England, New Jersey and Pennsylvania

**2015 Executive Director, Lakeview Neurorehabilitation Center, Inc., Effingham, NH**

- Responsible to provide program and operations consultation and support to Lakeview Specialty Hospital and Rehabilitation Center in Waterford, WI
- Directed to develop relationships with funders and providers in other states to pursue program development to most effectively utilize Lakeview's resources
- Represented the company in all matters for New England, New Jersey and Pennsylvania

**2014 to 2015 Children's Director, NH Bureau of Behavioral Health, Concord, NH**

- Responsible to provide leadership in planning and development of the state children's behavioral health system, act as liaison between CMHC Children's programs and the state office for program and client specific information exchange and problem solving
- Provided support to implement statewide initiatives
- Represented the Department of Health and Human Service on the Children's Behavioral Health Collaborative Executive Committee, Steering Committee and various workgroups
- Co-coordinated the Safe Schools/Health Students grant with the Department of Education

**2011 to 2014 Project Director, Health Profession Opportunity Project, NH Office of Minority Health and Refugee Affairs, Concord, NH**

- Directed and implemented a five-year, \$12 million-dollar healthcare workforce development grant to recruit, train and place low income individuals in healthcare jobs
- Developed RFP's, negotiated and managed contracts, and monitored grant and contractor budgets
- Worked closely with regional health care providers to understand their workforce needs; partnered with educational programs and other community groups to ensure that the individuals are well prepared to meet employer expectations for technical and soft skills
- Provided leadership and direction to develop innovative strategies to overcome system based barriers to education, training and self-sufficiency for NH citizens
- Collaborated with other NH workforce programs to efficiently use available resources to achieve shared employment goals

**2002 to 2010 Senior Director of Clinical Services, Easter Seals of NH, Manchester, NH**

- Provided leadership and oversight for the design, organization and delivery of clinical services for Easter Seals NH, including the development of Autism Services, an adolescent program for dual disorder treatment, residential DBT program and management of a residential treatment program for adults with substance abuse issues
- Provided oversight for the DCYF Administrative Case Review contract
- Developed and monitored budgets for programs
- Worked collaboratively with Easter Seals Development to write federal, state, and foundation grants, progress reports and budget monitoring
- Developed relationships with funders and providers in NH and other states to pursue program development and effective treatment and services for individuals and families

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**EDUCATION**

- 1982 – 1987 Boston College, Chestnut Hill, MA: Graduate School of Arts and Science Department of Sociology (Four Year Doctoral Work)
- 1982 B.A. Notre Dame College, Manchester, NH Major- Behavioral Science/ Minor- English Summa Cum Laude, Dean's List

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**RESEARCH EXPERIENCE**

Contracted to assist staff and clients on three community based residential facilities in the development of client self-government programs through participant observation and didactics. Responsible for both training and evaluation. Sites included Seacoast Mental Health Center- Portsmouth, NH and Greater Manchester Mental Health Center- Manchester, NH. Responsible for leading the research design, data collection and reporting for the evaluation of a partial Hospital Program. The primary methodology was intensive interviewing.



# DONNA KEEFE

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**EDUCATION** | Trinity High School, Manchester, NH  
Springfield College – BS Human Services/Administration  
Recovery Coach Academy & Training of Trainers – certified

**EXPERIENCE** | 12/1/2015 – Present

## **DIRECTOR OF NEW INITIATIVES – GRANITE PATHWAYS NH**

Granite Pathways is a subsidiary of Fedcap. As the Director of New Initiatives, I manage the local day to day infrastructure and work with referring agencies to identify, develop and maintain relationships pertaining to billing, community relations and development. I was also instrumental with the startup program development and implementation of 5 programs in NH, other duties include: staff supervision, communication management with our corporate office and BOD communications.

**9/2013 – 12/1/2015**

## **NE DIRECTOR OF ADMISSIONS & CLIENT SERVICES FEDCAP REHABILITATION SERVICES**

As the NE Director of Admissions & Client Services, I supervised the admissions process throughout the Fedcap NE regions working with all the referring agencies to identify, develop and maintain relationships pertaining to billing & client services. In this role, I worked in RI to systematically manage the federally mandated Interim Settlement Agreement that shut down segregated workshops for the DD population. The Fedcap team in RI developed programs and systems to train the IDD population to be gainfully employed in the community. This effort is nationally recognized as Fedcap continues to educate other national agencies via our RI, National Center Institute for System Improvement seminars available on the Fedcap website.

**1995 – 2013**

## **DIRECTOR OF ADMISSIONS EASTER SEALS NH, ME, NY, VT**

As Director of Admissions for the Adolescent Residential/Educational Psychiatric & Neurobehavioral Programs I was responsible for the admissions and transitions process within the continuum of care programs as well as the final discharges from Easter Seals. I managed referrals from various states and agencies where I applied knowledge of differing state and agency placement requirements/laws. In addition to working with families I managed the monthly billing, file retention, census/wait list for 6 satellite intensive residential group homes and over 75 foster homes. I implemented many systems to manage the complex admission/discharge process.

**1992 – 1995**

**City of Manchester NH School Department**

Served as a liaison between team members – parents, teachers, administrators and students. I was responsible to implement behavior plans/procedures to transition special education students back into the traditional classroom from an alternative/self-contained classroom. I also worked closely and supported low income families through the IEP process at the inner-city schools.

**1988-1992**

**SERESC – BIRCHWOOD HIGH SCHOOL**

Aided in developing class curriculums in this alternative setting for the Seriously Emotionally Disturbed students. Taught classes under supervision of teacher, organized field trips and participated in all goal-oriented programs working 1:1 with the students if needed.

**AWARDS/RECOGNITIONS/Trainings**

1997 – Easter Seals President's Meritorious Award - for outstanding service by an employee

2000 – Easter Seals NH, VT, NY, Employee of the Year – Chosen from 1,200 employees

2003 – Easter Seals Service First Award – Customer Service Award

2004 – Crisis Intervention and Physical Restraint Training

2005 – State of NH DCYF/DJJS Directors Award – this award is given yearly to one NH individual who goes above and beyond to help the state workers solve their difficult cases

2015 – Mental Health First Aid USA

2016 – CCAR Recovery Coach Academy & Training of Trainers Program

2016 – NAMI NH's Connect Suicide Prevention Training

2016 – Crisis Intervention in the Workplace

2016 – Breaking the Stigma – Language Training

2017 – First Aid/CPR and Narcan Training

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**Wellington O. Njoku**

[REDACTED]

An ambitious health care Finance Professional with sound judgment and decision-making skill; Extensive experience in Home Health, Hospice and Hospital Medicare, Medicaid, MCO billing and revenue cycle management.

#### **Education**

**Oral Roberts University, Tulsa, Oklahoma**  
*Master's in Business Administration (MBA)*  
**Federal University of Technology Owerri, Nigeria**  
*Bachelor of Science, Engineering*

#### **Certifications:**

**HFMA** – Certified Healthcare Finance Professional (in progress)  
**CIMA** – Certificate of Business Accounting  
**NIM** - Proficiency Certificate in Management

#### **Highlights and Proficiencies**

- Over 6 years of experience in the Health Care industry
- Over 4 years of effective management in Healthcare Finance.
- Understanding of Medicare and Medicaid regulatory requirements.
- Excellent presentation skills
- Knowledge of HMOs, Medicare and Medicaid billing requirements
- Strong Analytical and Critical thinking skills
- Strategic planning experience in the Healthcare industry
- Knowledge of HIPAA compliance
- Extensive knowledge of several medical billing software
- Denied Claim analysis and resolution
- Medicare and Commercial Insurance eligibility determination

#### **Professional History**

**FEDCAP Rehabilitation Services, NY, NY**

**Billing & Collections Specialist**

**2/2017- Current**

- Processed and sent billing claims (electronic & paper) to various payers including Health First, Senior Health partners, ICS, Visiting Nurses etc.
- Accounts Receivables
- Cash Posting
- Produced biweekly billing reports which are presented to management.
- Conducted insurance benefits and eligibility checks for Clients/Patients
- Monitored and ensured the payment for services provided
- Monitored accounts receivable and ensured the Aging stays below 90 days

- Monitored all client accounts receivable activity and performance and initiated appropriate corrective measures as needed.
- Researched and solved complex billing and account receivable problems

**Magna Health Care Inc. Broken Arrow, OK**  
**Billing/ Revenue Cycle Manager**  
**8/2013 - 1/2017**

- Monitored and worked with the Chief compliance officer to ensure prompt compliance with existing and new regulations from Medicare, Medicaid and other contracts.
- Worked with the Chief Operating Office to ensure prompt filing of all required financial and regulatory document.
- Reviewed and developed a more effective audit process
- Reviewed and developed new billing policy and procedures for Magna Home Health, Magna Hospice and Magna Community living Services.
- Developed processes for the efficient and successful flow of interdependent information between Direct Care/Clinical staff and the billing department; and between the billing department and Senior Management.
- Served as in-house project manager on various software implementation projects
- Served as the contact person/ liaison for our software vendors
- Presented monthly billing reports to the Financial controller
- Presented Quarterly billing reports to CFO, COO and their teams.
- Provided Software training for new employees
- Served as resource person various project teams and conducted feasibility studies and analyses of acquisitions and startup projects.
- Developed User manuals: "How toes" handbooks for various software
- Served as contact person in the acquisition, research and selection of Software
- I developed processes and policies for handling Appeals, Denials, Recoupments, and Secondary payer and other complex billing situations.
- Resolves complex Client, Billing & Claims issues when necessary.
- Oversaw the billing and collections department of Magna Home Health, Magna Hospice and Magna Community living services.

**Magna Health Care, Inc. Broken Arrow, OK**  
**Billing Coordinator**  
**8/2011 - 7/2013**

- I coordinated the activities of three others billing staffs in the claims/billing department.
- I processed and sent billing claims (electronic & paper) to various payers including Medicare, Humana and other Commercial Insurance
- I produced biweekly billing reports which are presented to management.
- I conducted insurance benefits and eligibility checks for Clients'/Patients
- I monitored and ensured the payment of Outliers by Medicare where applicable.
- Identified "bottlenecks" in the billing process and suggested new and improved processes that reduced the overall billing cycle.
- I coordinated the daily performance of the billing department and all accounts receivable operations
- Created a financial Scorecard to monitor and communicate the financial performance of Magna Home Health to Management.

- Oversaw the transition into new billing software and coordinated the appropriate setup of different payers' electronic claims and billing profiles.
- Monitored all client accounts receivable activity and performance and initiated appropriate corrective measures as needed.

**Magna Health Care, Inc. Broken Arrow, OK**  
**IT Support Staff/ Trainer**  
**5/2010 - 8/2011**

- Install and perform minor repairs to hardware, software, or peripheral equipment, following design or installation specifications.
- Set up equipment for employee use, performing or ensuring proper installation of cables, operating systems, or appropriate software.
- Maintain records of IT inventory, daily data communication transactions, problems and remedial actions taken, or installation activities.
- Manage user and resource accounts in Active Directory.
- Perform daily server and backup operations.
- Ensure computers have the mandatory security software to protect against external threats.
- Refer major hardware or software problems or defective products to vendors or technicians for service.
- Confer with staff, users, and management to establish requirements for new systems or modifications.
- Read technical manuals, confer with users, or conduct computer diagnostics to investigate and resolve problems or to provide technical assistance and support.
- Develop training materials and procedures, or train users in the proper use of hardware or software.
- Answer user inquiries regarding computer software or hardware operation to resolve problems.
- Served as a resource person on various software – including
- Served as the in-house project Manager on various software implementation projects

**Federal University of Technology, Yola, Nigeria**  
**Graduate Assistant**  
**8/2007 – 7/2008**

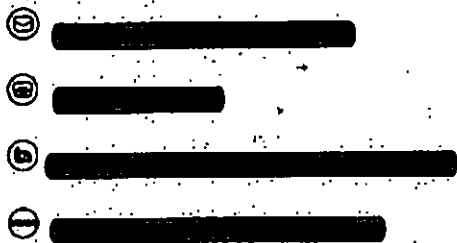
- Taught Material Science and Engineering Tutorial classes to second year Engineering students
- Taught Corrosion Engineering Tutorial Classes to third year Engineering students
- I provided guidance to final years mechanical engineering students on how to locate appropriate information on their final year projects.
- I provided administrative assistance to Head of Department (Chair) of Mechanical Engineering Department. Assisted in invigilating students in both Examination and Test exercises

**REFERENCES AVAILABLE UPON REQUEST**

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## KAREN VAUGHAN

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### Project Manager/Writer/Trainer

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Training / Education / Video

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Creative team leader committed to delivering projects within the defined scope, on time, and on budget. Managed multiple projects with creative teams using concise, and effective communications.

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### TECHNICAL SKILLS

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Adobe Creative Cloud - Premier Elements Video Editing - Final Cut Pro Video Editing - Photoshop - Microsoft Office Products - MS Project - Microsoft Visio - Sage Accounting - Captivate - Lectora - Camtasia - Movie Magic Budget/Scheduling - Final Draft Script Writing

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### EDUCATION/TRAINING

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University of Portland, Portland, OR  
BA - Psychology/ Communication/ Marketing  
Boston University, Boston, MA  
MS Communication Coursework  
PMP-Project Management Professional  
Project Management Institute, Newton, PA  
PMI-ACP Agile PM Coursework  
PMI NH Chapter  
Final Cut Pro Video Editing  
Skillset, London, UK  
Recovery Coach Academy  
NHADACA Concord NH  
Teaching English as a Second Language  
ILS, Toronto, Canada

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### PROFESSIONAL ORGANIZATIONS

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Project Management Institute  
New Hampshire Chapter

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## EXPERIENCE

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### PROJECT MANAGER

#### GRANITE PATHWAYS CONCORD, NH

Project Management for state wide Mental Health and Substance Use Disorder Agency. Responsible for Budgeting of new and existing programs, State contract liaison, oversee billing development of program policy requirements. Assist with start-up program development and implementation.

Supervision of new staff and communication management with local and corporate staff. Coordinates BOD meetings.

### PROJECT MANAGER / TRAINER FREELANCE - MANCHESTER, NH PROJECTS

#### MANCHESTER SCHOOL DISTRICT - SUBSTITUTE TEACHER

Manchester, NH 2017-Present

Substitute Teacher at the Manchester High Schools.

#### B. WELL WITH BETH FINNIGAN - PROJECT MANAGER

Manchester, NH 2017-Present

Certified Holistic Health Coach Practitioner. Project management for launch of an educational health program. Responsibilities include scheduling, training video production and training materials editing.

#### MA DOC TRAINING ACADEMY - P.M. INSTRUCTIONAL DESIGN

MILFORD, MA 2015-2017

Instructional Design for an educational program to comply with the new PREA law for the Department of Justice. The project included developing blended curriculum for adult learners and organizing a national curriculum launch event. Responsible for Instructional design, classroom training materials, video production, eLearning and testing.

### CONSULTANT PROJECT MANAGER POWERHOUSE CONSULTING, BEDFORD, NH

2012-2014

Project Management for contact center training projects. Performed program analytics, elicited program requirements, analyzed KPIs and assisted with curriculum development. Projects include MedStar Health Assessment and NYU Langone Medical Center. Developed training materials for on-boarding and re-training adult learners. Communicated project updates and reports to key stakeholders.

### PROGRAM MANAGER / WRITER ROW PRODUCTIONS, LONDON ENGLAND

2000-2012

Independent Production Company specializing in video and training production. Responsible for program development, business cases, complex budgets and schedules, managing creative teams and analysis for key stakeholders. Produced creative projects, delivering finished projects that met the project scope, on time and on budget including: curriculum development and teaching project management, script and copywriting courses and Film Education Workshops curriculum for teachers.

# **Tara Mercado**

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## **Summary of Qualifications**

- HIPAA mandated code sets: ICD-9/10-CM, CPT, HCPCS • Epic • IDX • System A • MEDISENSE • Seacoast • Meditech • eClinical Works • LMR/Data view • Ebridge • RIS • ScerIS • PaySpan • EasyPrint • Dataview • Copia • Passport • Emdeon • CPU • QS1 • Cerner • Microsoft Office
- Medicare • Medicaid • United Health Care • Cigna • Anthem • Harvard Pilgrim • Tufts • Multiple Commercial and Workers Comp Insurances • Self Pay • State Contracts

## **Education**

<b>Seacoast Career School</b> Manchester, NH Health Claims Certificate	2007
<b>New Hampshire Community Technical College</b> Studied Design	2003-2004
<b>Central High School</b>	1999-2003

## **Professional Background**

**Billing Specialist**  
Granite Pathways • Concord NH November 2018 to current

- Substance Use Disorder Billing
- Reviewing, Coding and Submitting Vendor Invoices for Payment
- Creating and Training of accounts receivable process
- Act as a Liaison between programs and billing company
- Sort and process incoming correspondence
- Communicate with facilities, vendors, and staff effectively
- Maintain multiple spreadsheets with data entry

**Billing Representative**  
XRAY Professional Association • Concord NH October 2017 to October 2018

- Ancillary Billing
- High volume posting of payments
- Electronic paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds
- Answer high volume patient calls and review monthly statements
- Sort and process incoming correspondence
- Communicate with hospital/facility staff and or responsible parties of patients
- Research payer policies and covered policies via websites

**Billing Representative**  
US Labs • Lakeville MA August 2016 to April 2017

- Lab Billing
- Assist in reducing A/R for multiple payers over 30 days
- Data, Insurance, Order Entry

- Electronic paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds
- Answer patient calls and review monthly statements
- Sort and process incoming correspondence
- Research payer policies via payer websites

#### **Billing Representative II**

Mass General Physicians Organization • Bedford, NH

December 2012 to July 2016

- Physicians Billing
- Assist in reducing A/R for multiple payers over 30 days
- Identify trends or inconsistencies with payers
- Process paper and/or electronic appeals
- Electronic and paper billing/appeals and follow up
- Process adjustment requests, denial posting, patient and insurance refunds, credits
- Maintain quality communication with A/R managers within organization
- Resolve customer service inquiries for patient requests
- Assist GPM with account resolutions with projects or patient/provider concerns
- Sort and process incoming correspondence
- Research payer policies via payer websites

#### **Claims Resolution Associate**

Affiliated Professional Services • Wareham, MA

October 2011 to October 2012

- Physicians Billing
- Responsible for high volume collections via electronic remittance as well as paper denials
- Complete monthly aging over 45 days on all accounts to improve cash flow
- Obtain all billing information, authorizations, and referrals via phone email and hospital systems
- Process mail, payer denials, attorney requests, PIP exhaust letters, bankruptcies, self-pay statements
- Perform follow up on outstanding claims
- Process paper and/or electronic appeals

#### **Accounts Receivable/Collections Specialist**

Easter Seals • Manchester NH

December 2007 to June 2010

- Residential and Physicians Billing
- Responsible for high volume collections (65 to 70 calls per day)
- Complete monthly aging reports over 30 days to improve cash flow
- Maintain electronic, web, paper and statement billing for several group homes
- Perform data charge entry for residential stays, schooling and special stays
- Obtain all billing information, authorizations, and referrals via phone email and hospital systems
- Research contracts thru state funded insurances, private carriers, self-pay and responsible school districts
- Maintain monthly reports on revenue adjustments
- Research variances
- Report monthly cash projections for all insurance carriers

#### **Achievement/Honors**

Recipient of the President's Award at Easter Seals. Developed and implemented a new procedure for current staff and state of NH workers to follow. This procedure eliminated revenue adjustments and saved resources for collecting payments on outstanding claims deemed un-collectable. This procedure changed the department goal of outstanding claims from 60 days to 30 days. The end result was increased cash flow and reduction in A/R over 90 days.



## **Lori A. Hebert**

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### **Professional Qualifications**

- Over 15 years of process and customer management combined with an extensive background in private and government contracting operations
- 2 years of civic engagement and advising within Child Welfare

### **Volunteer Experience**

#### **Fairgrounds Elementary School**

##### ***Volunteer***

- PTO Board member since 2015
- Member of Leadership and Family Engagement teams
- Member of interview panel for hiring new staff

#### **Nashua Department of Education**

##### ***Strategic Planning Committee Member 2018/2019***

- Survey development and input from a parent's perspective
- Mission statement development
- Five-year strategic plan development

### **Civic Engagement and Advising Experience**

#### **NH Department of Health and Human Services**

##### **Division for Children Youth and Families**

**2015-2017**

##### ***Parent Leader – Practice Advisor***

- Serves as an advisor to the field and the Division's leadership in matters of family engagement
- As a training partner, attends Core Academy Better Together Workshops helping train DCYF staff and foster parents on how to partner with birth parents to improve child welfare outcomes
- Attends bi-monthly Statewide Steering Committee Meetings providing oversight and leadership to the Parent Partner Program, a program that promotes parents as leaders within Child Welfare
- Provides coaching and support to parents new to the system through the peer to peer support model to improve reunification outcomes and the lives of children in New Hampshire

### **Professional Work History**

#### **Granite Pathways**

**2018-Present**

##### ***Program Manager, Strength to Succeed***

- Program development for peer-to-peer services for families involved within the Division of Child Youth and Families
- Supervise staff including hiring, training/development, managing CRSW (certified recovery support worker) certifications and performance
- Monthly and quarterly data reporting on measurables and deliverables

**Department of Health and Human Services  
Division of Health and Human Services (DCYF)**

**2017-2018**

***Parent Consultant***

- Statewide consultation to DCYF within development of internal policies and statewide programs
- Parent Leader recruitment and development
- Providing Parent voice and perspectives for policy and program development
- Partnering with Bureau of Organizational Learning and Quality Improvement (BOLQI)
- Participate in planning, testing, evaluation and measurable for new program implementations
- Monthly reporting on measurable and deliverables

**Sunnyside Acura**

**2017-2018**

***Concierge***

- Front of the house position, face of the dealership in accordance with Honda/Acura standards
- Answering, screening and transferring all phone calls to the dealership
- Administrative work supporting sales, service and accounting departments

**Cityside Management Corporation, Manchester NH**

**2004-2013**

***Project Manager***

- Government contract bidding process including requests for proposal completions and negotiations
- Development and start up of Housing and Urban Development (HUD) Asset Manager contracts throughout the United States
- Contract budget administration
- HUD program administration and management
- Contractual scope of service compliance management
- Supervise large staff, including hiring, training/development, employment reviews
- Training and seminar hosting for regional listing brokers
- IT support in developing Asset Management software package
- Manage and coordinate negotiations with HUD Contractors including the Mortgage Compliance Managers and Field Service Manager
- Extensive knowledge with reviewing and implementing government housing regulations
- Member of senior leadership team

***Contract Manager***

- Manage New England Management and Marketing HUD contract
- Supervise staff including training/development, employment reviews, new hires
- Manage Property Management, Real Estate and Mortgagee Compliance companies

**Education**

**Keene State College**

## **Virginia (Ginger) A. Ross**

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### **PROFILE**

Highly motivated US Army Veteran and program manager with extensive experience providing support and training in the field of recovery from substance use. Known for strong curriculum design and excellent facilitation skills. Dedicated to providing quality, relatable, retainable trainings designed to help others help others.

### **EDUCATION & CERTIFICATIONS**

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**Bachelor of Arts in Psychology with concentration in Forensic Psychology** 6/2017  
Southern New Hampshire University (Manchester, NH)  
- 3.85 GPA

**Certified Recovery Support Worker (CRSW)** 6/2017  
NH Board of Licensing for Alcohol & Other Drug Use Professionals (Concord, NH)

**CCAR Core Trainer** 6/2018  
Hartford, CT

### **PROFESSIONAL EXPERIENCE**

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**NH Recovery Coach Academy - Owner, Founder, Trainer** 3/2015 - Present  
Self-Employed (Hampton, NH)

- Over 1,000 trained. Conduct trainings of approximately 30 individuals who have been impacted by addiction and are working towards professional licensure for recovery coaching/peer support
- Approved trainer for Adcare - Portland, ME, NHADACA, BSAS - MA
- Curriculum design: HIV/AIDS/HepC, Motivational Interview Basics & Advanced, Suicide Prevention for Non-Clinical Workers, Self-Preservation - Finding Balance, Ethics for Peer Recovery Support; all approved by the Licensing & Other Drug Use Professional Development Board
- Handle recruitment in order to increase the number of participants in the Recovery Coach Academy
- Core Trainer status for CCAR curriculum Recovery Coach Academy, Ethical Considerations for Recovery Coaches, Professionalism & Recovery Coaching, Recovery Coaches in the ED, Recovery Basics for Parents, (CASY) Ethics for Prevention, and National Alliance on Mental Illness (NAMI) Connect Suicide Prevention, Mind in the Making

**Public Policy Intern** 2/2017 - 4/2017  
NH Coalition Against Domestic & Sexual Violence (Concord, NH)

- Reviewed NH DCYF Investigative Report and Recommendations in order to learn more about to under how DCYF processes can be improved
- Interviewed a CASA volunteer and a GAL to obtain their perspectives of areas that needed improvements
- Advocated for and observed legislature submitted by NH Coalition Against Domestic & Sexual Violence

**Supervisor, Project Manager, Training Director**  
Granite Pathways Regional Access Point (RAPS) (Concord, NH)

9/2016 – Present

- Interim Program manager launching Strength To Succeed staffing recovery coaches in DCYF offices.
- Responsible for all trainings necessary for all Parent Partners to obtain CRSWs and monitor trainings required by DCYF Core Academy
- Helped launch the statewide RAPS program by establishing technical needs, setting up office space, designing and implementing necessary forms, engaging in outreach to establish memorandums of understanding, and determining case management and crisis response protocol
- Handled case management for crisis line intake calls, screenings for referral to treatment, and continuous recovery monitoring to remove barriers to achieve recovery
- Monitored staff as they worked towards their Certified Recovery Support Worker Credentialing (CRSW) by organizing trainings and LADAC supervision

**Project Manager**

1/2015- 9/2016

NH Alcohol & Drug Abuse Counselors Association (Concord, NH)

- Created and managed a fundraising campaign and used targeted email outreach to successfully reach a fundraising goal of \$20,000
- Redeveloped the organization's website and Facebook page leading to the amount of "likes" on Facebook to increase from 150 to 500
- Restructured the organization's database and increased the number of people represented in the database from 200 to 1700

**VOLUNTEER EXPERIENCE**

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**Board Member**

6/2017 - Present

Problem Gambling Council of NH (Concord, NH)

- Collaborate with board members to design a training on how to identify problem gambling
- Review, critique, modify three year strategic plan to submit to Bureau of Drug & Alcohol (BDAS) to receive funding

**Committee Member**

5/2017 – Present

SPARK NH Workforce Committee (Concord, NH)

- Review, critique, and modify five year strategic plan for improving the workforce of early childhood educators supporting children ages 0-8

**Volunteer**

4/2017 – Present

Manchester Family Justice Center (Manchester, NH)

- Collaborate with the director in order to identify the need for professional development trainings for increased awareness of domestic violence signals among families
- Design curriculum specifically tailored for different professionals, including GALs, CASA volunteers, counselors, teachers, and early childhood educators

**Member**

11/2015 – Present

NH Governor's Commission Recovery Task Force (Concord, NH)

- Collaborate with the members of the task force in order advise the governor on public policy, recovery solution and budget issues

**CONTRACTOR NAME****Key Personnel**

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Fisk, Robin	Sr. VP Occ Health	\$72.12	5%	\$7,500
Reed, Patricia	State Director	\$43.27	20%	\$18,000
Keefe, Donna	Dir. New Initiatives	\$35.70	20%	\$14,851
Njoku, Wellington	Business Manager, Occ Health	\$24.48	5%	\$28,080
Vaughan, Karen	Project Manager	\$24.04	20%	\$10,001
Mercado, Tara	Billing Specialist	\$21.00	50%	\$21,840
Herbert, Lori	Program Manager	\$25.00	100%	\$52,000
Ross, Virginia	Training Manager	\$27.00	100%	\$28,080



Jeffrey A. Meyers  
Commissioner

Kathy B. Fox  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH  
BUREAU OF DRUG AND ALCOHOL SERVICES

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-6110 1-800-852-3345 Ext. 6738  
Fax: 603-271-6105 TDD Access: 1-800-735-2964  
www.dbhs.nh.gov

April 11, 2018

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

**G & C Approved**

Date 5/2/18

Item # 20

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into an agreement with the vendors listed below, for the provision of Targeted Prevention Programming for DCYF-Involved Families with Substance Use Disorder in an amount not to exceed \$744,197.40, effective upon date of Governor and Council approval, through June 30, 2019, 100% Federal Funds.

Contractor Name	Vendor ID	Contractor Address	SFY 2018	SFY 2019	Total Price Limitation
Granite Pathways	228900-B001	10 Ferry Street Concord, NH 03301	\$121,778	\$487,111	\$608,889
The Family Resource Center at Gorham	162412-B001	123 Main Street Gorham, NH 03581	\$27,082	\$108,247	\$135,309
Total			\$148,840	\$595,358	\$744,198

Funds are available in the following account(s) for SFY 2018 and 2019, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, without approval from Governor and Executive Council, if needed and justified.

05-95-92-920510-26590000- HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG AND ALCOHOL, OPIOID STR GRANT.

SFY	Class/Account	Class Title	Job Number	Total Amount
SFY18	102-500731	Contracts for Program Services	92052559	\$148,940
SFY19	102-500731	Contracts for Program Services	92052559	\$595,359
Total				\$744,198

### EXPLANATION

The purpose of this request is to provide Substance Use Disorder prevention and early intervention services to children (from birth through age ten (10)) involved with Division for Children, Youth and Families (DCYF) and their parents/caregivers who have a substance use disorder, statewide, in order to ensure accessible, integrated services that will result in reducing and mitigating childhood trauma that results from substance use in the family. Services to be provided include training and assisting partner programs with developing and implementing strategies that assist the target population. These contracts were developed specifically for the target population using research on best practices, technical assistance from the Substance Abuse and Mental Health Services Administration, guidance from existing Division for Children, Youth and Families Parent Partners, and collaboration within the Department.

In 2016, the State of New Hampshire experienced four hundred eighty-five (485) deaths from drug overdoses. It is critical that providers develop integrated services and approaches to meet individual client needs, and maximize State and Federal dollars to meet the public's demand for these specific services.

The State of New Hampshire was awarded funding authorized by the 21st Century CURES Act through the Substance Abuse and Mental Health Services Administration (SAMHSA). SAMHSA is overseeing the process for states to receive federal funding through the State Targeted Response to the Opioid Crisis Grants Program.

These two contracts constitute one of the projects that will be implemented under the 21st Century CURES Act funding, including the following services and activities:

- Integrated Medication Assisted Treatment for Pregnant and Postpartum Women.
- Naloxone Distribution to Individuals Transitioning from Corrections to the Community.
- Project Management Support: Training, Technical Assistance, Data Collection and Reporting Consultant.
- Re-entry Care Coordination for Women Transitioning from Corrections to the Community.
- Recovery Support Services and Parenting Programming for Pregnant Women and Parents in Recovery.
- Recovery Support Services for School-Aged Youth in Recovery.
- Targeted Prevention Programming for Division for Children Youth and Families Involved Families with Substance Use Disorder.

New Hampshire seeks to fill the current gaps in critical specialty services for populations that are disproportionately affected by opioid use disorder and substance use disorder, and those that are limited in capacity to serve high-need populations.

Granite Pathways and Family Resource Center at Gorham were selected for this project through a competitive bid process. A Request for Proposals/Applications was posted on The Department of Health and Human Services' web site from December 19, 2017 through January 22, 2018. The Department received two (2) proposals. The proposals/applications were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The Bid Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1, Revisions to General Provisions, of this contract, the Department reserves the option to extend contract 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 Executive Council.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
April 11, 2018  
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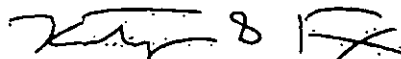
Should the Governor and Executive Council not authorize this request, children impacted by addiction issues within their family may not receive the services and targeting prevention messaging necessary to support them with current needs and to assist them with avoiding addiction issues in the future. In addition, relative caregivers may not receive the support necessary to continue to support the children in their family impacted by addiction.

Area served: Statewide.

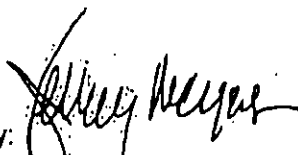
Source of Funds: 100% Federal Funds from DHHS, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment, Targeting Capacity Expansion State Targeted Response to the Opioid Crisis Grant (CFDA # 93.788 FAIN T1080246)

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Katja S. Fox  
Director



Approved by:

Jeffrey A. Meyers  
Commissioner





Office of Business Operations  
Contracts & Procurement Unit  
Summary Scoring Sheet

Targeted Prevention Programming for  
DCYF-Involved Families

RFP-2018-BDAS-04-TARGE

RFP Name

RFP Number

Bidder Name

1. Granite Pathways
2. The Family Resource Center

Pass/Fail	Maximum Points	Actual Points
	700	617
	700	597

Reviewer Names

1. Erica Ungereit, Director, Bureau of Children's Behavioral Health
1. Gerardo Pizarro- Parent Program Specialist, DCYF
1. Auretta Moran- Home Visiting Program Supervisor, DPHS
1. Don Hunter, Planning and Review Analyst, BDAS, COST
1. Laurie Heath, Business Admin III, DBH/BODAS Finance, COST

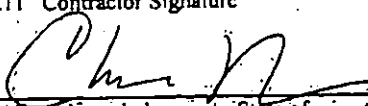


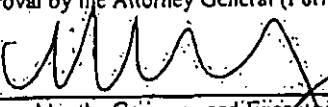
Subject: Targeted Prevention Programming for DCYF-Involved Families (RFP-2018-BDAS-04-TARGE-01)

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

**AGREEMENT**

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

**GENERAL PROVISIONS****1. IDENTIFICATION.**

1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Granite Pathways		1.4 Contractor Address 10 Ferry Street Concord, NH 03301	
1.5 Contractor Phone Number 603-931-3703	1.6 Account Number 05-95-92-920510-25590000-102-500731	1.7 Completion Date June 30, 2019	1.8 Price Limitation \$608,889
1.9 Contracting Officer for State Agency E. Maria Reinemann, Esq. Director of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Christine McMahon, President	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>Merrimack</u> On <u>4/10/2018</u> , 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 indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)		APRIL L. AREL, Notary Public State of New Hampshire My Commission Expires April 20, 2021	
1.13.2 Name and Title of Notary or Justice of the Peace April Arel, Notary Public			
1.14 State Agency Signature  Date: <u>4/12/18</u>		1.15 Name and Title of State Agency Signatory Kristja S Fox, Director	
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: <u>4/17/18</u> - Attorney			
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.

Contractor Initials

Date 4-6-18

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. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data obtained or created on behalf of DHHS, shall be subject to the requirements stated in Exhibit K.
- 1.4. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data containing protected health information (PHI) or in the case of substance use disorder (SUD) data created by a Part 2 provider on behalf of DHHS, shall be subject to the requirements stated in Exhibit I and 45 CFR Part 2.
- 1.5. The Contractor agrees that in the performance of any services all staff members shall have training in confidentiality and information security relating to the information, files and data that is involved in the performance of the contract.
- 1.6. The Contractor agrees that any database, dashboard, or information system designed, built, or modified on behalf of DHHS shall be defined and subject to the requirements in Exhibit K, Exhibit I, and all applicable NH Department of Information Technology (DoIT) standards, policies, and procedures.

### 2. Scope of Services

#### 2.1. General Provisions

- 2.1.1. The Contractor shall provide services to the Division for Children, Youth and Families (DCYF)-Involved children (from birth through age ten (10)) and their parents/caregivers who have a substance use disorder for nine (9) District Offices listed below. See Exhibit A-1 for more details.

2.1.1.1. Claremont.

2.1.1.2. Concord.

2.1.1.3. Conway.

2.1.1.4. Keene.

2.1.1.5. Laconia.

2.1.1.6. Manchester.

*[Signature]*  
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- 2.1.1.7. Rochester.
- 2.1.1.8. Seacoast.
- 2.1.1.9. Southern.
- 2.1.2. The Contractor shall assist in developing a strong collaboration between agencies within the Department including, but not limited to the Bureau of Drug and Alcohol Services (BDAS), the Division for Children, Youth, and Families (DCYF), the Division of Public Health Services (DPHS), and the Bureau for Children's Behavioral Health (BCBH) by creating and implementing programs targeted at DCYF-involved children and their parents/ primary caregivers with substance use disorder in order to:
  - 2.1.2.1. Reduce and mitigate childhood trauma by:
    - 2.1.2.1.1. Increasing access to, and participation in, evidence-based home visiting services;
    - 2.1.2.1.2. Reducing the child's risk of substance use issues; and
    - 2.1.2.1.3. Increasing training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma-informed care so that the workforce is better prepared to address the challenges of this population.
  - 2.1.2.2. Engage, educate, and empower parents/primary caregivers in a peer-to-peer model to increase family protective factors and reduce risk factors in order to better support childhood social and emotional needs by:
    - 2.1.2.2.1. Fostering positive parent/primary caregiver child attachment;
    - 2.1.2.2.2. Increasing parent/primary caregiver knowledge about childhood development and learning;
    - 2.1.2.2.3. Increasing resiliency and social connectedness in parents/primary caregivers; and
    - 2.1.2.2.4. Educating parents on the topic of trauma for children and the risk continued substance use poses to the child.
- 2.1.3. The Contractor shall maintain one (1) point of contact and one (1) alternate contact who can receive requests from the nine (9) covered District Offices the Contractor supports that will refer families to this program.
- 2.1.4. The Contractor shall ensure that families who are referred for services are offered all program components in a timely fashion, with the understanding that DCYF involvement has a twelve (12) month timeframe for permanency decisions that can impact a parent's parental rights.
- 2.1.5. The Contractor shall re-offer services at two (2) and six (6) weeks after the initial offer to families that decline the initial offer of services, cease to participate, or do not attend a scheduled visit.

*[Signature]*

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New Hampshire Department of Health and Human Services  
Targeted Prevention Programming  
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- 2.1.6. The Contractor shall collaborate with Department partners when any issues/barriers arise including, but not limited to, timely access to treatment and program partner capacity issues such as program waitlists or lack of treatment provider capacity.
- 2.1.7. The Contractor shall ensure that when there is an Infant Safe Plan of Care (ISPOC) for a child, all participating partners are knowledgeable about the plan of care and are assisting DCYF and the family to fulfill the plan of care by having a Parent Partner schedule a call with the identified agencies and workers within the first two (2) weeks of receiving a referral to the Strength to Succeed program.
- 2.1.8. The Contractor shall be familiar with the DCYF practice model and Solution Based Casework (SBC) in order to provide services within these frameworks. (More information can be found at <https://www.dhhs.nh.gov/dcyf/documents/nhdcyf%202015-2019cfsp.pdf> and <http://www.solutionbasedcasework.com/about/>.)
- 2.1.9. The Contractor shall collaborate with the Department on federally-mandated outcome design and de-identified, aggregate data collection for program evaluation and federal reporting purposes.
- 2.1.10. The Contractor shall collaborate with existing program providers including, but not limited to Family Resource Centers, and SUD treatment and peer recovery support service providers to ensure consistency in practice and enrollment of clients in appropriate programming including, but not limited to:
  - 2.1.10.1. Understanding past client assessments and utilizing a current assessment process to determine the proper case plan.
  - 2.1.10.2. Employing a case plan that focuses on the individual's strengths, seeks solutions and builds on success.
  - 2.1.10.3. Assessing the efficacy of the case plan on an ongoing basis.
- 2.1.11. The Contractor shall establish a protocol within the Regional Access Point programming to ensure the prioritization of the Strength to Succeed referred families, in gaining rapid access to treatment.
- 2.1.12. The Contractor shall inform the Integrated Delivery Network(s) (IDNs) of this project in order to align this work with IDN projects that may be similar or impact the same populations and workforce issues.
- 2.1.13. When treatment services cannot be provided within forty-eight (48) hours of referral, the Contractor shall ensure the client has access to interim services, defined as recovery support services or services with a lower American Society of Addiction Medicine (ASAM) Level of Care, under this contract or by referral to an agency that has an earlier available opening in the client's service area. This shall be accomplished through:





- 2.1.13.1. Making referrals to treatment providers who will complete both the evaluation and service plan; or
- 2.1.13.2. Completing clinical evaluations and service plans through subcontracts with Master Licensed Alcohol and Drug Counselors (MLADC) until such time as a local provider can be located, if there are not treatment providers where the individual resides.
- 2.1.14. The Contractor shall identify or develop, when indicated, appropriate Strength to Succeed training curriculum and educational materials including, but not limited to:
  - 2.1.14.1. Parenting curriculum for parents and families while in treatment and recovery including, but not limited to:
    - 2.1.14.1.1. Recovery Curriculum, the Contractor's parenting curriculum.
    - 2.1.14.1.2. Nurturing Parenting: Families in Substance Abuse Treatment and Recovery.
    - 2.1.14.1.3. The Greater-Tilton Family Resource Center's Forever Hope: Families Impacted by Substance Use Disorder.
  - 2.1.14.2. Prevention messaging geared for young children regarding substance use including, but not limited to:
    - 2.1.14.2.1. Stages of Child Development:
    - 2.1.14.2.2. Nurturing Parenting: Families in Substance Abuse Treatment and Recovery
  - 2.1.14.3. Addiction 101, which the Contractor shall develop with BDAS to be delivered to the program partners who are not SUD treatment providers and do not have the basic training already, including DCYF.
  - 2.1.14.4. DCYF Involvement 101, which the Contractor shall develop with DCYF to be delivered to the program partners not affiliated with DCYF to include the DCYF practice model and the tenets of Solution Based Casework.
- 2.1.15. The Contractor shall develop pre- and post-tests for the trainings addressed in Subsection 2.1.14 and will collect and score the tests in order to determine improvement gained from the training.
- 2.1.16. The Contractor shall utilize the "Strength to Succeed" name, when marketing or conducting business for this program.
- 2.1.17. All individuals and points of contact who have access to confidential information during the course of providing the services under this Agreement, shall be trained in and maintain the proper process for the handling, storage and transmission of such information.

**2.2. DCYF Parent Partner Program (Peer Recovery Support)**

*CM*

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New Hampshire Department of Health and Human Services  
Targeted Prevention Programming  
for DCYF-Involved Families

Exhibit A



2.2.1. The Contractor shall collaborate with the DCYF Parent Partner Program in order to:

2.2.1.1. Hire qualified Parent Partners which shall include, but not be limited to:

2.2.1.1.1. Developing job descriptions and standards for Parent Partners, the program manager and supervisory staff.

2.2.1.1.2. Posting the positions on online job boards.

2.2.1.1.3. Seeking referrals for positions from recovery programs, the Contractor's Regional Access Program (RAP) staff, and area agencies.

2.2.1.2. Develop program oversight and an integrated supervision model for Parent Partners to include, but not be limited to providing a point of contact and oversight at each of the nine (9) covered District Offices which shall include, but not be limited to:

2.2.1.2.1. Creating Memorandums of Understanding (MOUs) that clearly address supervision, training and oversight of Parent Partners.

2.2.1.2.2. Training Parent Partners regarding applicable operational policies and procedures including, but not limited to:

2.2.1.2.2.1. Work hours.

2.2.1.2.2.2. Human resources practices.

2.2.1.2.2.3. Health and safety protocols.

2.2.1.3. Train Parent Partners in providing support to families with SUD/ODU which shall include, but not be limited to:

2.2.1.3.1. DYCF's approach to service delivery and Solutions Based Casework.

2.2.1.3.2. Policies and procedures associated with home and community-based work.

2.2.2. The Contractor shall collaborate with DCYF to establish a recruitment and hiring plan that ensures Parent Partners are co-located in each of the nine (9) covered District Offices as an integrated member of the team. The plan must include which offices are of higher need to staff first and then a plan with timeframes for staffing the rest of the offices.

2.2.3. The Contractor shall ensure Parent Partners are adequately trained and supervised to provide peer support and are educated regarding the goals of peer support which include, but are not limited to:

2.2.3.1. Instilling hope in families.

2.2.3.2. Providing support and promoting self-advocacy.

2.2.3.3. Providing an understanding of the DCYF practice, policies, and regulations.



2.2.4. The Contractor shall collaborate with the DCYF Parent Partner program to identify Parent Partners that are willing and able to become Certified Recovery Support Workers (CRSW's). Upon obtaining agreement from Parent Partners to become CRSW's, the Contractor shall:

2.2.4.1. Support the parent partners in all aspects of certification as outlined by the Office of Professional Licensure and Certification (OPLC). <https://www.oplc.nh.gov/alcohol-other-drug/index.htm>

2.2.4.2. Ensure all components necessary for billing for CRSW's are in place in accordance with Rule He-W513.

2.2.4.3. Enroll with Medicaid and managed care organizations.

### 2.3. Home Visiting Programming

2.3.1. The Contractor shall collaborate with other agencies that provide evidenced-based home visiting programming as outlined in Paragraph 2.3.3 and provide assistance to them to expand their delivery of home visiting programming to open DCYF cases. (More information available at <https://homvee.acf.hhs.gov/models.aspx>) Evidenced-based home visiting programming includes, but is not limited to:

2.3.1.1. Providing Ages & Stages Questionnaires, Third Edition Developmental screenings (ASQ-3™) (More information available at <http://agesandstages.com/products-services/asq3/>)

2.3.1.2. Providing parent education.

2.3.1.3. Providing in-home supports.

2.3.1.4. Providing age and developmentally appropriate Substance Use prevention messages and program curriculums.

2.3.1.5. Assisting families in locating and contacting community supports as needed.

2.3.1.6. Collaborating with DCYF case workers to monitor families' progress and create a shared goal plan for the family.

2.3.1.7. Collaborating with DCYF to identify realistic strategies for supporting families and to build success in reaching family case goals as stated in the Solution Based Case (SBC) Plans.

2.3.1.8. Collaborating with existing Child Welfare Agencies in all nine (9) covered District Offices to create referral relationships for Home Visiting Services.

2.3.1.9. Utilizing Healthy Families America as a primary home visiting model and ensuring appropriate and effective modifications are employed for children over the age five (5) being served by home visiting.

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- 2.3.2. The Contractor shall use a Department-approved parent-child interaction assessment tool to measure progress towards achieving the performance measures.
- 2.3.3. The Contractor shall collaborate with community partners including, but not limited to:
  - 2.3.3.1. Family Resource Centers.
  - 2.3.3.2. Family Support New Hampshire.
  - 2.3.3.3. Thirteen (13) Regional Public Health Networks.
  - 2.3.3.4. Partnership of a Drug Free NH.
  - 2.3.3.5. Communities for Alcohol and Drug-Free Youth (CADY).
  - 2.3.3.6. Raymond Coalition for Youth (RCFY).
- 2.3.4. The Contractor shall use a Department-approved, parent-child interaction form to collect a baseline and to follow up with families enrolled in home visiting programs in order to show an increase in positive parenting skills and knowledge of childhood development.

**2.4. Relative Caregiver Support**

- 2.4.1. The Contractor shall develop relative caregiver support groups to help reduce caregiver strain and create a natural system of support among relative caregivers.
  - 2.4.1.1. The Contractor's support groups must be accessible to all nine (9) District Office covered catchment areas and based on areas of high need.
  - 2.4.1.2. The Contractor's Safe Harbor Recovery Program and Family Supports Program shall be used to recruit, train, and oversee an extensive network of volunteers to facilitate the support groups.
  - 2.4.1.3. The Contractor's Parent Partners may act as group facilitators upon receiving proper training.
- 2.4.2. The Contractor shall collaborate with DCYF to ensure relative caregivers are informed of supports including, but not limited to:
  - 2.4.2.1. The Relative Caregiver specialist at DCYF and the Resource Guide developed by DCYF.
  - 2.4.2.2. Relative caregiver support groups in their area.
  - 2.4.2.3. Other community resources to help support the caregiver and the child, and reduce caregiver strain.
- 2.4.3. The Contractor shall provide education to relative caregivers on how to interact with their child(ren) in a developmentally-appropriate manner regarding parental substance use disorder and how to prevent addiction in their own lives. The education provided will include, but not be limited to:



- 2.4.3.1. Strategies regarding preventing addiction in their own lives;
- 2.4.3.2. Strategies to reinforce healthy, pro-social behaviors;
- 2.4.3.3. Examples of rewards or reinforcers; and
- 2.4.3.4. Strategies for managing the effects of a parent with SUD.

**2.5. Parent and Child Substance Use Education**

- 2.5.1. The Contractor shall provide parent and child substance use education, using the Nurturing Parenting program (<http://www.nurturingparenting.com>) which includes, but is not limited to:
  - 2.5.1.1. Training all relevant staff in the Nurturing Parenting program.
  - 2.5.1.2. Providing education in a variety of settings including in single or co-facilitated group settings.
  - 2.5.1.3. Modifying the education for individuals and families not yet ready for a group setting.
  - 2.5.1.4. As a supplement to Nurturing Parenting, collaborating with the Greater Tilton Area Family Resource Center's to offer aspects of Forever Hope's Training for Families Affected by Substance Use.
- 2.6. The Contractor shall develop and submit a work plan to the Department for review and approval within thirty (30) days of Governor and Executive Council approval of the contract which describes the process for ensuring the completion of all aspects of the Scope of Services.

**2.7. Data and Reporting**

- 2.7.1. The Contractor shall submit monthly narrative reports to the Department including a summary of project progress, barriers met and addressed, and general aggregate information regarding the families served by the program. The aggregate information must include, but is not limited to:
  - 2.7.1.1. Primary drug of choice for family members.
  - 2.7.1.2. General treatment access information for family members.
  - 2.7.1.3. Number and ages of children served by program.
  - 2.7.1.4. Date of enrollment in program.
  - 2.7.1.5. Living arrangements for each child served by this program including, but not limited to in his or her own home with parents; in a relative caregiver home; in a foster home; or in a residential group home at the time of the referral, until program discharge.
  - 2.7.1.6. Change in the living status of each child.
  - 2.7.1.7. Number of provider organizations providing direct services as listed in the scope of service.
  - 2.7.1.8. Number of parent partners hired and the district offices covered.



- 2.7.2. The Contractor shall collaborate with the Department-selected technical assistance vendor to collect de-identified, aggregate data and implement an evaluation process that is culturally appropriate for the population served and is approved by the Department.

**3. Performance Measures**

- 3.1. The Contractor shall ensure that the following performance indicators are quarterly achieved and monitored monthly to measure the effectiveness of the agreement:
- 3.1.1. The Contractor shall provide evidence-based home visiting services to one hundred percent (100 %) of families referred to the program that require home visiting services as part of their treatment plan.
  - 3.1.2. The Contractor shall increase training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma informed care by three (3) trainings per calendar year and increase the knowledge of substance misuse prevention, recovery and trauma informed care among the early childhood and home visiting workforce, as demonstrated by an increase of (10%) in aggregate as measured quarterly from training pre-tests to training post-tests
  - 3.1.3. The Contractor shall ensure that eighty percent (80%) of families referred to the program receive access to treatment or interim treatment services within forty eight (48) hours of referral.
- 3.2. Quarterly, the Contractor shall develop and submit to the Department, a corrective action plan for any performance measure that was not achieved.

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Exhibit A-1

**NH DHHS DIVISION OF FAMILY ASSISTANCE (DFA)  
DISTRICT OFFICE CATCHMENT AREA**

**Where to Apply**

<b>DFA Locations</b>	<b>Towns Served</b>
<b>Berlin</b> 650 Main Street, Suite 200 Berlin; 03570-2431 Phone: 752-7800 or 1-800-972-6111	Berlin, Clarksville, Colebrook, Columbia, Dixville, Dummer, Errol, Gorham, Groveton, Milan, Millsfield, N. Stratford, Northumberland, Percy, Pittsburgh, Randolph, Shelburne, Stark, Stewartstown, Stratford, Wentworth's Location, W. Stewartstown
<b>Claremont</b> 17 Water Street, Ste. 301 Claremont; 03743-2280 Phone: 542-9544 or 1-800-982-1001	Acworth, Canaan, Charlestown, Claremont, Cornish, Croydon, Enfield, George's Mills, Goshen, Grafton, Grantham, Guild, Hanover, Langdon, Lebanon, Lempster, Lyme, Meriden, Newport, Orange, Orford, Plainfield, Springfield, Sunapee, Unity, Washington, West Lebanon
<b>Concord</b> 40 Terrill Park Drive Concord; 03301-9955 Phone: 271-6201 or 1-800-322-9191	Allenstown, Andover, Boscowen, Bow, Bradford, Canterbury, Chichester, Concord, Contoocook, Danbury, Dunbarton, Elkins, Epsom, Franklin, Henniker, Hill, Hillsboro, Hooksett, Hopkinton, Loudon, New London, Newbury, Northfield, Pembroke, Penacook, Pittsfield, Salisbury, Suncook, Sutton, Warner, Webster, Wilnot
<b>Conway</b> 73 Hobbs Street Conway; 03818-6188 Phone: 447-3841 or 1-800-552-4628	Albany, Bartlett, Brookfield, Chatham, Chocorua, Conway, Eaton, Effingham, Freedom, Glen, Hale's Location, Hart's Location, Intervale, Jackson, Kearsarge, Madison, Melvin Village, Moultonborough, N. Conway, Ossipee, Sanbornville, Sandwich, Snowville, Tamworth, Tuftonboro, Wakefield, Wolfeboro
<b>Keene</b> 111 Key Road Keene; 03431 Phone: 357-3510 or 1-800-624-9700	Alstead, Antrim, Ashuelot, Bennington, Chesterfield, Deering, Drewville, Dublin, Fitzwilliam, Frankestown, Gilsum, Greenfield, Hancock, Harrisville, Hinsdale, Jaffrey, Keene, Lyndeborough, Marlborough, Marlow, Nelson, New Ipswich, Peterborough, Richmond, Rindge, Roxbury, Sharon, Spoffard, Stoddard, Sullivan, Surry, Swanzey, Temple, Troy, Walpole, Westmoreland, Winchester, Windsor
<b>Laconia</b> 65 Beacon Street West Laconia; 03246-9988 Phone: 524-4485 or 1-800-322-2121	Alexandria, Alton, Ashland, Barnstead, Belmont, Bridgewater, Bristol, Campton, Center Harbor, Dorchester, Ellsworth, Gilford, Gilmanton, Groton, Hebron, Holderness, Laconia, Lakeport, Meredith, New Hampton, Plymouth, Rumney, Sanbornville, Silver Lake, Thornton, Tilton, Waterville Valley, Wentworth, Winnisquam

Exhibit A-1

**NH DHHS DIVISION OF FAMILY ASSISTANCE (DFA)  
DISTRICT OFFICE CATCHMENT AREA**

**Where to Apply**

<b>DFA Locations</b>	<b>Towns Served</b>
<b>Littleton</b> 80 North Littleton Road Littleton; 03561-3841 Phone: 444-6786 or 1-800-552-8958	Bath, Benton, Bethlehem, Carroll, Dalton, Easton, Franconia, Glencliff, Haverhill, Jefferson, Lancaster, Landaff, Lincoln, Lisbon, Littleton, Livermore, Lyman, Monroe, Piermont, Pike, Sugar Hill, Twin Mountain, Warren, Whitefield, Woodstock, Woodsville
<b>Manchester</b> 195 McGregor St., Ste 110 Manchester; 03102-3762 Phone: 668-2330 or 1-800-852-7493	Auburn, Bedford, Chester, Goffstown, Manchester, New Boston, Weare
<b>Rochester</b> 150 Wakefield St., Ste 22 Rochester; 03867-1309 Phone: 332-9120 or 1-800-862-5300	Barrington, Dover, Durham, Farmington, Gonic, Lee, Madbury, Middleton, Milton, New Durham, Rochester, Rollinsford, Somersworth, Strafford, Union
<b>Seacoast</b> 50 International Drive Portsmouth; 03801 Phone: 433-8300 or 1-800-821-0326	Brentwood, Candia, Deerfield, East Kingston, Epping, Exeter, Fremont, Greenland, Hampton, Hampton Falls, Kensington, Kingston, New Castle, Newfields, Newington, Newmarket, North Hampton, Northwood, Nottingham, Portsmouth, Raymond, Rye, Seabrook, South Hampton, Stratham
<b>Southern</b> 3 Pine Street, Suite Q Nashua; 03060-9311 Phone: 883-7726 or 1-800-852-0632	Amherst, Atkinson, Brookline, Danville, Derry, Greenville, Hampstead, Hollis, Hudson, Litchfield, Londonderry, Mason, Merrimack, Milford, Mont Vernon, Nashua, Newton, Pelham, Plaistow, Salem, Sandown, Wilton, Windham





### Methods 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 by the Contractor pursuant to Exhibit A, Scope of Services.
2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.
3. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) # 93.788, US Department of Health and Human Services, Substance Abuse and Mental Health Administration.
4. The Contractor shall provide flexible funds in the amount specified in the Contractor's budgets per State Fiscal Year in order to assist with removing any barriers that parents/caregivers may encounter in accessing any of the components of this program. Flexible funds are for services or products necessary to be able to receive home visiting or to go to treatment which include, but are not limited to:
  - 4.1. Gas cards.
  - 4.2. Car repair bills.
  - 4.3. Heating oil.
5. Payment for said services shall be made monthly as follows:
  - 5.1. 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.
  - 5.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth (20<sup>th</sup>) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep detailed records of their activities related to Department-funded programs and services.
  - 5.3. 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.
  - 5.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.
  - 5.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to:
    - 5.5.1. Email address: Email address: Laurie.Heath@dhhs.nh.gov
  - 5.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.
6. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be

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4.6.18

New Hampshire Department of Health and Human Services  
Targeted Prevention Programming  
for DCYF-Involved Families

Exhibit B



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made by written agreement of both parties and may be made without obtaining approval  
of the Governor and Executive Council.

Ellder/Program Name: Oracle Pathways		New Hampshire Department of Health and Human Services									
Budget Request for: Targeted Prevention Programming for OCTF-Involved Families											
Budget Period: SFY13 (ending 6/30/13)											
Line Item	Direct	Indirect	Other	Capital	Grants	Contracts	Shirley	Wash	Enterprise	Other	Total
1. Total Salary/Wages	\$ 39,694.14	\$ 4,781.30	\$ 44,345.44	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,345.44
2. Employee Benefits	\$ 11,878.24	\$ 1,425.39	\$ 13,303.63	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,303.63
3. Consulting	\$ 1,067.50	\$ 130.50	\$ 1,218.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,218.00
4. Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 14,000.00	\$ 1,680.00	\$ 15,680.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,680.00
5. Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ 3,000.00	\$ 360.00	\$ 3,360.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,360.00
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 5,000.00	\$ 600.00	\$ 5,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,600.00
6. Travel	\$ 3,500.00	\$ 420.00	\$ 3,920.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,920.00
7. Occupancy	\$ 1,200.00	\$ 144.00	\$ 1,344.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,344.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 980.00	\$ 117.60	\$ 1,097.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,097.60
Postage	\$ 90.00	\$ 10.80	\$ 100.80	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100.80
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 200.00	\$ 24.00	\$ 224.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 224.00
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ 944.98	\$ 113.40	\$ 1,058.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,058.38
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ 13,479.75	\$ 1,617.57	\$ 15,097.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,097.32
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific, discrete, mandatory)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14. Technology	\$ 4,780.00	\$ 573.60	\$ 5,353.60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,353.60
Flexible Funding	\$ 8,906.75	\$ 1,079.49	\$ 10,076.24	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,076.24
TOTAL	\$ 108,730.38	\$ 13,047.84	\$ 121,778.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,778.00
Indirect As A Percent of Direct 12.0%											

(1100-1111) 1100-1111

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### 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 Contractor's 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;

*Q.H.*

*4-6-18*

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.

New Hampshire Department of Health and Human Services  
Exhibit C



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

New Hampshire Department of Health and Human Services  
Exhibit C



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



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.

**DEFINITIONS**

As used in the Contract, the following terms shall have the following meanings:

**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.

**DEPARTMENT:** NH Department of Health and Human Services.

**FINANCIAL MANAGEMENT GUIDELINES:** Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

**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 to be provided to eligible individuals 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.

**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.

**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 the time to time.

**CONTRACTOR MANUAL:** Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

**SUPPLANTING OTHER FEDERAL FUNDS:** The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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Exhibit C-1

**REVISIONS TO GENERAL PROVISIONS**

1. Subparagraph 4 of the General Provisions of this contract, 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.
2. Subparagraph 10 of the General Provisions of this contract, 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.
3. **Extension:**

The Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR 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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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

- 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.

Contractor Name:

Name: Christine McMahon  
 Title: President & CEO

Date: 4.6.18

Exhibit D - Certification regarding Drug Free Workplace Requirements  
 Page 2 of 2

CUD04-SN10713

Contractor Initials: CM  
 Date: 4.6.18



**CERTIFICATION REGARDING LOBBYING**

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 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-1.)
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.

Contractor Name:

4.6.18  
Date

[Signature]  
Name: Christine McMahon  
Title: President and CEO

Exhibit E - Certification Regarding Lobbying

Contractor Initials CM



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

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 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

New Hampshire Department of Health and Human Services  
Exhibit F



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 8 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 (11)(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.

Contractor Name:

4.6.18  
Date

Christine McMahon  
Name: Christine McMahon  
Title: President and CEO



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

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

Contractor 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 5872(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

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

Contractor Initials DM

6/27/14  
Rev. 10/21/14

Page 1 of 2

Date 4.6.18



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

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

Contractor Name:

Date

4.6.18

Name:  
Title:

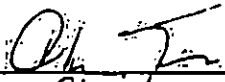
  
Christine McMahon  
President & CEO

Exhibit G

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

Contractor Initials

CM

Date

4.6.18



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT  
BUSINESS ASSOCIATE AGREEMENT**

The Contractor 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 Contractor and subcontractors and agents of the Contractor 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.

3/2014

Contractor Initials

Date

*[Signature]*  
4/6/18



CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

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

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

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

Contractor Name:

4.6.18  
Date

Christine McMahon  
Name: Christine McMahon  
Title:



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

3/2014

Contractor Initials AM

Date 4-6-18



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



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

Contractor Initials

*CM*

Date

4-6-18



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

Contractor Initials

CA

Date 4.6.18



Exhibit I

- e. Severability. 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

Kathy S Fox  
Name of Authorized Representative

Director  
Title of Authorized Representative

4/12/18  
Date

Granite Pathways  
Name of the Contractor

[Signature]  
Signature of Authorized Representative

Christine McMahon  
Name of Authorized Representative

President & CEO  
Title of Authorized Representative

4-6-18  
Date

[Signature]  
4-6-18





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

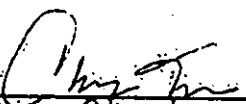
The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

Date


4.6.18

Name:  
Title:

  
Christine McHale  
President & CEO

Contractor Initials

Date

  
4.6.18

New Hampshire Department of Health and Human Services  
Exhibit J



FORM A

As the Contractor 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: 019392707
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?



☐ 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: _____

Contractor Initials

Date: 4.6.18

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

**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

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

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

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**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.).

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**New Hampshire Department of Health and Human Services**

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**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 Department's 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



New Hampshire Department of Health and Human Services

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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/doh/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 additional email addresses provided in this section, of any security breach within two (2) hours of the time that the Contractor learns of its occurrence. 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.

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, Information Security Office and Program Manager of any Security Incidents and Breaches within two (2) hours of the time that the Contractor learns of their occurrence.

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

*CM*

4.6.18

**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 contact for Data Management or Data Exchange issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

- B. DHHS contacts for Privacy Issues:

DHHSPrivacyOfficer@dhhs.nh.gov

- C. DHHS contact for Information Security Issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

- D. DHHS contact for Breach notifications:

DHHSInformationSecurityOffice@dhhs.nh.gov

DHHSPrivacyOfficer@dhhs.nh.gov

BA

4.6.18

# DONNA KEEFE

**EDUCATION** | Trinity High School, Manchester, NH  
Springfield College – BS Human Services Summa Cum Laude 1995

**EXPERIENCE** | 12/1/2015 – Present

## **DIRECTOR OF NEW INITIATIVES – GRANITE PATHWAYS NH**

Granite Pathways is a subsidiary of Fedcap. As the Director of New Initiatives, I manage the local day to day infrastructure and work with referring agencies to identify, develop and maintain relationships pertaining to billing, community relations and development. I was also instrumental with the startup program development and implementation of 8 programs in NH, other duties include: staff supervision, communication management with our corporate office and BOD communications.

**9/2013 – 12/1/2015**

## **NE DIRECTOR OF ADMISSIONS & CLIENT SERVICES FEDCAP REHABILITATION SERVICES**

As the NE Director of Admissions & Client Services, I supervised the admissions process throughout the Fedcap NE regions working with all the referring agencies to identify, develop and maintain relationships pertaining to billing & client services. In this role, I worked in RI to systematically manage the federally mandated Interim Settlement Agreement that shut down segregated workshops for the DD population. The Fedcap team in RI developed programs and systems to train the IDD population to be gainfully employed in the community. This effort is nationally recognized as Fedcap continues to educate other national agencies via our RI, National Center Institute for System Improvement seminars available on the Fedcap website.

**1995 – 2013**

## **DIRECTOR OF ADMISSIONS EASTER SEALS NH, ME, NY, VT**

As Director of Admissions for the Adolescent Residential/Educational Psychiatric & Neurobehavioral Programs I was responsible for the admissions and transitions process within the continuum of care programs as well as the final discharges from Easter Seals. I managed referrals from various states and agencies where I applied knowledge of differing state and agency placement requirements/laws. In addition to working with families I managed the monthly billing, file retention, census/wait list for 6 satellite intensive residential group homes and over 75 foster homes. I implemented many systems to manage the complex admission/discharge process.

**1992 – 1995**

**City of Manchester NH School Department**

Served as a liaison between team members – parents, teachers, administrators and students. I was responsible to implement behavior plans/procedures to transition special education students back into the traditional classroom from an alternative/self-contained classroom. I also worked closely and supported low income families through the IEP process at the inner-city schools.

**1988-1992**

**SERESC – BIRCHWOOD HIGH SCHOOL**

Aided in developing class curriculums in this alternative setting for the Seriously Emotionally Disturbed students. Taught classes under supervision of teacher, organized field trips and participated in all goal-oriented programs working 1:1 with the students if needed.

**| AWARDS/RECOGNITIONS/Trainings**

1997 – Easter Seals President's Meritorious Award - for outstanding service by an employee

2000 – Easter Seals NH, VT, NY, Employee of the Year – Chosen from 1,200 employees

2003 – Easter Seals Service First Award – Customer Service Award

2004 – Crisis Intervention and Physical Restraint Training

2005 – State of NH DCYF/DJJS Directors Award – this award is given yearly to one NH individual who goes above and beyond to help the state workers solve their difficult cases

2015 – Mental Health First Aid USA

2016 – CCAR Recovery Coach Academy & Training of Trainers Program

2016 – NAMI NH's Connect Suicide Prevention Training

2016 – Crisis Intervention in the Workplace

2016 – Breaking the Stigma – Language Training

2017 – First Aid/CPR and Narcan Training

2019 – Effective Performance Management Strategies Workshop

**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**



**State of New Hampshire  
Department of Health and Human Services  
Amendment #2 to the Targeted Prevention Programming for DCYF-Involved Families**

This 2<sup>nd</sup> Amendment to the Targeted Prevention Programming for DCYF-Involved Families contract (hereinafter referred to as "Amendment #2") is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Family Resource Center at Gorham, (hereinafter referred to as "the Contractor"), a nonprofit with a place of business at 123 Main Street, Gorham, NH 03581.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on May 2, 2018, (Item #20), as amended on December 19, 2018 (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to General Provisions, Section 3, 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, and 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 1.7, Completion Date, to read:  
January 31, 2021.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,826,815.
3. Exhibit A Amendment #1, Scope of Services, Section 1, Provisions Applicable to All Services, Subsection 1.8 through Subparagraph 1.8.4.4, to read:
  - 1.8. The Contractor shall provide services:
    - 1.8.1 By assisting in developing a strong collaboration between agencies within the Department including, but not limited to
      - 1.8.1.1 The Bureau of Drug and Alcohol Services (BDAS).
      - 1.8.1.2 The Division for Children, Youth, and Families (DCYF).
      - 1.8.1.3 The Division of Public Health Services (DPHS).
      - 1.8.1.4 The Bureau for Children's Behavioral Health (BCBH).
    - 1.8.2 To individuals involved with DCYF, who have substance use disorder or other challenges that result in neglect, or are at risk for neglect, which may include, but is not limited to:
      - 1.8.2.1. Children.
      - 1.8.2.2. Birth parents.
      - 1.8.2.3. Foster parents.
      - 1.8.2.4. Grandparents.
      - 1.8.2.5. Other caregivers.
      - 1.8.2.6. Siblings.

**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**



- 1.8.2.7. Families with open DCYF cases.
- 1.8.2.8. Families undergoing a DCYF assessment.
- 1.8.3 Prioritizing cases, by working with the DCYF designated gatekeeper, including, but not limited to:
  - 1.8.3.1 Parents/caregivers with mental health issues.
  - 1.8.3.2 Chronic neglect cases as determined by DCYF.
  - 1.8.3.3 Families that qualify for prioritization by the above guidelines and have an active DCYF assessment and may not require an open case if this level of service is available.
  - 1.8.4.4 Families with an open neglect case that requires this level of service to promote an in home case or promote a permanency plan of reunification.
- 4. Exhibit A Amendment #1, Scope of Services, Section 2, Scope of Services, Subsection 2.1 General Provisions, Paragraph 2.1.18, to read:
  - 2.1.18 The Contractor shall engage with treatment providers for mental health in catchment areas to develop relationships and assistance in prioritization for parents/caregivers involved with an open DCYF case or assessment.
- 5. Exhibit A Amendment #1, Scope of Services, Section 2, Scope of Services, Subsection 2.2, DCYF Parent Partner Program (Peer Recovery Support), Paragraph 2.2.1, Subparagraph 2.2.1.4, to read:
  - 2.2.1.4 Ensure that Parent Partners have the appropriate lived experience for the population they are serving.
- 6. Exhibit A Amendment #1, Scope of Services Section 2, Scope of Services, Subsection 2.5, Parent and Child Substance Use Education, Paragraph 2.5.1, Subparagraph 2.5.1.4 through 2.5.1.6 to read:
  - 2.5.1.4 Adjusting messaging, support and curricula as needed to address the primary issues that the parent/caregiver of focus is experiencing, such as their own mental illness, other health conditions and any other Social Determinants of Health that may be presenting challenges and are primary in the identified conditions or neglect in the DCYF case or assessment.
  - 2.5.1.5 Engaging with treatment providers to develop educational/parenting programming relative to parenting while symptomatic for Serious Mental Illness.
  - 2.5.1.6 Providing age appropriate education for children regarding mental illness.
- 7. Exhibit B, Methods and Conditions Precedent to Payment, Section 5, Subsection 5.1, to read:
  - 5.1 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 Exhibits B-1, Budget through Exhibit B-5, Budget.
- 8. Add Exhibit B-4 Amendment #2, Budget, which is attached hereto and incorporated by reference herein.
- 9. Add Exhibit B-5 Amendment #2, Budget, which is attached hereto and incorporated by reference herein.

New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families

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All terms and conditions of the Contract and prior amendments not inconsistent with this Amendment #2 remain in full force and effect. This amendment shall be effective upon the date of Governor 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

7/14/2020  
Date

Kent S. Fox  
Name: Kent S. Fox  
Title: Director

The Family Resource Center at Gorham

7-13-2020  
Date

Patti Stolte  
Name: Patti Stolte  
Title: Executive Director



**New Hampshire Department of Health and Human Services  
Targeted Prevention Programming for DCYF-Involved Families**



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

**OFFICE OF THE ATTORNEY GENERAL**

08/07/20  
Date

Catherine Pinos  
Name: Catherine Pinos, Attorney  
Title:

I hereby certify that the foregoing Amendment was approved by the Governor on: \_\_\_\_\_

**OFFICE OF THE SECRETARY OF STATE**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name:  
Title:

**Exhibit B-4 Amendment #2  
Budget**

**New Hampshire Department of Health and Human Services**

**Bidder/Program Name: The Family Resource Center**

**Budget Request for: Strength to Succeed Service Expansion-SORS**

**Budget Period: July 1, 2020 - September 30, 2020**

Line Item	Total Program Costs			Contractor Share / Match			Funded by DHHS contract share		
	Direct Incremental	Indirect Filled	Total	Direct Incremental	Indirect Filled	Total	Direct Incremental	Indirect Filled	Total
1. Total Salary/Wages	\$ 81,095.00	\$ 8,160.00	\$ 89,255.00	\$ 1,500.00	\$ 1,000.00	\$ 2,500.00	\$ 81,595.00	\$ 8,160.00	\$ 89,755.00
2. Employee Benefits	\$ 32,500.00	\$ 3,250.00	\$ 35,750.00	\$ 750.00	\$ 75.00	\$ 825.00	\$ 31,750.00	\$ 3,175.00	\$ 34,925.00
3. Consultants	\$ 4,250.00	\$ 425.00	\$ 4,675.00	\$ 500.00	\$ 50.00	\$ 550.00	\$ 3,750.00	\$ 375.00	\$ 4,125.00
4. Equipment:									
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ 525.00	\$ 53.00	\$ 578.00	\$ 125.00	\$ 13.00	\$ 138.00	\$ 400.00	\$ 40.00	\$ 440.00
5. Supplies:									
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ 750.00	\$ 76.00	\$ 826.00	\$ 125.00	\$ 13.00	\$ 138.00	\$ 625.00	\$ 63.00	\$ 688.00
6. Travel	\$ 12,500.00	\$ 1,250.00	\$ 13,750.00	\$ 500.00	\$ 50.00	\$ 550.00	\$ 12,000.00	\$ 1,200.00	\$ 13,200.00
Occupancy	\$ 625.00	\$ 63.00	\$ 688.00	\$ 125.00	\$ 13.00	\$ 138.00	\$ 500.00	\$ 50.00	\$ 550.00
8. Current Expenses									
Telephone	\$ 1,263.00	\$ 126.00	\$ 1,389.00	\$ 63.00	\$ 6.00	\$ 69.00	\$ 1,200.00	\$ 120.00	\$ 1,320.00
Postage	\$ 25.00	\$ 2.00	\$ 27.00	\$ 25.00	\$ 2.00	\$ 27.00	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ 75.00	\$ 8.00	\$ 83.00	\$ 75.00	\$ 8.00	\$ 83.00	\$ -	\$ -	\$ -
Insurance	\$ 176.00	\$ 17.00	\$ 193.00	\$ 63.00	\$ 6.00	\$ 69.00	\$ 113.00	\$ 11.00	\$ 124.00
Board Expenses	\$ 25.00	\$ 3.00	\$ 28.00	\$ 25.00	\$ 3.00	\$ 28.00	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ 313.00	\$ 31.00	\$ 344.00	\$ 63.00	\$ 6.00	\$ 69.00	\$ 250.00	\$ 25.00	\$ 275.00
11. Staff Education and Training	\$ 1,500.00	\$ 150.00	\$ 1,650.00	\$ 250.00	\$ 25.00	\$ 275.00	\$ 1,250.00	\$ 125.00	\$ 1,375.00
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory): Discretionary	\$ 2,500.00	\$ 250.00	\$ 2,750.00	\$ -	\$ -	\$ -	\$ 2,500.00	\$ 250.00	\$ 2,750.00
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 148,112.00</b>	<b>\$ 14,884.00</b>	<b>\$ 162,996.00</b>	<b>\$ 4,183.00</b>	<b>\$ 1,278.00</b>	<b>\$ 5,461.00</b>	<b>\$ 138,151.00</b>	<b>\$ 13,606.00</b>	<b>\$ 151,757.00</b>

Indirect As A Percent of Direct

10%

Exhibit B-5 Amendment #2  
Budget

New Hampshire Department of Health and Human Services											
Bidder/Program Name: The Family Resource Center											
Budget Request for: Strength to Succeed Service Expansion - Covid 19											
Budget Period: July 1, 2020 - January 31, 2021											
Line Item	Total Program Costs			Contractor Share / Match			Funded by DHHS contract share				
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total		
1. Total Salary/Wages	\$ 291,754.00	\$ 32,159.00	\$ 323,913.00	\$ 5,267.00	\$ 3,511.00	\$ 8,778.00	\$ 266,487.00	\$ 29,649.00	\$ 296,136.00	\$	\$ 315,135.00
2. Employee Benefits	\$ 114,111.00	\$ 11,411.00	\$ 125,522.00	\$ 2,834.00	\$ 263.00	\$ 3,097.00	\$ 111,477.00	\$ 11,145.00	\$ 122,622.00	\$	\$ 122,622.00
3. Consultants	\$ 14,922.00	\$ 1,492.00	\$ 16,414.00	\$ 1,755.00	\$ 175.00	\$ 1,930.00	\$ 13,167.00	\$ 1,317.00	\$ 14,484.00	\$	\$ 14,484.00
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Purchase/Depreciation	\$ 7,844.00	\$ 194.00	\$ 8,038.00	\$ 438.00	\$ 43.00	\$ 481.00	\$ 1,405.00	\$ 141.00	\$ 1,546.00	\$	\$ 1,546.00
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Office	\$ 7,833.00	\$ 262.00	\$ 8,095.00	\$ 439.00	\$ 43.00	\$ 482.00	\$ 2,194.00	\$ 219.00	\$ 2,413.00	\$	\$ 2,413.00
6. Travel	\$ 41,884.00	\$ 4,388.00	\$ 46,272.00	\$ 1,755.00	\$ 175.00	\$ 1,930.00	\$ 42,133.00	\$ 4,213.00	\$ 46,346.00	\$	\$ 46,346.00
Occupancy	\$ 2,194.00	\$ 219.00	\$ 2,413.00	\$ 439.00	\$ 43.00	\$ 482.00	\$ 1,755.00	\$ 175.00	\$ 1,930.00	\$	\$ 1,930.00
7. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Telephone	\$ 4,433.00	\$ 444.00	\$ 4,877.00	\$ 218.00	\$ 23.00	\$ 241.00	\$ 4,214.00	\$ 421.00	\$ 4,635.00	\$	\$ 4,635.00
Postage	\$ 25.00	\$ 9.00	\$ 34.00	\$ 85.00	\$ 9.00	\$ 94.00	\$ -	\$ -	\$ -	\$	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
Audit and Legal	\$ 263.00	\$ 26.00	\$ 289.00	\$ 263.00	\$ 26.00	\$ 289.00	\$ -	\$ -	\$ -	\$	\$ -
Insurance	\$ 614.00	\$ 63.00	\$ 677.00	\$ 219.00	\$ 23.00	\$ 242.00	\$ 395.00	\$ 40.00	\$ 435.00	\$	\$ 435.00
Board Expenses	\$ 88.00	\$ 8.00	\$ 96.00	\$ 88.00	\$ 8.00	\$ 96.00	\$ -	\$ -	\$ -	\$	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
10. Marketing/Communications	\$ 1,097.00	\$ 111.00	\$ 1,208.00	\$ 219.00	\$ 23.00	\$ 242.00	\$ 878.00	\$ 88.00	\$ 966.00	\$	\$ 966.00
11. Staff Education and Training	\$ 5,267.00	\$ 527.00	\$ 5,794.00	\$ 578.00	\$ 88.00	\$ 666.00	\$ 4,359.00	\$ 439.00	\$ 4,798.00	\$	\$ 4,798.00
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
13. Other (specific details mandatory): Discretionary	\$ 4,778.00	\$ 878.00	\$ 5,656.00	\$ -	\$ -	\$ -	\$ 8,778.00	\$ 878.00	\$ 9,656.00	\$	\$ 9,656.00
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$	\$ -
<b>TOTAL</b>	<b>\$ 491,971.00</b>	<b>\$ 62,161.00</b>	<b>\$ 554,132.00</b>	<b>\$ 14,699.00</b>	<b>\$ 4,451.00</b>	<b>\$ 19,150.00</b>	<b>\$ 477,272.00</b>	<b>\$ 47,728.00</b>	<b>\$ 525,000.00</b>	<b>\$</b>	<b>\$ 525,000.00</b>
Indirect As A Percent of Direct										10%	

# State of New Hampshire

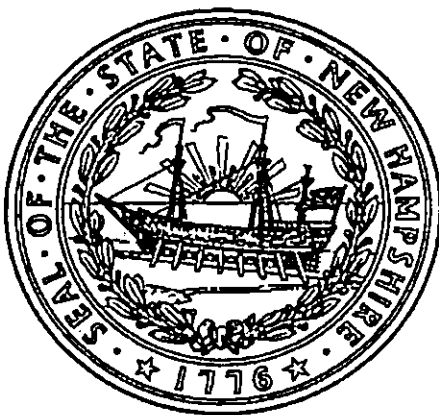
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE FAMILY RESOURCE CENTER AT GORHAM is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 03, 1997. 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: 270161

Certificate Number: 0004916605



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 18th day of May A.D. 2020.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE OF AUTHORITY

I, Linda Lamirande, hereby certify that:

1. I am a duly elected Officer of The Family Resource at Gorham.

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 17, 2020, at which a quorum of the Directors/shareholders were present and voting.

**VOTED:** That Patti Stolte, Executive Director is duly authorized on behalf of The Family Resource Center at Gorham to enter into contracts or agreements with the State of New Hampshire and any of its agencies or departments and further is authorized to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, which may in his/her judgment be desirable or necessary to effect the purpose of this vote.

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

Dated: 7/6/2020



Signature of Elected Officer

Name: Linda Lamirande

Title: President, Board of Directors



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

05/14/2020

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 rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> E & S Insurance Services LLC 21 Meadowbrook Lane P O Box 7425 Gilford NH 03247-7425	<b>CONTACT NAME:</b> Fairley Kenneally <b>PHONE (A/C, No, Ext):</b> (603) 293-2791 <b>E-MAIL ADDRESS:</b> fairley@esinsurance.net <b>FAX (A/C, No):</b> (603) 293-7188																					
<b>INSURED</b> Family Resource Center at Gorham 123 Main Street Gorham NH 03581	<table><tr><th colspan="2">INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A:</td><td>Great American Insurance Group</td><td>GAIG</td></tr><tr><td>INSURER B:</td><td>Travelers Property Casualty Co of America</td><td>25674</td></tr><tr><td>INSURER C:</td><td></td><td></td></tr><tr><td>INSURER D:</td><td></td><td></td></tr><tr><td>INSURER E:</td><td></td><td></td></tr><tr><td>INSURER F:</td><td></td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE		NAIC #	INSURER A:	Great American Insurance Group	GAIG	INSURER B:	Travelers Property Casualty Co of America	25674	INSURER C:			INSURER D:			INSURER E:			INSURER F:		
INSURER(S) AFFORDING COVERAGE		NAIC #																				
INSURER A:	Great American Insurance Group	GAIG																				
INSURER B:	Travelers Property Casualty Co of America	25674																				
INSURER C:																						
INSURER D:																						
INSURER E:																						
INSURER F:																						

**COVERAGES****CERTIFICATE NUMBER:** 20-21**REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS														
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			MAC3793560-14	05/10/2020	05/10/2021	<table><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 100,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 5,000</td></tr><tr><td>PERSONAL &amp; ADV INJURY</td><td>\$ 1,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 3,000,000</td></tr><tr><td>PRODUCTS - COM/PROP AGG</td><td>\$ 3,000,000</td></tr><tr><td>AbMol Daycare, Inc/AnoPA</td><td>\$ 1,000,000</td></tr></table>	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/PROP AGG	\$ 3,000,000	AbMol Daycare, Inc/AnoPA	\$ 1,000,000
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/PROP AGG	\$ 3,000,000																				
AbMol Daycare, Inc/AnoPA	\$ 1,000,000																				
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						<table><tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr><tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr><tr><td></td><td>\$</td></tr></table>	COMBINED SINGLE LIMIT (Ea accident)	\$	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$		\$				
COMBINED SINGLE LIMIT (Ea accident)	\$																				
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 RETENTION \$			UMB113778406	05/10/2020	05/10/2021	<table><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>AGGREGATE</td><td>\$ 1,000,000</td></tr><tr><td></td><td>\$</td></tr></table>	EACH OCCURRENCE	\$ 1,000,000	AGGREGATE	\$ 1,000,000		\$								
EACH OCCURRENCE	\$ 1,000,000																				
AGGREGATE	\$ 1,000,000																				
	\$																				
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	6JUB4N33995320	01/01/2020	01/01/2021	<table><tr><td><input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER</td><td></td></tr><tr><td>E.L. EACH ACCIDENT</td><td>\$ 500,000</td></tr><tr><td>E.L. DISEASE - EA EMPLOYEE</td><td>\$ 500,000</td></tr><tr><td>E.L. DISEASE - POLICY LIMIT</td><td>\$ 500,000</td></tr></table>	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER		E.L. EACH ACCIDENT	\$ 500,000	E.L. DISEASE - EA EMPLOYEE	\$ 500,000	E.L. DISEASE - POLICY LIMIT	\$ 500,000						
<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER																					
E.L. EACH ACCIDENT	\$ 500,000																				
E.L. DISEASE - EA EMPLOYEE	\$ 500,000																				
E.L. DISEASE - POLICY LIMIT	\$ 500,000																				
A	Professional Liability			MAC3793560-14	05/10/2020	05/10/2021	<table><tr><td>per occurrence</td><td>\$1,000,000</td></tr><tr><td>aggregate</td><td>\$3,000,000</td></tr></table>	per occurrence	\$1,000,000	aggregate	\$3,000,000										
per occurrence	\$1,000,000																				
aggregate	\$3,000,000																				

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

**CERTIFICATE HOLDER****CANCELLATION**

State of NH DHHS 129 Pleasant Street Concord NH 03301-3857	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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the family  
resource center  
at Gorham

**MISSION:**

---

**To build healthier families and stronger communities through  
positive relations, programs and collaborations in the North  
Country of New Hampshire**

# *Financial Statements*

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## **FAMILY RESOURCE CENTER AT GORHAM**

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

***Leone,  
McDonnell  
& Roberts***  
PROFESSIONAL ASSOCIATION

CERTIFIED PUBLIC ACCOUNTANTS



**FAMILY RESOURCE CENTER AT GORHAM**  
**FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

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To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

## **INDEPENDENT AUDITORS' REPORT**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Family Resource Center at Gorham (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

### **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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 organization'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 organization'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 Family Resource Center at Gorham as of June 30, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 4, 2019, on our consideration of Family Resource Center at Gorham's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Family Resource Center at Gorham's internal control over financial reporting and compliance.

*Leone, McDonnell & Roberts  
Professional Association*

October 4, 2019  
North Conway, New Hampshire

**FAMILY RESOURCE CENTER AT GORHAM**

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

**ASSETS**

	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 414,332	\$ 238,341
Certificates of deposit	81,893	80,127
Grants receivable	417,558	251,249
Prepaid expenses	<u>15,149</u>	<u>9,441</u>
Total current assets	<u>928,932</u>	<u>579,158</u>
<b>PROPERTY</b>		
Leasehold improvements	74,932	74,932
Furniture and equipment	<u>51,575</u>	<u>51,575</u>
Total	126,507	126,507
Less: accumulated depreciation	<u>(95,385)</u>	<u>(90,919)</u>
Property, net	<u>31,122</u>	<u>35,588</u>
<b>OTHER ASSETS</b>		
Investments	207,279	209,058
Agency deposits - cash	<u>22,240</u>	<u>22,226</u>
Total other assets	<u>229,519</u>	<u>231,284</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 1,189,573</u></b>	<b><u>\$ 846,030</u></b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 7,144	\$ 8,890
Accrued expenses	35,014	28,856
Agency deposits	22,240	22,226
Refundable advances	<u>9,649</u>	<u>14,799</u>
Total current liabilities	<u>74,047</u>	<u>74,771</u>
<b>NET ASSETS</b>		
Without donor restrictions	902,278	550,100
With donor restrictions	<u>213,248</u>	<u>221,159</u>
Total net assets	<u>1,115,526</u>	<u>771,259</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 1,189,573</u></b>	<b><u>\$ 846,030</u></b>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>REVENUE AND SUPPORT</b>			
Grants	\$ 1,635,790	\$ -	\$ 1,635,790
Medicaid	574,200	-	574,200
Donations	60,168	-	60,168
Agency rents	36,602	-	36,602
Investment income	-	547	547
Other income	13,043	-	13,043
Interest income	2,406	-	2,406
Net unrealized investment loss	-	(4,780)	(4,780)
Net realized investment gain	-	1,322	1,322
Net assets released from restrictions	<u>5,000</u>	<u>(5,000)</u>	<u>-</u>
 Total revenues, support and net assets released from restrictions	 <u>2,327,209</u>	 <u>(7,911)</u>	 <u>2,319,298</u>
 <b>EXPENSES</b>			
Program services	1,772,364	-	1,772,364
Management and general	<u>202,667</u>	<u>-</u>	<u>202,667</u>
 Total expenses	 <u>1,975,031</u>	 <u>-</u>	 <u>1,975,031</u>
 <b>INCREASE (DECREASE) IN NET ASSETS</b>	 352,178	 (7,911)	 344,267
 <b>NET ASSETS, BEGINNING OF YEAR</b>	 <u>550,100</u>	 <u>221,159</u>	 <u>771,259</u>
 <b>NET ASSETS, END OF YEAR</b>	 <u>\$ 902,278</u>	 <u>\$ 213,248</u>	 <u>\$ 1,115,526</u>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<b><u>Without Donor Restrictions</u></b>	<b><u>With Donor Restrictions</u></b>	<b><u>Total</u></b>
<b>REVENUE AND SUPPORT</b>			
Grants	\$ 1,242,118	\$ -	\$ 1,242,118
Medicaid	172,738	-	172,738
Donations	39,023	5,000	44,023
Agency rents	37,205	-	37,205
Investment income	-	1,034	1,034
Other income	1,560	-	1,560
Interest income	370	-	370
Net unrealized investment loss	-	(7,607)	(7,607)
Net realized investment gain	-	11,475	11,475
	<u>1,493,014</u>	<u>9,902</u>	<u>1,502,916</u>
Total revenues and support			
	<u>1,493,014</u>	<u>9,902</u>	<u>1,502,916</u>
<b>EXPENSES</b>			
Program services	1,222,386	-	1,222,386
Management and general	156,483	-	156,483
	<u>1,378,869</u>	<u>-</u>	<u>1,378,869</u>
Total expenses			
	<u>1,378,869</u>	<u>-</u>	<u>1,378,869</u>
<b>INCREASE IN NET ASSETS</b>	114,145	9,902	124,047
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>435,955</u>	<u>211,257</u>	<u>647,212</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 550,100</u>	<u>\$ 221,159</u>	<u>\$ 771,259</u>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 344,267	\$ 124,047
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized loss on investments	4,780	7,607
Realized gains on investments	(1,322)	(11,475)
Depreciation	4,466	5,574
(Increase) decrease in assets:		
Grants receivable	(166,309)	(67,349)
Prepaid expenses	(5,708)	1,107
Increase (decrease) in liabilities:		
Accounts payable	(1,746)	(3,487)
Accrued expenses	6,158	(1,576)
Agency deposits	14	(3,357)
Refundable advances	<u>(5,150)</u>	<u>(14,461)</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>179,450</u>	<u>36,630</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of investments	390,324	55,979
Purchase of investments and certificates of deposit	<u>(393,769)</u>	<u>(57,554)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(3,445)</u>	<u>(1,575)</u>
<b>NET INCREASE IN CASH AND EQUIVALENTS</b>	176,005	35,055
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	<u>260,567</u>	<u>225,512</u>
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	<u>\$ 436,572</u>	<u>\$ 260,567</u>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Personnel Costs			
Salaries and wages	\$ 1,121,186	\$ 136,380	\$ 1,257,566
Payroll taxes	79,700	11,909	91,609
Employee benefits	112,243	22,322	134,565
Travel	144,838	1,531	146,369
Program activities	86,905	1,125	88,030
Conferences and meetings	28,584	5,445	34,029
Contractors and consultants	29,997	1,663	31,660
Food and supplies	28,946	1,931	30,877
Heat and utilities	19,620	1,033	20,653
Telephone, internet, fax and cable	17,985	117	18,102
Rent	15,025	-	15,025
Accounting fees	12,003	2,154	14,157
Training	13,283	176	13,459
Maintenance, cleaning and inspections	9,714	2,429	12,143
Small equipment	11,486	470	11,956
Liability insurance	10,134	1,060	11,194
Technology	-	7,774	7,774
Advertising	7,404	204	7,608
Student transportation	7,560	-	7,560
Printing	6,567	283	6,850
Depreciation	3,573	893	4,466
Payroll processing service	-	2,896	2,896
Property insurance	995	405	1,400
Postage and shipping	742	158	900
Bank charges	-	309	309
Other	<u>3,874</u>	<u>-</u>	<u>3,874</u>
Total	<u>\$ 1,772,364</u>	<u>\$ 202,667</u>	<u>\$ 1,975,031</u>

See Notes to Financial Statements



**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018**

	<b><u>Program Services</u></b>	<b><u>Management and General</u></b>	<b><u>Total</u></b>
Personnel Costs			
Salaries and wages	\$ 769,290	\$ 105,510	\$ 874,800
Payroll taxes	57,002	7,818	64,820
Employee benefits	96,469	12,161	108,630
Program activities	90,579	-	90,579
Travel	80,917	530	81,447
Food and supplies	19,748	793	20,541
Heat and utilities	18,039	949	18,988
Telephone, internet, fax and cable	12,014	2,288	14,302
Accounting fees	-	12,852	12,852
Contractors and consultants	10,550	1,449	11,999
Small equipment	10,027	925	10,952
Conferences and meetings	8,441	1,704	10,145
Liability insurance	9,578	-	9,578
Rent	8,166	-	8,166
Maintenance, cleaning and inspections	6,027	1,506	7,533
Depreciation	4,459	1,115	5,574
Printing	4,885	373	5,258
Student transportation	5,185	-	5,185
Advertising	3,071	1,468	4,539
Training	3,526	369	3,895
Technology	2,216	1,672	3,888
Payroll processing service	-	2,445	2,445
Property insurance	1,078	360	1,438
Postage and shipping	1,119	7	1,126
Bank charges	-	189	189
	<u>          </u>	<u>          </u>	<u>          </u>
Total	\$ 1,222,386	\$ 156,483	\$ 1,378,869

See Notes to Financial Statements

## **FAMILY RESOURCE CENTER AT GORHAM**

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

#### **1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Organization**

The Family Resource Center at Gorham (the Resource Center) is a voluntary, not-for-profit corporation incorporated under the laws of the State of New Hampshire (RSA 292) and organized exclusively for tax exempt charitable and educational purposes. The principal activity of the Resource Center is to deliver programming that works to build healthier families and stronger communities. These programs remove obstacles to healthy family function and development, providing access to social and educational services to at-risk and underserved North Country populations. Primary programs include:

Home visiting programs that deliver evidence based early child development and parenting support curricula which empowers parents and gives them the motivations and skills to improve parenting and foster healthy family dynamics;

Afterschool programs that support the academic, social and emotional developmental needs of students in grades K-8;

An IRS sanctioned Volunteer Income Tax Assistance (VITA) program that provides free tax preparation services to community members in need maximizing income tax refunds;

A Substance Misuse program that utilizes peer support for recovery and family reunification.

##### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

##### **Basis of Presentation**

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

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Resource Center. These net assets may be used at the discretion of the Resource Center'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 Resource Center or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

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

### **Use of Estimates**

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

### **Cash and Cash Equivalents**

Cash and cash equivalents include all monies in banks and liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

### **Investments**

Investments are accounted for according to Accounting Standards Codification (ASC) 958-320 *Not For Profit Entities – Investments – Debt and Equity Securities*. Under ASC 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Fair values of investments are based on quoted prices in active markets for identical investments.

### **Property and Equipment**

Property and equipment is recorded at cost if purchased and at fair value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Furniture and equipment	5 - 15 years
Leasehold improvements	20 years

The Resource Center's policy is to capitalize all assets over \$2,500 with an expected life of one year or longer. Assets sold or otherwise disposed of are removed from the accounts, along with the related depreciation allowance, and any gain or loss is recognized.

### **Contributions**

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor or time restrictions. A purpose restriction permits the Resource Center to use donated assets as specified for a particular purpose. Net assets restricted in perpetuity are those that are required to be permanently maintained, but income from such investments may be used for specified purposes. All donor restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction.

When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

#### **Contributed Services**

From time to time, the Resource Center receives donated services in carrying out the mission and fundraising activities of the Resource Center. Such donations do not meet the criteria for recognition under ASC 958 and accordingly no amounts are reflected in the financial statements for those services.

#### **Functional Allocation of Expenses**

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

The expenses that are allocated include the following:

<b><u>Expense</u></b>	<b><u>Method of allocation</u></b>
Salaries and benefits	Time and effort
Occupancy	Square footage/revenues
Depreciation	Square footage
All other expenses	Direct assignment

#### **Refundable Advances**

The Resource Center records grant/contract revenue as a refundable advance until it is expended for the purpose of the grant/contract, at which time it is recognized as revenue.

#### **Income Taxes**

The Resource Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Resource Center 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.

Management has evaluated the Resource Center's tax positions and concluded that the Resource Center has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Resource Center is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2015.

### **Leased Facilities**

The Resource Center leases its current facility from the Town of Gorham. In lieu of rent, the Resource Center is responsible for the cost of repairs and maintenance, insurance, utilities and rubbish removal. The lease was for a 20 year period and expired on May 19, 2018. The lease continues under the same terms on a month to month basis.

The Resource Center in turn sublets space in the facility to other nonprofit and community agencies at an average rate of approximately \$10 - \$16 per square foot. All participating organizations must provide services to a client base that is at least 66% low and moderate income.

### **Grants Receivable**

Grants receivable from various public and other nonprofit organizations at June 30, 2019 and 2018 were considered fully collectable and therefore no provisions for bad debts have been made in these financial statements.

### **Advertising**

Advertising costs are expensed as incurred.

### **Reclassifications**

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

### **Fair Value of Financial Instruments**

ASC Topic No. 820-10, *Fair Value Measurement*, 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 Resource Center 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 820-10 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 820-10 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.

At June 30, 2019 and 2018, the Resource Center's investments were all classified as Level 1 and were based on fair value.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

*Mutual Funds:* Valued at the net asset value (NAV) of shares held by the Resource Center at year end.

The preceding method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Resource Center believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### **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 Resource Center 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 Resource Center's financial assets as of June 30, 2019 and 2018:

Financial assets at year-end:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 414,332	\$ 238,341
Certificates of deposit	81,893	80,127
Grants receivable	417,558	251,249
Investments	207,279	209,058
Agency deposits - cash	<u>22,240</u>	<u>22,226</u>
Total financial assets	\$ 1,143,302	\$ 801,001

Less amounts not available to be used within one year:

Net assets with donor restrictions	\$ 213,248	\$ 221,159
Less net assets with purpose and time restrictions to be met in less than a year	-	(5,000)
Amount board designated for long-term maintenance	21,654	19,244
Agency deposits - cash	<u>22,240</u>	<u>22,226</u>
Amounts not available within one year	<u>257,142</u>	<u>257,629</u>

Financial assets available to meet general expenditures over the next twelve months	<u>\$ 886,160</u>	<u>\$ 543,372</u>
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The Resource Center's goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$500,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

## 3. INVESTMENTS

Investments held in the form of mutual funds at Bank of America are stated at fair value. Realized gains and losses are determined on the specific identification method. Gains and losses (realized and unrealized) are reported in the statement of activities as increases or decreases to net assets without donor restrictions, except for those investments for which their use is restricted. Information on investments at June 30, 2019 and 2018 is presented as follows:

<u>Year</u>	<u>Investment</u>	<u>Cost</u>	<u>Market Value</u>	<u>Excess of Market Over Cost</u>	<u>Investment Income</u>
2019	Bank of America	\$197,027	\$207,279	\$10,252	\$4,721
2018	Bank of America	\$194,026	\$209,058	\$15,032	\$5,405

4. **AGENCY DEPOSITS**

The Resource Center served as a fiscal agent for the Androscoggin Valley Community Partners (formerly the Berlin Area Healthcare Consortium), a collaborative effort of area health and social services agencies intended to provide health related education, information and communications to the communities of Berlin and Gorham. The amounts held on behalf of the consortium as of June 30, 2019 and 2018 were \$22,240 and \$22,226, respectively. During August of 2019, the money was returned and the fiscal agent relationship ended.

5. **DEMAND NOTE PAYABLE**

In April 2013, the Resource Center entered into a revolving line of credit agreement with a bank. The revolving line of credit agreement provides for maximum borrowings up to \$75,000 and is collateralized by a certificate of deposit held at the same bank. The revolving line of credit and the certificate of deposit both renew every six months. At June 30, 2019 and 2018, the interest rate on the revolving line of credit was stated at the bank's prime rate of 5.20% and 3.20%, respectively. There were no balances outstanding as of June 30, 2019 and 2018.

6. **CONCENTRATION OF CREDIT RISK - CASH**

The Resource Center maintains cash balances that, at times, may exceed federally insured limits. The cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank at June 30, 2019 and 2018. The Resource Center has not experienced any losses in such accounts and believes it is not exposed to any significant risk with these accounts. Cash balances in excess of FDIC insured limits amounted to \$211,709 at June 30, 2019. Cash balances did not exceed FDIC insured limits at June 30, 2018.

7. **NET ASSETS**

Net assets with donor restrictions were as follows for the years ended June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Time Restrictions:		
Contributions	\$ -	\$ 5,000
Restrictions in Perpetuity:		
Endowment	<u>213,248</u>	<u>216,159</u>
Total net assets with donor restrictions	<u>\$ 213,248</u>	<u>\$ 221,159</u>

Net assets without donor restrictions for the years ended June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>
Undesignated	\$ 880,624	\$ 530,856
Board designated	<u>21,654</u>	<u>19,244</u>
Total net assets without donor restrictions	<u>\$ 902,278</u>	<u>\$ 550,100</u>



Net assets released from donor restrictions are as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of Time Restrictions:		
Contributions	\$ 5,000	\$ -
Total net assets released	<u>\$ 5,000</u>	<u>\$ -</u>

**8. NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED**

By vote of the Board of Directors, funds have been designated for long term building maintenance. Unrestricted net assets designated by the board was \$21,654 and \$19,244 at June 30, 2019 and 2018, respectively.

**9. ENDOWMENT FUND**

In 2007, the Resource Center established a permanent endowment fund for the organization with the intent of accumulating donations and interest earnings of one million dollars. Per the laws of the State of New Hampshire (RSA 292-B:4), 7% of the fair market value of the endowment fund, calculated on the basis of fair market value determined at least quarterly and averaged over a period of not less than three years may be appropriated for operating account expenditures. No distributions were taken during the years ended June 30, 2019 and 2018.

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 Resource Center 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 to help build healthier families and stronger communities.

In recognition of the prudence required of fiduciaries, the Resource Center only invests the fund in cash and mutual funds. The Resource Center has taken a risk adverse approach to managing the endowment 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 endowment fund at any given time.

Fund activity for June 30, 2019 and 2018 was as follows:

	Balances as of <u>June 30, 2018</u>	Activity for the Year Ended <u>June 30, 2019</u>	Balances as of <u>June 30, 2019</u>
Permanent gifts	\$ 175,809	\$ -	\$ 175,809
Investment earnings	48,741	4,721	53,462
Realized gain	51,337	1,322	52,659
Transfer to unrestricted	(41,590)	-	(41,590)
Investment expense	(33,170)	(4,174)	(37,344)
Unrealized gain (loss)	<u>15,032</u>	<u>(4,780)</u>	<u>10,252</u>
	<u>\$ 216,159</u>	<u>\$ (2,911)</u>	<u>\$ 213,248</u>

	Balances as of <u>June 30, 2017</u>	Activity for the Year Ended <u>June 30, 2018</u>	Balances as of <u>June 30, 2018</u>
Permanent gifts	\$ 175,809	\$ -	\$ 175,809
Investment earnings	43,336	5,405	48,741
Realized gain	39,862	11,475	51,337
Transfer to unrestricted	(41,590)	-	(41,590)
Investment expense	(28,799)	(4,371)	(33,170)
Unrealized gain (loss)	<u>22,639</u>	<u>(7,607)</u>	<u>15,032</u>
	<u>\$ 211,257</u>	<u>\$ 4,902</u>	<u>\$ 216,159</u>

#### 10. 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. Non recognized 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 4, 2019, the date the June 30, 2019 financial statements were available for issuance.

**FAMILY RESOURCE CENTER AT GORHAM**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

<b><u>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</u></b>	<b><u>FEDERAL CFDA NUMBER</u></b>	<b><u>PASS THROUGH GRANTOR NUMBER</u></b>	<b><u>FEDERAL EXPENDITURES</u></b>
<b><u>U.S. DEPT. OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through State of New Hampshire			
Department of Health and Human Services, Office of Human Services,			
Division of Children, Youth and Families			
Stephanie Tubbs Jones Child Welfare Services Program	93.645	42106802	\$ 8,979
Promoting Safe and Stable Families	93.556	42107306	41,306
Social Services Block Grant	93.667	42106603	154,881
<b>TANF CLUSTER</b>			
Temporary Assistance for Needy Families	93.558	45030206	72,839
Temporary Assistance for Needy Families	93.558	45030353	131,439
			<u>204,278</u>
Maternal & Child Health Services Block Grant for States	93.994	90004009	11,025
<b>MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING CLUSTER</b>			
Maternal, Infant and Early Childhood Home Visiting Program	93.870	05-95-90-902010-5896	146,901
Maternal, Infant and Early Childhood Home Visiting Program	93.870	05-95-90-902010-5896	176,092
			<u>322,993</u>
Division of Behavioral Health, Bureau of Drug and Alcohol Services			
Opioid STR	93.788	05-95-92-920510-7040	195,743
Opioid STR	93.788	05-95-92-920510-2559	132,686
			<u>328,429</u>
Passed through Easter Seals			
<b>MEDICAID CLUSTER</b>			
Medical Assistance Program	93.778	None	300
Total U.S. Department of Health and Human Services			<u>\$ 1,072,191</u>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
Passed through State of New Hampshire Department of Education			
Twenty-First Century Community Learning Centers	84.287	20190037	\$ 141,895
Twenty-First Century Community Learning Centers	84.287	20190011	186,031
Total U.S. Department of Education			<u>\$ 327,926</u>
Total expenditures of federal awards			<u>\$ 1,400,117</u>

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Family Resource Center at Gorham under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Family Resource Center at Gorham, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Resource Center.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, where in certain types of expenditures are not allowable or are limited to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE C - INDIRECT COST RATE**

Family Resource Center at Gorham has elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance. Note, based upon US Department of Education regulations, the State of New Hampshire has limited the indirect cost rate of the Twenty-first Century Community Learning Centers program to 4.4%.

**FAMILY RESOURCE CENTER AT GORHAM**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Family Resource Center at Gorham (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 4, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Family Resource Center at Gorham's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Family Resource Center at Gorham's internal control. Accordingly, we do not express an opinion on the effectiveness of Family Resource Center at Gorham's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Family Resource Center at Gorham's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

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

*Leane McDermott & Roberts,  
Professional Association*

October 4, 2019  
North Conway, New Hampshire

**FAMILY RESOURCE CENTER AT GORHAM**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Family Resource Center at Gorham's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Family Resource Center at Gorham's major federal programs for the year ended June 30, 2019. Family Resource Center at Gorham's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Family Resource Center at Gorham's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Family Resource Center at Gorham's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Family Resource Center at Gorham's compliance.

### Opinion on Each Major Federal Program

In our opinion, Family Resource Center at Gorham complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

### Report on Internal Control Over Compliance

Management of Family Resource Center at Gorham is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Family Resource Center at Gorham's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Family Resource Center at Gorham's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leone, McDonnell & Roberts,  
Professional Association*

October 4, 2019  
North Conway, New Hampshire

**FAMILY RESOURCE CENTER AT GORHAM**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of Family Resource Center at Gorham.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Family Resource Center at Gorham, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Family Resource Center at Gorham expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).
7. The programs tested as major programs were: U.S. Department of Education; Twenty-First Century Community Learning Centers, CFDA – 84.287, U.S. Department of Health and Human Services, Maternal, Infant and Early Childhood Home Visiting Grant, CFDA – 93.870
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. Family Resource Center at Gorham was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL AWARD PROGRAM AUDIT**

None



**The Family Resource Center at Gorham**  
**2020-21 BOARD OF DIRECTORS - Redacted**

Linda Lamirande, President

Cathy Conway

Les Glover

Bridget Laflamme

Jim Gibbons, Treasurer

Anne-Marie Gagne

Donna Piet, Vice President

Karen Moore, Secretary

Vicky McGillicuddy

Gretchen Taillon

# **Lucie A Remillard**

## **RESUME**

### **Summary of Qualifications**

Highly skilled and dedicated professional offering a 20-year background in office management, sales, outreach, marketing, new business and account management. A community outreach coordinator, networking in communities and chamber of commerce throughout New Hampshire.

### **Areas of Experience**

Community Outreach, Contract Negotiations, Office Operations, Office Management  
Sales & Marketing Contract/Pricing Client Communication  
Staff & Team Leadership Financial Reports Strategic Planning  
Property Management Negotiation Recruit & Support

### **Work Experience**

#### **Family Resource Center – Gorham, NH**

January, 2020 to Present

Administration Manager – Involved in office operations, policy & certificate review for compliance, renewal and audits. Work with ED, bid preparation, and purchasing. Responsible for facilities & satellite site management, supervising maintenance personnel & building repairs. Manage multiple projects and agency operations as needed.

#### **CASA of NH – Manchester, NH**

May, 2016 to November, 2019

North Country Community Outreach Coordinator – the Outreach Coordinator is responsible for outreach, recruitment, and building relationships with volunteers & community groups in Coos, Grafton & Belknap counties. This includes group presentations, advocate interviews, chamber of commerce, city & town involvement. Outreach Coordinator is building partnerships and maintaining interaction with community stakeholders and residents; distributing outreach and marketing materials; attending community and city-wide meetings, and representing CASA of NH as essential to promote awareness. Also included are daily follow-up on the CASA's administrative tasks, volunteer inquiries, and to secure training locations.

#### **Provider Financial – ENH Power, Auburn, ME**

September 9, 2013 – December 31, 2015

Community Outreach Worker – Building relationships in New Hampshire that would increase residential and commercial accounts. Identify non-profit agencies for a community partner program to raise funding and financial contribution; volunteer and remain active in several NH Chamber of Commerce; communicate and promote company enrollment; attend home, industry, business & trade shows throughout New Hampshire, Maine & Mass; educate yet promote company awareness and benefits; maintain strong community relationships with area business owners, political representatives and non-profit agencies.

## **Lucie A Remillard RESUME – p2**

### **Re/Max Northern Edge / Gallus & Green Realtors, Berlin, NH**

License Real Estate Broker with New Hampshire since 1997

Realtor – Broker Associate; G & G – Office Manager

List, market, manage and sell residential & commercial real estate in Northern New Hampshire. Work closely with clients, brokers, title companies, attorneys, mortgage agents to secure contracts and transfer of properties. Recognized as a competitive industry leader within a highly volatile market, I generated over \$200K in sales commission and achieved “high seller” status for several consecutive years. Maintain a solid network of business, industry and community contacts. Design, market, and advertise promotional flyers, mailers and letters targeting prospective clients. Recruited and trained office staff and real estate sales agents.

### **Home Sweet Apartments & Realty, Berlin, NH**

1990 – 2003 (Owner/Broker – sold business in 2003)

**Property Manager & Real Estate Sales Broker** – Property management firm specializing in sales and rental. Business grew from 4 units to over 600 rental management units within 3 years. Recruited and supervised a professional staff of ten employees and numerous sub-contractors. Directed rental operations which included tenant screening, contract negotiations, rent collections, advertising, and general property maintenance. Maintained business accounting for each property, complete operating statements, cash journals, income and expense reports, secure competitive insurance rates and ensure all properties met or exceeded state, local and federal housing codes.

### **Education, Licensure & Board Member**

**Springfield College** – St. Johnsbury, Vt – Human Services – Completion IP of Bachelor’s Degree

**Granite State College** – Human Services

**Licensed Real Estate Broker**

NH Board of Realtors

NH Landlord Association

**Councilor – City of Berlin**

Board Member – Planning Board – Accounts & Claims – Traffic & Safety - Budget

# RESUME

## NAOMI LEVESQUE

### EDUCATION

**B.S. Environmental Science and Wildlife Studies**, Graduated June 2012  
Granite State College, Berlin, NH  
GPA 3.91/4.0 summa cum laude

### EMPLOYMENT

#### THE FAMILY RESOURCE CENTER

<b>Organization Manager – HR/IT/Staff Support</b>	05/2019 – present
<b>Assistant Program Director</b>	02/2016 – 05/2019
<b>Site Director</b>	09/2014 - 02/2016
<b>Interim Program Director</b>	11/2013 – 09/2014
<b>Site Director</b>	09/2009 – 11/2013
<b>Group Leader and Administrative Assistant</b>	11/2005 – 09/2009

*The Family Resource Center- Project Youth, Gorham, NH*

- Human Resources and Information Technology
  - Coordinate onboarding and completion of all paperwork; manage employee files
  - Ensure Federal and State HR compliance; address employee HR matters
  - Assist with FRC employee policy updates and adherence
  - Configure and issue all employee technology
  - Research, procure and launch new technology; ensure security compliance
  - Manage Google Suite, primary website and phone system portal
  - Record Board Meeting minutes, manage room bookings, answer phones, greet clients, supervise special projects staff
- Leadership of the Project Youth Afterschool and Summer Programs
  - Programs hosted in five schools serving @180 students in grades K-8
  - Provide quality, hands-on staff development and support for @25 staff
  - Knowledge of and compliance with NH DHHS Childcare Licensing Standards
  - Manage budgets
  - Strengthen and expand community partnerships and relationships
  - Maintain database
  - Surveys and data collection, tabulation and analysis
  - Direct leadership of K-2 elementary and middle school grades 6-8 programs
    - Delivering services to 35-55 students including homework help
    - Training staff to create and implement scaffolded lesson plans linking to NH Common Core Standards
    - Lead health and nutrition, environmental science and STEM curriculums
    - Monthly activity calendars and newsletters, pamphlets, permission forms
    - Preparation of daily USDA approved snack menus and serving
    - Event planning and implementation; fundraising
    - Partnership development with local companies and organizations
    - Coordinate with Site Directors and school day staff for consistent practices
  - Prepare and facilitate age appropriate enrichment curriculum/activities for staff and grades K-8 students
- Interim Director duties not listed above
  - Management of funding from Federal, State, local and small grants
  - Co-write two NH 21 CCLC grants and fulfillment of the terms there-in
  - Completion of required annual reports in relation to funding and program goals
  - Projecting and balancing budgets
  - Performing background checks and employee hiring forms
- Administrative Assistant duties not listed above
  - Creation of client accounts in QuickBooks; billing/payments
  - Conversion to new billing management database

- NH DHHS Child Care Web Billing
- Managing files, answering phones, verbal and written communication, registration forms and document creation with Microsoft Office Programs, press releases; support for Program Director, Site Directors and Group Leaders

## **CREDENTIALS/ CERTIFICATIONS**

- ◆ NH DHHS Afterschool Professional Development Credential- Afterschool Direct Service Level 6
- ◆ First Aid/CPR/AED- June 18, 2019 (expires 06/2021)
- ◆ NH 4-H Shooting Sports Leader Class II Archery Instructor- May 22, 2011-present
- ◆ Project WILD and WET/WILD Aquatic Instructor since 2010 (updated May 2016)
- ◆ Stream Safari Instructor since May 2016
- ◆ New Hampshire Coverts Cooperator since 2012
- ◆ Project Learning Tree Instructor since 2009
- ◆ Courage to Care Instructor- December 14, 2011-2019
- ◆ Leadership North Country alumni- 2010-2011

## **VOLUNTEER EXPERIENCE**

- ◆ **City of Berlin Planning Board Member** 2016-present
  - Review and understand materials
  - Communicate professionally with Board Members and members of the public
  - Utilize connections to facilitate student presentations on local matters
- ◆ **Ammonoosuc Chapter of NH Audubon Board member and Secretary** 2011-present
  - Mailing list maintenance and management of bulk mailings
  - Communication with the public
  - Record meeting minutes, prepare annual report and present to the public
  - Co-leader of family friendly bird walks
- ◆ **NH Volunteer River Assessment Program participant** 2012-2019
  - Ability to follow specific protocols and accurate completion of paperwork
- ◆ **Committee member and Secretary for The Medallion Opera House** 2011-2016
  - Recorded meeting minutes and prepared documents for the committee
  - Assisted with event planning and implementation
- ◆ **Loki Clan Wolf Refuge in Chatum, NH** 2005-2013
  - Monthly newsletters, coordination with printer, bulk mailings
  - Some website management and associated coding
- ◆ **Lake Umbagog Wildlife Refuge in Errol, NH** 2007-2009
  - Database cataloging of office resource materials, pamphlet updates, greeting patrons

## **SKILLS**

- |   |                          |
|---|--------------------------|
| ◆ Office Management                                   | ◆ Public Speaking        |
| ◆ Microsoft Office Excel, Word, Publisher, PowerPoint | ◆ Fundraising            |
| ◆ Collaboration and Communication                     | ◆ Confidentiality        |
| ◆ Community Involvement                               | ◆ Leadership             |
| ◆ Leadership  | ◆ Research               |
| ◆ Budget Management                                   | ◆ Strategizing           |
| ◆ Grant Writing                                       | ◆ Taking Initiative      |
| ◆ Education   | ◆ Self-driven to Succeed |
| ◆ Event Planning                                      |                          |

## **RESUME     Ron Fini**

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### **WORK HISTORY**

1999-present     Finance Manager, The Family Resource Center at Gorham.  
2014-2019        Computer Support Educator, Hillside Elementary School  
2013-2013        Staff Accountant at Androscoggin Valley Hospital  
2010-2016        Software Systems Educator, Androscoggin Valley Hospital  
2008-2014        Volunteer at the Androscoggin Valley Hospital  
1980-2008        Business Technology/Education *Department, Chairperson*  
1975-2008        Self-employed *Disc Jockey* for Rockin' Ron's Music  
1980-1983        *G.E.D. Instructor*, General Adult Education, Berlin  
1971-1975        Manpower, *Adult Job Training Instructor*, Berlin

### **EDUCATION**

1965-1967        *Northampton Commercial College*; Northampton, Massachusetts; Majored in Accounting/Business Management; Diploma  
1967-1969        *Western Kentucky University*; Bowling Green, Kentucky; Majored in Accounting, Business Administration, Business Education; BS. Minor in Economics.  
1969-Present     Various *Professional Development* courses, and other activities.

### **COMMUNITY ACTIVITIES**

- Server on the Gorham (GRS) School Board.
- Established and manage the Rotating Arts Program at the Androscoggin Valley Hospital.
- Role in organizing the Androscoggin Valley Hospital Recycling Program.
- A volunteer at the Androscoggin Valley Hospital.
- Volunteer for a variety of charitable organizations, community projects, and people/families in need. *Holy Family Church*: Past member of Finance Committee (4 years), Parish Council (3 years) and member or chair of many fund raising committees.
- *Gorham Knight of Columbus*: Active member for over 25 years
- *Big Brother/Big Sister*

### **COMPUTER SKILLS**

- Have been giving instruction on computers and computer software since 1980.
- Have knowledge on the following software application: Sage Accounting (Once known as Peachtree Accounting), Various Windows applications (including XP, Vista, Windows 7, Windows 10), Quicken, Microsoft Word (all versions), Microsoft Publisher (all versions), Microsoft Access Power Point, Google Docs-Sheets-Slide, and many other application/utilities software packages.

### **AWARDS RECEIVED**

- *Volunteer of the Year* from the Androscoggin Valley Hospital
- *Knight of the Year* from the local Gorham council.
- First place in state *Council Bulletin Competition*.

### **PROFESSIONAL ASSOCIATION**

- Gorham Teachers' Association, past Vice-President 1970, member from 1969 to June 2008.
- National Education Association, life member from 1969.

**REFERENCES:**        *Upon Request*

# PATRICIA STOLTE

## PROFESSIONAL SKILLS

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### ADMINISTRATIVE

Over thirty-five years' experience in positions requiring administrative responsibility and problem solving abilities including; nonprofit agencies, marketing departments and human service programs:

- Knowledge of all aspects of operational, financial and compliance for non-profit and for-profit businesses
- Responsible for managing resources, developing annual budgets, monitoring and managing budgets and overseeing contracts and compliance with DHHS.
- Supervision and leadership for multiple non-profit programs with 50+ staff members
- Program design and implementation
- Development; grant writing, annual appeals and donor program implementation
- Human Resources creating policies & procedures, job descriptions, orientation and training for several agencies
- Initiated Strategic Planning process and Board Development within agencies
- Agency delegate for several state conferences, involved in coordination of all aspects of annual events, fundraising projects and marketing campaigns
- Facility and building management for several site locations
- Volunteer management, recruitment and recognition

### FISCAL MANAGEMENT

- Managing agency budget of \$2+million with multiple program budgets
- Budget management of 3 programs with reporting to Board of Directors and agency CEO overseeing \$1.3million budget
- Budget management of advertising campaigns from \$500k to \$6 million for businesses
- Proposals for funding to state, federal and local governments for annual contracts
- Fiscal management of annual grants from NH Charitable Trust and other foundations.

### SKILLS:

- Work collaboratively with board members, staff and colleagues
- Create partnerships within the community to combine and extend resources
- Possess solid presentation, communication and organizational skills
- Knowledge of Microsoft Office, graphics programs and social media

## PROFESSIONAL EXPERIENCE:

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**The Family Resource Center,**  
Gorham NH - Executive Director

August 2015 to present

**Tri-County Community Action Programs, Inc., Berlin, NH –**  
ServiceLink Resource Center Director - 2004 to 2006  
TCCAP Division Director - 2006 to 2015

August 2004 to August 2015

**Mountain View Grand Resort**  
Whitefield, NH Public Relations Director

January 2003 to July 2004

**Berlin Main Street Program**  
Berlin, NH Executive Director

November 1997 to January 2003

**Zale Corporation/Karten's**  
Dallas/New Bedford, MA - Marketing Manager  
1991 to 1997

**Pierce-Cote Advertising Agency**  
Osterville, MA – PR & Media Manager  
1989 to 1991

**Shreve, Crump & Low,**  
Boston - Marketing Director - 1984 to 1989

**Wolfe Publishing, Pittsford NY - Advertising Sales Representative - 1984**

## EDUCATION & TRAINING

State University of New York at Fredonia, BA in Mass Communications & Business  
Monroe Community College, Rochester, New York, Associates in Business Administration  
Brighton High School, Rochester, New York

## VOLUNTEER ENGAGEMENT – PAST & PRESENT

- Involved on area non-profit boards, community groups and projects with organizations such as Coos County Health Services, Androscoggin Valley Home Care, AV Economic Recovery Committee, Head Start Board of Advisors, The Main Street Program and Androscoggin Valley Hospital Wellness Committee
- Member of NH Wellness & Prevention Council, Leadership NH North Country, Statewide Coalition of Aging Services, the Planning Committee for NH State Conference on Aging, the Coos County Coalition for Families & Children, The Endowment for Health Planning Committee and the Androscoggin Valley Community Partners



**The Family Resource Center at Gorham**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Patricia Stolte	Executive Director*	\$72,000	0	0
Ron Fini	Finance Manager*	\$40,000	0	0
Naomi Levesque	HR/IT Manager*	\$34,760	0	0
Lucie Remillard	Office Manager*	\$36,000	0	0
Jen Buteau	FS Program Director	\$61,880	24%	\$14,850

\*10% indirect helps fund administrative staff salaries



Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH  
BUREAU OF DRUG AND ALCOHOL SERVICES

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-6110 1-800-852-3345 Ext. 6738  
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November 14, 2018

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 for Behavioral Health, to exercise a renewal option with a sole source amendment to an existing agreement with one of the contractors listed below (in bold print) for the provision of Targeted Prevention Programming for DCYF-Involved Families with Substance Use Disorder by increasing the contract price limitation by \$1,166,506 from \$744,198 in the aggregate to \$1,910,704 in the aggregate, and extending the contract completion date from June 30, 2019 to September 30, 2020, effective upon approval by the Governor and Executive Council. 100% Federal Funds.

The original agreement was approved by the Governor and Executive Council on May 2, 2018 (Item #20).

Contractor Name	Vendor ID	Contractor Address	Current Amount	Increase/ Decrease	Revised Amount
Granite Pathways	228900-8001	10 Ferry Street Concord, NH 03301	\$608,889	\$0	\$608,889
<b>The Family Resource Center at Gorham</b>	162412-B001	123 Main Street Gorham, NH 03581	\$135,309	\$1,166,506	\$1,301,815
		<b>Total</b>	<b>\$744,198</b>	<b>\$1,166,506</b>	<b>\$1,910,704</b>

Funds are available in the following accounts for state fiscal year (SFY) 2019, and are expected to be available in SFY 2020, upon the availability and continued appropriation of funds in the future operating budget, with authority to adjust amounts within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, without further approval from Governor and Executive Council, if needed and justified.

**05-95-92-920510-25590000 HEALTH AND SOCIAL SERVICES, DEPT OF  
HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF  
DRUG AND ALCOHOL, OPIOID STR GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2018	102- 500731	Contracts for Program Services	92052559	\$148,840	\$0	\$148,840
2019	102- 500731	Contracts for Program Services	92052559	\$595,358	\$0	\$595,358
2020	102- 500731	Contracts for Program Services	92052559	\$0	\$0	\$0
			<i>Subtotal</i>	<i>\$744,198</i>	<i>\$0</i>	<i>\$744,198</i>

**05-95-92-920510-7040 HEALTH AND SOCIAL SERVICES, DEPT OF HEATH AND  
HUMAN SVS, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG & ALCOHOL  
SERVICES, STATE OPIOID RESPONSE GRANT**

SFY	Class/ Account	Class Title	Job Number	Current Amount	Increase/ Decrease	Revised Amount
2019	102- 500731	Contracts for Program Services	92052559	\$0	\$568,403	\$568,403
2020	102- 500731	Contracts for Program Services	92052559	\$0	\$598,103	\$598,103
			<i>Subtotal</i>	<i>\$0</i>	<i>\$1,166,506</i>	<i>\$1,166,506</i>
			<b>Grand Total</b>	<b>\$744,198</b>	<b>\$1,166,506</b>	<b>\$1,910,704</b>

**EXPLANATION**

This request is sole source because the requested increase in funding exceeds ten percent (10%) of the original contract price limitation. The Contractor is currently providing the Strength to Succeed (STS) Program, which consists of substance use disorder (SUD) prevention and early intervention services to families who have open cases with the Division for Children, Youth and Families (DCYF) as a result of substance use. The Contractor has established programs in place that provide accessible, integrated services to reduce and mitigate childhood trauma that results from substance use in the family. Core components of the STS program include rapid access to treatment for parents within the DCYF

reunification timeframe, DCYF Parent Partner peer support, home visiting services, direct prevention services to children to mitigate risk of substance misuse, and caregiver support for relative caregivers of children exposed to substance use in the home. This request, if approved, will provide additional funding to expand services to an additional group of children and their families and extend the existing program for another fifteen (15) months.

The original services were contracted when the State received funding authorized by the 21st Century CURES Act through the Substance Abuse and Mental Health Services Administration (SAMHSA) State Targeted Response (STR) to the Opioid Crisis grant. The STR grant program ends in FY19 and funds from that grant were used to expand critical SUD prevention, treatment and recovery services to target populations, including child welfare involved families. Extension and expansion of STR funded initiatives are a key component of the State's recently accepted plan for the State Opioid Response (SOR) grant, which provides funding to address the opioid crisis through September 29, 2020.

The purpose of this request is to expand access to STS services to children, parents and caregivers who are undergoing an assessment by DCYF, and are affected by a substance use disorder. This drastically expands the number of families that are eligible to access the STS program given that current funding limits eligibility to open cases. This request, if approved, will also expand services to require the Contractor to implement the evidence-based Parenting a Second Time Around or equivalent evidence-based curriculum for grandparents who are caring for a minor child as a result of DCYF involvement and parental substance use.

As referenced in Form P-37, General Provisions, and in Exhibit C-1, Revisions to General Provisions, Section 3, the State reserves the option to extend contract services for up to two (2) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties and approval by the Governor and Executive Council. This request, if approved, will exercise one (1) year and three (3) months of the two (2) available years of renewal.

Notwithstanding any other provisions 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 biennium.

Should the Governor and Executive Council not authorize this request, children impacted by substance misuse issues within their family may not receive the services and targeted prevention messaging necessary to support their current needs, and to assist them with avoiding substance misuse issues in the future. In addition, relative caregivers impacted by familial substance misuse may not receive the services and supports that are necessary to continue to support the children in their family.

Area served: Statewide.

Source of Funds: 100% Federal Funds from DHHS, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment, Targeting Capacity Expansion State Targeted Response to the Opioid Crisis Grant (CFDA # 93.788 FAIN TI080246) and State Opioid Response Grant (CFDA #93.788 FAIN TI081685).

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Katja S. Fox  
Director

Approved by:



Jeffrey A. Meyers  
Commissioner



**State of New Hampshire  
Department of Health and Human Services  
Amendment #1 to the Targeted Prevention Programming  
for DCYF-Involved Families Contract**

This 1<sup>st</sup> Amendment to the Targeted Prevention Programming for DCYF-Involved Families contract (hereinafter referred to as "Amendment #1") dated this 22<sup>nd</sup> day of October, 2018, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and The Family Resource Center at Gorham, (hereinafter referred to as "the Contractor"), a corporation with a place of business at 123 Main St. Gorham, New Hampshire 03581.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on May 2, 2018 (Item #20), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, and Exhibit C-1, Revisions to General Provisions Paragraph 3, the State may modify the scope of work and the payment schedule of the contract, and extend the contract completion date for up to two (2) additional years 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, and 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 1.7, Completion Date, to read:  
September 30, 2020.
2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:  
\$1,301,815.
3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:  
Nathan D. White.
4. Form P-37, General Provisions, Block 1.8, State Agency Telephone Number, to read:  
603-271-9631.
5. Delete Exhibit A, Scope of Services in its entirety and replace with Exhibit A Amendment #1.
6. Add Exhibit B-2 Amendment #1, SFY 2019 Budget.
7. Add Exhibit B-3 Amendment #1, SFY 2020 Budget.

**New Hampshire Department of Health and Human Services**  
**Targeted Prevention Programming**  
**For DCYF-Involved Families**



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

11/15/18  
Date

Katja S Fox  
Name: Katja S Fox  
Title: Director

The Family Resource Center at Gorham

11/9/18  
Date

Patricia Stolte  
Name: PATRICIA STOLTE  
Title: Executive Director

**Acknowledgement of Contractor's signature:**

State of NH, County of COOS on 11-9-18, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

[Signature]  
Signature of Notary Public or Justice of the Peace

Joseph Young  
Name and Title of Notary or Justice of the Peace

My Commission Expires: 8-2-22



**New Hampshire Department of Health and Human Services**  
**Targeted Prevention Programming**  
**For DCYF-Involved Families**



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

**OFFICE OF THE ATTORNEY GENERAL**

11/20/18  
Date

[Signature]  
Name: Megan A. Yeo  
Title: 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:





## 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. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data obtained or created on behalf of DHHS, shall be subject to the requirements stated in Exhibit K.
- 1.4. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data containing protected health information (PHI) or in the case of substance use disorder (SUD) data created by a Part 2, shall be subject to the requirements stated in Exhibit I and 45 CFR Part 2, including the prohibition against redisclosure.
- 1.5. The Contractor agrees that in the performance of any services all staff members shall have training in confidentiality and information security relating to the information, files and data that is involved in the performance of the contract.
- 1.6. The Contractor agrees to have consent to share or redisclose any confidential information, including PHI or SUD information, consistent with state rules, and state and federal law including appropriate consents pursuant to 42 CFR Part 2.
- 1.7. The Contractor agrees that any database, dashboard, or information system designed, built, or modified on behalf of DHHS shall be defined and subject to the requirements in Exhibit K, Exhibit I, and all applicable NH Department of Information Technology (DoIT) standards, policies, and procedures.
- 1.8. The Contractor shall assist in developing a strong collaboration between agencies within the Department including, but not limited to the Bureau of Drug and Alcohol Services (BDAS), the Division for Children, Youth, and Families (DCYF), the Division of Public Health Services (DPHS), and the Bureau for Children's Behavioral Health (BCBH) for the purpose of providing services to children and families with substance use disorder that are involved with DCYF, which may include, but is not limited to:
  - 1.8.1. Children.
  - 1.8.2. Birth parents.
  - 1.8.3. Foster parents.
  - 1.8.4. Grandparents.



- 1.8.5. Other caregivers.
- 1.8.6. Siblings.
- 1.8.7. Families with open DCYF cases.
- 1.8.8. Families undergoing a DCYF assessment.
- 1.9. The Contractor shall provide services for two (2) DCYF District Offices listed below.  
See Exhibit A-1 for more details.
  - 1.9.1. Berlin.
  - 1.9.2. Littleton.
- 1.10. 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 and SFY 2022-2023 biennia.

## **2. Scope of Services**

### **2.1. General Provisions**

- 2.1.1. The Contractor shall create and implement programs to reduce and mitigate childhood trauma by:
  - 2.1.1.1. Increasing access to, and participation in, evidence-based home visiting services;
  - 2.1.1.2. Reducing the child's risk of substance use issues; and
  - 2.1.1.3. Increasing training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma-informed care so that the workforce is better prepared to address the challenges of this population.
- 2.1.2. The Contractor shall engage, educate, and empower parents and primary caregivers in a peer-to-peer model to increase family protective factors and reduce risk factors in order to better support childhood social and emotional needs by:
  - 2.1.2.1. Fostering positive parent/primary caregiver child attachment;
  - 2.1.2.2. Increasing parent/primary caregiver knowledge about childhood development and learning;
  - 2.1.2.3. Increasing resiliency and social connectedness in parents/primary caregivers; and
  - 2.1.2.4. Educating parents on the topic of trauma for children and the risk continued substance use poses to the child.



- 2.1.3. The Contractor shall maintain one (1) point of contact and one (1) alternate contact who can receive requests from the two (2) covered District Offices that will refer families to this program.
- 2.1.4. The Contractor shall ensure that families with open cases who are referred for services are offered all program components in a timely fashion, with the understanding that DCYF involvement has a twelve (12) month timeframe for permanency decisions that can impact a parent's parental rights.
- 2.1.5. The Contractor shall assist families with a DCYF assessment who are referred for services to assess the program components that would best meet the family's needs, and provide identified components within a timely fashion.
- 2.1.6. The Contractor shall re-offer services at two (2) and six (6) weeks after the initial offer of services to families that decline the initial offer of services, cease to participate, or do not attend a scheduled visit.
- 2.1.7. The Contractor shall collaborate with Department partners when any issues/barriers arise including, but not limited to, timely access to treatment and program partner capacity issues such as program waitlists or lack of treatment provider capacity.
- 2.1.8. The Contractor shall ensure that when there is an Infant Safe Plan of Care (ISPOC) for a child, all participating partners are knowledgeable about the plan of care and are assisting DCYF and the family to fulfill the plan of care through the use of wraparound meetings and collaboration with the participating partners.
- 2.1.9. The Contractor shall be familiar with the DCYF practice model and Solution Based Casework (SBC) in order to provide services within these frameworks. (More information can be found at <https://www.dhhs.nh.gov/dcyf/documents/nhdcyf%202015-2019cfsp.pdf> and <http://www.solutionbasedcasework.com/about/>.)
- 2.1.10. The Contractor shall collaborate with the Department on federally-mandated outcome design and data collection for program evaluation and federal reporting purposes.
- 2.1.11. The Contractor shall collaborate with existing program providers to ensure consistency in practice and enrollment of clients in appropriate programming including, but not limited to:
  - 2.1.11.1. Collaborating with the North Country Health Consortium to develop a protocol and referral process for prioritization of DCYF-involved families with substance use disorder/opioid use disorder (SUD/ODU).
  - 2.1.11.2. Collaborating with the local Integrated Delivery Network in order to learn from their prior work and keep them informed of the Contractor's various efforts.



- 2.1.11.3. Collaborating with the Coos Coalition for Children and Young Families by participating in their leadership board and their committees applicable to this contract.
- 2.1.12. The Contractor shall establish a formal agreement with the local Regional Hub provider(s) to develop a protocol and referral process for prioritization of DCYF-involved families with substance use disorder/opioid use disorder (SUD/ODU).
- 2.1.13. When treatment services cannot be provided within forty-eight (48) hours of referral, the Contractor shall ensure the client has access to interim services, defined as recovery support services or services with a lower American Society of Addiction Medicine (ASAM) Level of Care, under this contract or by referral to an agency or the Regional Hub(s) that has an earlier available opening in the client's service area. This shall be accomplished through increasing access to treatments by:
  - 2.1.13.1. Assisting with accessing transportation to treatment.
  - 2.1.13.2. Expanding home visiting services beyond parenting home visits.
  - 2.1.13.3. Assisting with completing paperwork including, but not limited to
    - 2.1.13.3.1. Replacing a lost insurance card.
    - 2.1.13.3.2. Obtaining medical clearance.
  - 2.1.13.4. Developing a plan of care for children while the parent(s) are receiving treatment.
- 2.1.14. The Contractor shall identify or develop, when indicated, appropriate Strength to Succeed training curriculum and educational materials including, but not limited to:
  - 2.1.14.1. Parenting curriculum for parents and families while in treatment and recovery including, but not limited to:
    - 2.1.14.1.1. The Nurturing Parenting Program for Families in Substance Abuse Treatment and Recovery (Nurturing Parenting Program).
    - 2.1.14.1.2. Anger Management for Substance Abuse and Mental Health Clients: Participant Workbook.
  - 2.1.14.2. Prevention messaging geared for young children regarding substance use.
  - 2.1.14.3. Addiction 101, which the Contractor shall develop with BDAS to be delivered to the program partners who are not SUD treatment providers and do not have the basic training already, including DCYF.
  - 2.1.14.4. DCYF Involvement 101, which the Contractor shall develop with DCYF to be delivered to the program partners not affiliated with DCYF to include the DCYF practice model and the tenets of Solution Based Casework.



- 2.1.15. The Contractor shall develop pre- and post-tests for the trainings addressed in Subsection 2.1.13 and will collect and score the tests in order to determine improvement gained from the training.
- 2.1.16. The Contractor shall utilize the "Strength to Succeed" name, when marketing or conducting business for this program.
- 2.1.17. The Contractor shall use a Department-approved, parent-child interaction form to collect a baseline and to follow up with families enrolled in home visiting programs in order to show an increase in positive parenting skills and knowledge of childhood development.

**2.2. DCYF Parent Partner Program (Peer Recovery Support)**

- 2.2.1. The Contractor shall collaborate with the DCYF Parent Partner Program in order to:
  - 2.2.1.1. Hire qualified Parent Partners which shall include, but not be limited to:
    - 2.2.1.1.1. Sending a letter to DCYF for each applicable DO to inform of the plan to hire Parent Partners.
    - 2.2.1.1.2. Developing a job description for the role.
    - 2.2.1.1.3. Determining if the DCYF Supervisor, District Office supervisor, and/or Parent Partner Program manager would like to be on the hiring committee.
    - 2.2.1.1.4. Advertising the position.
    - 2.2.1.1.5. Developing interview questions.
    - 2.2.1.1.6. Scheduling and conducting interviews.
    - 2.2.1.1.7. Selecting Parent Partners based on interviews.
  - 2.2.1.2. Develop program oversight and an integrated supervision model for Parent Partners to include, but not be limited to providing a point of contact and oversight at each of the two (2) covered District Offices which shall include, but not be limited to:
    - 2.2.1.2.1. Employing reflective supervision.
    - 2.2.1.2.2. Collaborating with the DCYF contact person at a minimum of once per month for feedback regarding the Parent Partners.
    - 2.2.1.2.3. Providing Practice-Based Coaches to the Parent Partners.
  - 2.2.1.3. Train Parent Partners in providing support to families with SUD/OD.
- 2.2.2. The Contractor shall collaborate with DCYF to establish a recruitment and hiring plan that ensures Parent Partners are co-located in each of the two (2) covered District Offices as an integrated member of the team.



2.2.3. The Contractor shall ensure Parent Partners are adequately trained and supervised to provide peer support and are educated regarding the goals of peer support which include, but are not limited to:

2.2.3.1. Instilling hope in families.

2.2.3.2. Providing support and promoting self-advocacy.

2.2.3.3. Providing an understanding of the DCYF practice, policies, and regulations.

2.2.4. The Contractor shall collaborate with the DCYF Parent Partner program to identify Parent Partners that are willing and able to become Certified Recovery Support Workers (CRSW's). Upon obtaining agreement from Parent Partners to become CRSW's, the Contractor shall:

2.2.4.1. Support the parent partners in all aspects of certification as outlined by the Office of Professional Licensure and Certification (OPLC). <https://www.oplc.nh.gov/alcohol-other-drug/index.htm>

2.2.4.2. Ensure all components necessary for billing for CRSW's are in place in accordance with Rule He-W513.

2.2.4.3. Enroll with Medicaid and managed care organizations.

### 2.3. Home Visiting Programming

2.3.1. The Contractor shall provide evidenced-based home visiting programming. (More information available at <https://homvee.acf.hhs.gov/models.aspx>) Evidenced-based home visiting programming includes, but is not limited to:

2.3.1.1. Providing Ages & Stages Questionnaires, Third Edition Developmental screenings (ASQ-3™) (More information available at <http://agesandstages.com/products-services/asq3/>)

2.3.1.2. Providing parent education.

2.3.1.3. Providing in-home supports.

2.3.1.4. Providing age and developmentally appropriate Substance Use prevention messages and program curriculums.

2.3.1.5. Assisting families in locating and contacting community supports as needed.

2.3.1.6. Collaborating with DCYF case workers to monitor families' progress and create a shared goal plan for the family.

2.3.1.7. Collaborating with DCYF to identify realistic strategies for supporting families and to build success in reaching family case goals as stated in the Solution Based Case (SBC) Plans.

2.3.2. The Contractor shall ensure the home visit programming is effective by:

2.3.2.1. Engaging voluntary clients.



- 2.3.2.2. Developing promotional materials, that will be the property of the Department, targeted at identified families.
- 2.3.2.3. Providing access to discretionary funds.
- 2.3.2.4. Employing a home visiting intervention owned by the Contractor, called Creative Outreach.
- 2.3.2.5. Utilizing evidence-based models including, but not limited to;
  - 2.3.2.5.1. Nurturing Parenting Program.
  - 2.3.2.5.2. Growing Great Kids.
  - 2.3.2.5.3. Growing Great Families
- 2.3.2.6. Utilizing client satisfaction surveys.
- 2.3.2.7. Training home visitors in a parent-child interaction assessment tool developed by Healthy Family America, called CHEERS (Cues, Holding, Expression, Empathy, Rhythmicity Reciprocity, Smiles).
- 2.3.3. The Contractor shall use Department-approved parent-child interaction and clinical assessment tools to measure progress towards achieving the performance measures which may include, but not be limited to:
  - 2.3.3.1. Parenting Interactions with Children: Checklist of Observations Linked to Outcomes (PICCOLO).
  - 2.3.3.2. Parents Interacting With Infants and Toddlers (PI-WI).
  - 2.3.3.3. North Carolina Family Assessment Scales (NCFAS-G).
  - 2.3.3.4. Edinburgh Postnatal Depression Scale (EDPS).
  - 2.3.3.5. PHQ-9 and PHQ-2, tools for assessing depression.
  - 2.3.3.6. Beck Depression Inventory (BDI-II).
  - 2.3.3.7. TWEAK (Tolerance, Worried, Eye-Opener, Amnesia, and K/Cut Down) screening test consisting of five (5) questions designed to screen pregnant women for harmful drinking habits.
  - 2.3.3.8. Michigan Alcohol Screening Test (MAST).
  - 2.3.3.9. Drug Abuse Screening Test (DAST).
  - 2.3.3.10. Relationship Assessment Tool (RAT).
  - 2.3.3.11. Adult-Adolescent Parenting Inventory (AAPI) screen.
- 2.3.4. The Contractor shall follow up on assessment tool outcomes by:
  - 2.3.4.1. Employing motivational interviewing with clients.
  - 2.3.4.2. Scoring screenings as soon as possible in order to validate clients' responses.
  - 2.3.4.3. Providing referrals.



2.3.5. The Contractor shall collaborate with community partners including, but not limited to:

2.3.5.1. Schools.

2.3.5.2. Project Aware.

2.3.5.3. Families and Schools Together (FAST).

**2.4. Relative Caregiver Support:**

2.4.1. The Contractor shall develop and promote relative caregiver support groups to help reduce caregiver strain and create a natural system of support among relative caregivers. The support groups must be accessible to the two (2) District Office covered catchment areas and be based on areas of high need. Development and promotion shall include, but not be limited to:

2.4.1.1. Development:

2.4.1.1.1. Employing the Nurturing Parenting Program.

2.4.1.1.2. Empowering relative caregivers to have input regarding:

2.4.1.1.2.1. Topics.

2.4.1.1.2.2. Guest speakers.

2.4.1.1.2.3. Format, frequency, duration, and time of meetings.

2.4.1.1.3. Having a skilled staff person at the meeting, but encouraging relative caregivers to facilitate the meeting.

2.4.1.2. Promotion:

2.4.1.2.1. Positive word of mouth.

2.4.1.2.2. Referrals.

2.4.1.2.3. Incentives.

2.4.1.2.4. Social media.

2.4.1.2.5. Press releases.

2.4.1.2.6. Opinion-editorials.

2.4.1.2.7. Radio public service announcements.

2.4.1.2.8. Posters, flyers, and brochures which shall be the property of the Department.

2.4.2. The Contractor shall collaborate with DCYF to ensure relative caregivers are informed of supports including, but not limited to:

2.4.2.1. The Relative Caregiver specialist at DCYF and the Resource Guide developed by DCYF.

2.4.2.2. Relative caregiver support groups in their area.

A handwritten signature in black ink, appearing to be "J. [unclear]".





2.4.2.3. Other community resources to help support the caregiver and the child, and reduce caregiver strain.

2.4.3. The Contractor shall provide education to the caregiver on how to interact with the child(ren) in a developmentally-appropriate manner regarding parental substance use disorder and how to prevent addiction in their own lives.

2.4.4. The Contractor shall provide the Parenting a Second Time Around curriculum or equivalent evidence-based program for grandparents who are caring for a minor grandchild which shall include, but is not limited to:

2.4.4.1. Providing no less than four (4) workshops on relevant topics which may include, but are not limited to:

2.4.4.1.1. Child development.

2.4.4.1.2. Discipline and guidance.

2.4.4.1.3. Personal care.

2.4.4.1.4. Raising teenagers.

2.4.4.1.5. An overview of support services.

2.4.4.1.6. Legal issues.

2.4.4.2. Providing individual counseling for relative caregivers, including grandparents.

2.4.4.3. Providing the pamphlet A Resource Guide for New Hampshire Relative Caregivers (<https://www.dhhs.nh.gov/dcyf/documents/relativecaregivers.pdf>) to relative caregivers, including grandparents.

## 2.5. Parent and Child Substance Use Education

2.5.1. The Contractor shall provide parent and child substance use education, using the Nurturing Parenting program (<http://www.nurturingparenting.com>) which includes, but is not limited to:

2.5.1.1. Training all relevant staff in the Nurturing Parenting program.

2.5.1.2. Providing education in a variety of settings including in single or co-facilitated group settings.

2.5.1.3. Modifying the education for individuals and families not yet ready for a group setting.

2.6. The Contractor shall develop and submit a work plan to the Department for review and approval, which describes the process for ensuring the completion of all aspects of the Scope of Services within thirty (30) days of Governor and Executive Council approval of the contract.



## 2.7. Data and Reporting

- 2.7.1. The Contractor shall submit monthly narrative reports to the Department including a summary of project progress, barriers met and addressed, and general aggregate information regarding the families served by the program. The aggregate information must include, but is not limited to:
- 2.7.1.1. Primary drug of choice for family members.
  - 2.7.1.2. General treatment access information for family members.
  - 2.7.1.3. Number and ages of children served by program.
  - 2.7.1.4. Date of enrollment in program.
  - 2.7.1.5. Living arrangements for each child served by this program including, but not limited to in his or her own home with parents; in a relative caregiver home; in a foster home; or in a residential group home at the time of the referral, until program discharge.
  - 2.7.1.6. Change in the living status of each child.
  - 2.7.1.7. Number of provider organizations providing direct services as listed in the scope of service.
  - 2.7.1.8. Number of parent partners hired and the district offices covered.
- 2.7.2. The Contractor shall collaborate with the Department-selected technical assistance vendor to collect de-identified, aggregate data and implement an evaluation process that is culturally appropriate for the population served and is approved by the Department.

## 3. Performance Measures

- 3.1. The Contractor shall ensure that the following performance indicators are quarterly achieved and monitored monthly to measure the effectiveness of the agreement:
- 3.1.1. The Contractor shall provide evidence-based home visiting services to one hundred percent (100 %) of families referred to the program that require home visiting services as part of their treatment plan.
  - 3.1.2. The Contractor shall increase training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma informed care by three (3) trainings per calendar year and increase the knowledge of substance misuse prevention, recovery and trauma informed care among the early childhood and home visiting workforce, as demonstrated by an increase of (10%) in aggregate as measured quarterly from training pre-tests to training post-tests
  - 3.1.3. The Contractor shall ensure that eighty percent (80%) of families referred to the program receive access to treatment or interim treatment services within forty eight (48) hours of referral.



3.2. Quarterly, the Contractor shall develop and submit to the Department, a corrective action plan for any performance measure that was not achieved.

**4. Deliverables**

4.1. The Contractor shall provide services to no less than two hundred forty (240) families, including, but not limited to, no less than:

4.2. Sixty seven (67) families with open DCYF cases.

4.3. One hundred seventy three (173) families in the DCYF who are undergoing DCYF assessment.

New Hampshire Department of Health and Human Services

Exhibit Program Name: The Family Resource Center

Budget Request for: RFP for Targeted Prevention Programming for DCTF-involved Families  
 (page 4 of 7)

Budget Period: JULY 1, 2018 - JUNE 30, 2019

Line Item	Total Program Cost			Contractor Share / Match			Funded by DHS contract share		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
1. Total Salary/Wages	304,500.00	33,834.00	338,334.00	6,000.00	4,000.00	10,000.00	127,000.00	28,834.00	155,834.00
2. Employee Benefits	130,000.00	1,000.00	131,000.00	2,000.00	300.00	2,300.00	1,800.00	1,000.00	2,800.00
3. Consultants	17,000.00	1,700.00	18,700.00	2,000.00	200.00	2,200.00	15,000.00	1,600.00	16,600.00
4. Equipment	-	-	-	-	-	-	-	-	-
5. Rental and Maintenance	-	-	-	-	-	-	-	-	-
6. Supplies	2,100.00	210.00	2,310.00	600.00	60.00	660.00	1,500.00	150.00	1,650.00
7. Educational	-	-	-	-	-	-	-	-	-
8. Lab	-	-	-	-	-	-	-	-	-
9. Pharmacy	-	-	-	-	-	-	-	-	-
10. Medical	-	-	-	-	-	-	-	-	-
11. Office	3,000.00	300.00	3,300.00	600.00	60.00	660.00	2,400.00	240.00	2,640.00
12. Travel	60,000.00	6,000.00	66,000.00	2,000.00	200.00	2,200.00	49,000.00	4,800.00	53,800.00
13. Occupancy	2,800.00	280.00	3,080.00	600.00	60.00	660.00	2,000.00	200.00	2,200.00
14. Current Expenses	6,555.00	655.50	7,210.50	750.00	75.00	825.00	4,800.00	480.00	5,280.00
15. Phone/Fax	8.00	80.00	88.00	10.00	100.00	110.00	40.00	400.00	440.00
16. Audit and Legal	30.00	300.00	330.00	30.00	300.00	330.00	30.00	300.00	330.00
17. Board Expenses	70.00	700.00	770.00	70.00	700.00	770.00	70.00	700.00	770.00
18. Subscriptions	100.00	1,000.00	1,100.00	100.00	1,000.00	1,100.00	100.00	1,000.00	1,100.00
19. Materials/Communications	1,250.00	125.00	1,375.00	250.00	25.00	275.00	1,000.00	100.00	1,100.00
20. Staff Education and Training	6,000.00	600.00	6,600.00	1,000.00	100.00	1,100.00	5,000.00	500.00	5,500.00
21. Other (specify each item/quantity)	10,000.00	1,000.00	11,000.00	11,000.00	-	11,000.00	10,000.00	1,000.00	11,000.00
TOTAL	633,473.00	64,747.60	698,220.60	18,742.00	5,074.60	23,816.60	518,730.00	51,873.00	570,603.00

Indirect As A Percent of Direct

10.8%

**SFY 2020 Budget**

**New Hampshire Department of Health and Human Services**

**Eligible Program Name: The Family Resource Center**

**Budget Request for: Targeted Prevention Programming for OCFY-involved Families**  
*(page of 8/7)*

**Budget Period: JULY 1, 2019 - JUNE 30, 2020**

Line Item	Total Program Cost (i)			Contractor Share / Match			Funded by DHS contract share		
	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total	Direct Incremental	Indirect Fixed	Total (j)
1. Total Salary/Wages	\$ 322,360.00	\$ 56,636.00	\$ 368,996.00	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00	\$ 328,360.00	\$ 52,636.00	\$ 380,996.00
2. Employee Benefits	130,000.00	13,000.00	143,000.00	3,000.00	300.00	3,300.00	127,000.00	12,700.00	139,700.00
3. Consultants	17,000.00	1,700.00	18,700.00	2,000.00	200.00	2,200.00	15,000.00	1,600.00	16,600.00
4. Equipment	-	-	-	-	-	-	-	-	-
Rental	-	-	-	-	-	-	-	-	-
Repair and Maintenance	-	-	-	-	-	-	-	-	-
Purchase/Depreciation	2,100.00	210.00	2,310.00	500.00	50.00	550.00	1,600.00	160.00	1,760.00
5. Supplies	-	-	-	-	-	-	-	-	-
Educational	-	-	-	-	-	-	-	-	-
Lab	-	-	-	-	-	-	-	-	-
Pharmacy	-	-	-	-	-	-	-	-	-
Medical	-	-	-	-	-	-	-	-	-
Office	3,000.00	300.00	3,300.00	600.00	60.00	660.00	2,400.00	240.00	2,640.00
6. Travel	60,000.00	6,000.00	66,000.00	2,000.00	200.00	2,200.00	48,000.00	4,800.00	52,800.00
Occupancy	2,500.00	250.00	2,750.00	600.00	60.00	660.00	2,000.00	200.00	2,200.00
8. Current Expenses	-	-	-	-	-	-	-	-	-
Telephone	6,000.00	600.00	6,600.00	250.00	25.00	275.00	4,800.00	480.00	5,280.00
Postage	88.00	8.80	96.80	88.00	8.80	96.80	-	-	-
Subscriptions	-	-	-	-	-	-	-	-	-
Audit and Legal	300.00	30.00	330.00	300.00	30.00	330.00	-	-	-
Insurance	700.00	70.00	770.00	250.00	25.00	275.00	450.00	45.00	495.00
Board Expenses	100.00	10.00	110.00	100.00	10.00	110.00	-	-	-
9. Software	-	-	-	-	-	-	-	-	-
10. Marketing/Communications	1,250.00	125.00	1,375.00	250.00	25.00	275.00	1,000.00	100.00	1,100.00
11. Staff Education and Training	6,000.00	600.00	6,600.00	1,000.00	100.00	1,100.00	5,000.00	500.00	5,500.00
12. Subcontracts/Agreements	-	-	-	-	-	-	-	-	-
13. Other (specify details mandatory/discretionary)	10,000.00	1,000.00	11,000.00	-	-	-	10,000.00	1,000.00	11,000.00
TOTAL	\$ 880,478.00	\$ 89,447.80	\$ 969,925.80	\$ 16,748.00	\$ 6,074.80	\$ 22,822.80	\$ 843,730.00	\$ 84,373.00	\$ 928,103.00
Indirect As A Percent of Direct		10.8%							

# State of New Hampshire

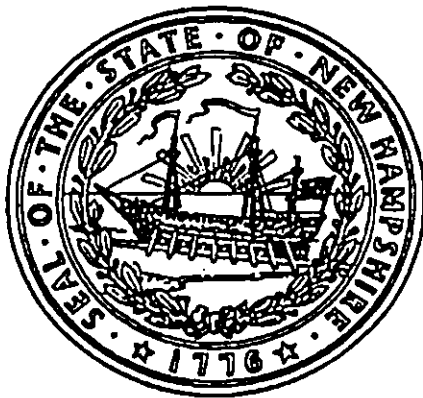
## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that THE FAMILY RESOURCE CENTER AT GORHAM is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on April 03, 1997. 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: 270161

Certificate Number : 0004094794



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 9th day of May A.D. 2018.

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

William M. Gardner  
Secretary of State

## CERTIFICATE OF VOTE

I, Heidi Barker, do hereby certify that:

1. I am a duly elected Officer of The Family Resource Center at Gorham.
2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the  
Agency duly held on May 16, 2018:

**RESOLVED:** That the Patricia Stolte

is hereby authorized on behalf of this Agency to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions, or modifications thereto, as he/she may deem necessary, desirable or appropriate.

3. The forgoing resolutions have not been amended or revoked, and remain in full force and effect as of the 9<sup>th</sup> day of November, 2018.

4. Patricia Stolte is the duly elected Executive Director of the Agency.

Heidi Barker  
Signature

STATE OF NEW HAMPSHIRE

County of Coos

The forgoing instrument was acknowledged before me this 9<sup>th</sup> day of November 2018.

By Heidi Barker, President of the FRC Board of Directors

[Signature]  
Notary Public Justice of the Peace

Commission Expires: 8-2-22



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/08/2018

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

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

<b>PRODUCER</b> E & S Insurance Services LLC 21 Meadowbrook Lane P O Box 7425 Gifford NH 03247-7425		<b>CONTACT NAME:</b> Fairley Kenneally <b>PHONE (A/C, Hx, Ext):</b> (803)293-2791 <b>FAX (A/C, No):</b> (803)293-7188 <b>E-MAIL:</b> fairley@esinsurance.net <b>ADDRESS:</b>	
<b>INSURED</b> Family Resource Center at Gorham 123 Main Street Gorham NH 03581		<b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> Great American Ins Group <b>INSURER B:</b> Travelers <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>	

**COVERAGES**      **CERTIFICATE NUMBER:** 2018      **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.

INSTR	LTR	TYPE OF INSURANCE	ADOL	SUBR	INSR	IND	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					MAC3793580-14	05/10/2018	05/10/2019	EACH OCCURRENCE	\$ 1,000,000
		<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)				\$ 100,000	
						MED EXP (Any one person)				\$ 5,000	
						PERSONAL & ADV INJURY				\$ 1,000,000	
		GEN'L AGGREGATE LIMIT APPLIES PER:								GENERAL AGGREGATE	\$ 3,000,000
		<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC								PRODUCTS - COMP/PROP AGG	\$ 3,000,000
		OTHER:								AbMal Daycare, Inc/AnoPA	\$ 1,000,000
		AUTOMOBILE LIABILITY								COMBINED SINGLE LIMIT (Ea accident)	\$
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)				\$	
		<input type="checkbox"/> OWNED AUTOS ONLY	<input type="checkbox"/> SCHEDULED AUTOS			BODILY INJURY (Per accident)				\$	
		<input type="checkbox"/> RENTED AUTOS ONLY	<input type="checkbox"/> NON-OWNED AUTOS ONLY			PROPERTY DAMAGE (Per accident)				\$	
		UMBRELLA LIAB								EACH OCCURRENCE	\$
		<input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> OCCUR			AGGREGATE				\$	
		<input type="checkbox"/> DED	<input type="checkbox"/> RETENTION \$							\$	
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY					6JUB2E6488318	01/01/2018	01/01/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A		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)

<b>CERTIFICATE HOLDER</b> State of NH DHHS 129 Pleasant Street Concord NH 03301-3857	<b>CANCELLATION</b> 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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**the family  
resource center**  
at Gorham

**Our MISSION:**

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**To build healthier families and stronger  
communities through positive relations,  
programs and collaborations in the North  
Country of New Hampshire**

*Financial Statements*

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**FAMILY RESOURCE CENTER AT GORHAM**

**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017  
AND  
INDEPENDENT AUDITORS' REPORT**

**FAMILY RESOURCE CENTER AT GORHAM**

**FINANCIAL STATEMENTS**

**FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

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To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

## **INDEPENDENT AUDITORS' REPORT**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Family Resource Center at Gorham (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

### **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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 organization'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 organization'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 Family Resource Center at Gorham as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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.

### Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 7, 2018, on our consideration of Family Resource Center at Gorham's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Family Resource Center at Gorham's internal control over financial reporting and compliance.

Leone McDannell & Roberts  
Professional Association

September 14, 2018  
North Conway, New Hampshire

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENTS OF FINANCIAL POSITION  
AS OF JUNE 30, 2018 AND 2017**

**ASSETS**

	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 238,341	\$ 199,929
Certificates of deposit	80,127	79,967
Grants receivable	251,249	183,900
Prepaid expenses	<u>9,441</u>	<u>10,548</u>
Total current assets	<u>579,158</u>	<u>474,344</u>
<b>PROPERTY</b>		
Leasehold improvements	74,932	74,932
Furniture and equipment	<u>51,575</u>	<u>51,575</u>
Total	126,507	126,507
Less: accumulated depreciation	<u>(90,919)</u>	<u>(85,345)</u>
Property, net	<u>35,588</u>	<u>41,162</u>
<b>OTHER ASSETS</b>		
Investments	209,058	203,775
Agency deposits - cash	<u>22,226</u>	<u>25,583</u>
Total other assets	<u>231,284</u>	<u>229,358</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 846,030</u></b>	<b><u>\$ 744,864</u></b>

**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 8,890	\$ 12,377
Accrued expenses	28,856	30,432
Agency deposits	22,226	25,583
Refundable advances	<u>14,799</u>	<u>29,260</u>
Total current liabilities	<u>74,771</u>	<u>97,652</u>
<b>NET ASSETS</b>		
Unrestricted		
Designated for long-term building maintenance	19,244	16,835
Undesignated	530,856	419,120
Temporarily restricted	5,000	-
Permanently restricted - endowment	<u>216,159</u>	<u>211,257</u>
Total net assets	<u>771,259</u>	<u>647,212</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 846,030</u></b>	<b><u>\$ 744,864</u></b>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>				
Grants	\$ -	\$ 1,414,856	\$ -	\$ 1,414,856
Donations	39,023	5,000	-	44,023
Agency rents	37,205	-	-	37,205
Investment income	-	-	5,405	5,405
Other income	1,560	-	-	1,560
Interest income	370	-	-	370
Net unrealized investment gain (loss)	-	-	(7,607)	(7,607)
Net realized investment gain	-	-	11,475	11,475
Net assets released from restrictions	<u>1,414,856</u>	<u>(1,414,856)</u>	<u>-</u>	<u>-</u>
Total revenues, support and net assets released from restrictions	<u>1,493,014</u>	<u>5,000</u>	<u>9,273</u>	<u>1,507,287</u>
<b>EXPENSES</b>				
Program services	1,222,386	-	-	1,222,386
Management and general	<u>156,483</u>	<u>-</u>	<u>4,371</u>	<u>160,854</u>
Total expenses	<u>1,378,869</u>	<u>-</u>	<u>4,371</u>	<u>1,383,240</u>
INCREASE IN NET ASSETS	114,145	5,000	4,902	124,047
NET ASSETS - BEGINNING OF YEAR	<u>435,955</u>	<u>-</u>	<u>211,257</u>	<u>647,212</u>
NET ASSETS - END OF YEAR	<u>\$ 550,100</u>	<u>\$ 5,000</u>	<u>\$ 216,159</u>	<u>\$ 771,259</u>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>				
Grants	\$ -	\$ 1,263,836	\$ -	\$ 1,263,836
Donations	13,572	-	-	13,572
Agency rents	37,351	-	-	37,351
Investment income	-	-	4,872	4,872
Other income	4,850	-	-	4,850
Interest income	293	-	-	293
Net unrealized investment gain (loss)	-	-	(1,348)	(1,348)
Net realized investment gain	-	-	12,122	12,122
Net assets released from restrictions	<u>1,263,836</u>	<u>(1,263,836)</u>	<u>-</u>	<u>-</u>
Total revenues, support and net assets released from restrictions	<u>1,319,902</u>	<u>-</u>	<u>15,646</u>	<u>1,335,548</u>
<b>EXPENSES</b>				
Program services	1,075,827	-	-	1,075,827
Management and general	<u>176,446</u>	<u>-</u>	<u>4,153</u>	<u>180,599</u>
Total expenses	<u>1,252,273</u>	<u>-</u>	<u>4,153</u>	<u>1,256,426</u>
INCREASE IN NET ASSETS	67,629	-	11,493	79,122
NET ASSETS - BEGINNING OF YEAR	<u>368,326</u>	<u>-</u>	<u>199,764</u>	<u>568,090</u>
NET ASSETS - END OF YEAR	<u>\$ 435,955</u>	<u>\$ -</u>	<u>\$ 211,257</u>	<u>\$ 647,212</u>

See Notes to Financial Statements



**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 124,047	\$ 79,122
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized loss on investments	7,607	1,348
Realized gains on investments	(11,475)	(12,122)
Depreciation	5,574	7,500
(Increase) decrease in assets:		
Grants receivable	(67,349)	31,036
Prepaid expenses	1,107	2,344
Increase (decrease) in liabilities:		
Accounts payable	(3,487)	(1,366)
Accrued expenses	(1,576)	11,875
Agency deposits	(3,357)	(738)
Refundable advances	<u>(14,461)</u>	<u>6,812</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>36,630</u>	<u>125,811</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the sale of investments	55,979	29,852
Purchase of investments and certificates of deposit	<u>(57,554)</u>	<u>(45,440)</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(1,575)</u>	<u>(15,588)</u>
<b>NET INCREASE IN CASH AND EQUIVALENTS</b>	35,055	110,223
<b>CASH AND EQUIVALENTS - BEGINNING OF YEAR</b>	<u>225,512</u>	<u>115,289</u>
<b>CASH AND EQUIVALENTS - END OF YEAR</b>	<u>\$ 260,567</u>	<u>\$ 225,512</u>

See Notes to Financial Statements

FAMILY RESOURCE CENTER AT GORHAM

STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Personnel Costs			
Salaries and wages	\$ 769,290	\$ 105,510	\$ 874,800
Payroll taxes	57,002	7,818	64,820
Employee benefits	96,469	12,161	108,630
Program activities	90,579	-	90,579
Travel	80,917	530	81,447
Food and supplies	19,748	793	20,541
Heat and utilities	18,039	949	18,988
Telephone, internet, fax and cable	12,014	2,288	14,302
Accounting fees	-	12,852	12,852
Contractors and consultants	10,550	1,449	11,999
Small equipment	10,027	925	10,952
Conferences and meetings	8,441	1,704	10,145
Liability insurance	9,578	-	9,578
Rent	8,166	-	8,166
Maintenance, cleaning and inspections	6,027	1,506	7,533
Depreciation	4,459	1,115	5,574
Printing	4,885	373	5,258
Student transportation	5,185	-	5,185
Bank charges	-	4,560	4,560
Advertising	3,071	1,468	4,539
Training	3,526	369	3,895
Technology	2,216	1,672	3,888
Payroll processing service	-	2,445	2,445
Property insurance	1,078	360	1,438
Postage and shipping	1,119	7	1,126
Total	<u>\$ 1,222,386</u>	<u>\$ 160,854</u>	<u>\$ 1,383,240</u>

See Notes to Financial Statements

**FAMILY RESOURCE CENTER AT GORHAM**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Personnel Costs:			
Salaries and wages	\$ 697,801	\$ 120,998	\$ 818,799
Payroll taxes	51,430	9,256	60,686
Employee benefits	70,330	13,468	83,798
Program activities	61,994	-	61,994
Travel	56,520	690	57,210
Food and supplies	23,461	1,853	25,314
Heat and utilities	16,862	888	17,750
Accounting fees	-	16,188	16,188
Contractors and consultants	10,620	1,331	11,951
Telephone, internet, fax and cable	11,530	240	11,770
Rent	10,545	-	10,545
Conferences and meetings	7,474	2,740	10,214
Liability insurance	9,800	177	9,977
Maintenance, cleaning and inspections	7,298	1,825	9,123
Training	6,582	1,154	7,736
Depreciation	7,500	-	7,500
Student transportation	6,576	-	6,576
Small equipment	6,026	470	6,496
Printing	5,472	41	5,513
Technology	2,500	1,862	4,362
Bank charges	-	4,338	4,338
Postage and shipping	2,615	46	2,661
Payroll processing service	-	2,355	2,355
Advertising	1,810	318	2,128
Property insurance	1,081	361	1,442
Total	<u>\$ 1,075,827</u>	<u>\$ 180,599</u>	<u>\$ 1,256,426</u>

See Notes to Financial Statements

## **FAMILY RESOURCE CENTER AT GORHAM**

### **NOTES TO FINANCIAL STATEMENTS FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

#### **1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Organization**

The Family Resource Center at Gorham (the Resource Center) is a voluntary, not-for-profit corporation incorporated under the laws of the State of New Hampshire (RSA 292) and organized exclusively for tax exempt charitable and educational purposes. The principal activity of the Resource Center is to deliver programming that empowers and educates children and families so they can overcome obstacles to healthy family development while providing access to social and educational services to underserved North Country populations. Primary programs include:

home visiting programs that deliver evidence based early child development and parenting support curricula which empowers parents and gives them the motivations and skills to improve parenting and foster healthy family dynamics;

afterschool programs that support the academic, social and emotional developmental needs of students in grades K-8; and,

an IRS sanctioned Volunteer Income Tax Assistance (VITA) program that provides free tax preparation services to a continuum of the population with a focus on maximizing income tax refunds and earned income tax credits for all individuals entitled to claim such credits.

##### **Basis of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

##### **Basis of Presentation**

The Resource Center is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The classes of net assets are determined by the presence or absence of donor restrictions.

**Unrestricted:** Net assets that are not subject to donor-imposed stipulations. Board designated unrestricted net assets consist of cash and cash equivalents which are to be used only with a specific vote of the board.

**Temporarily Restricted:** Net assets whose use is limited by donor-imposed stipulations that will either expire with the passage of time or be fulfilled or removed by actions of the Resource Center. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Absent explicit donor stipulations about how long long-lived assets must be maintained or the manner of their disposition, the Resource Center reports expirations of donor restrictions when the donated or acquired long-lived

assets are placed in service. The Resource Center reports expirations of continuing donor restrictions regarding use or disposition of long-lived assets over the assets' expected useful lives.

**Permanently Restricted:** Net assets that are subject to donor-imposed stipulations that they be maintained permanently by the Resource Center. Generally, the donors of these assets permit the Resource Center to use all or part of the income earned on related investments for general or specific purposes.

As of June 30, 2018, the Resource Center had unrestricted, temporarily restricted, and permanently restricted net assets. As of June 30, 2017, the Resource Center had unrestricted and permanently restricted net assets.

#### **Use of Estimates**

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

#### **Cash and Cash Equivalents**

Cash and cash equivalents include all monies in banks and liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

#### **Investments**

Investments are accounted for according to Accounting Standards Codification (ASC) 958-320 *Not For Profit Entities – Investments – Debt and Equity Securities*. Under ASC 958-320, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Fair values of investments are based on quoted prices in active markets for identical investments.

#### **Property and Equipment**

Property and equipment is recorded at cost if purchased and at fair value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

Furniture and equipment	5 - 15 years
Leasehold improvements	20 years

The Resource Center's policy is to capitalize all assets over \$2,500 with an expected life of one year or longer. Assets sold or otherwise disposed of are removed from the accounts, along with the related depreciation allowance, and any gain or loss is recognized.

### **Contributions**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor or time restrictions. A temporary restriction permits the Resource Center to use donated assets as specified for a particular purpose. Permanently restricted net assets are those that are required to be permanently maintained, but income from such investments may be used for specified purposes. All donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

### **Contributed Services**

From time to time, the Resource Center receives donated services in carrying out the mission and fundraising activities of the Resource Center. Such donations do not meet the criteria for recognition under ASC 958 and accordingly no amounts are reflected in the financial statements for those services.

### **Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

### **Refundable Advances**

The Resource Center records grant/contract revenue as a refundable advance until it is expended for the purpose of the grant/contract, at which time it is recognized as revenue.

### **Income Taxes**

The Resource Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. In addition, the Resource Center 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.

Management has evaluated the Resource Center's tax positions and concluded that the Resource Center has maintained its tax-exempt status and has taken no uncertain tax positions that would require adjustment to the financial statements. With few exceptions, the Resource Center is no longer subject to income tax examinations by the United States Federal or State tax authorities prior to 2014.

### **Leased Facilities**

The Resource Center leases its current facility from the Town of Gorham. In lieu of rent, the Resource Center is responsible for the cost of repairs and maintenance, insurance, utilities and rubbish removal. The lease is for a 20 year period and expired on May 19, 2018. The lease continues under the same terms on a month to month basis. The Resource Center in turn sublets space in the facility to other nonprofit and community agencies at an average rate of approximately \$10 - \$16 per square foot. All participating organizations must provide services to a client base that is at least 66% low and moderate income.

### **Grants Receivable**

Grants receivable from various public and other nonprofit organizations at June 30, 2018 and 2017 were considered fully collectable and therefore no provisions for bad debts have been made in these financial statements.

### **Advertising**

Advertising costs are expensed as incurred.

### **Reclassifications**

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

### **Fair Value of Financial Instruments**

ASC Topic No. 820-10, *Financial Instruments*, provides a definition of fair value which focuses on an exit price rather than an entry price, establishes a framework in generally accepted accounting principles for measuring fair value which emphasizes that fair value is a market based measurement, not an entity specific measurement, and requires expanded disclosures about fair value measurements. In accordance with FASB ASC 820-10, the Resource Center 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 820-10 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 820-10 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.

At June 30, 2018 and 2017, the Resource Center's investments were all classified as Level 1 and were based on fair value.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018 and 2017.

*Mutual Funds:* Valued at the net asset value (NAV) of shares held by the Resource Center at year end.

The preceding method may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Resource Center believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

2. **DEMAND NOTE PAYABLE**

In April 2013, the Resource Center entered into a revolving line of credit agreement with a bank. The revolving line of credit agreement provides for maximum borrowings up to \$75,000 and is collateralized by a certificate of deposit held at the same bank. The revolving line of credit and the certificate of deposit both renew every six months. At June 30, 2018 and 2017, the interest rate on the revolving line of credit was stated at the bank's prime rate of 3.20%. There were no balances outstanding as of June 30, 2018 and 2017.

3. **AGENCY DEPOSITS**

The Resource Center serves as a fiscal agent for the Androscoggin Valley Community Partners (formerly the Berlin Area Healthcare Consortium), a collaborative effort of area health and social services agencies intended to provide health related education, information and communications to the communities of Berlin and Gorham. The amounts held on behalf of the consortium as of June 30, 2018 and 2017 were \$22,226 and \$22,187, respectively.

The Resource Center served as a fiscal agent for the North Country Veterans Committee. The committee performed extensive outreach, education and awareness throughout the North Country of New Hampshire in building a stronger safety net for North Country veterans and their families. The fiscal agent relationship ended during the year ended June 30, 2018. The amount held on behalf of the committee as of June 30, 2017 was \$3,396.

4. **REFUNDABLE ADVANCES**

Refundable advances from program grants and contract advances at June 30, 2018 and 2017 totaled \$14,799 and \$29,260, respectively.

5. **CONCENTRATION OF CREDIT RISK - CASH**

The Resource Center maintains cash balances that, at times, may exceed federally insured limits. The cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per bank at June 30, 2018 and 2017. The Resource Center has not experienced any losses in such accounts and believes it is not exposed to any significant risk with these accounts.



6. **OPERATING LEASE OBLIGATIONS**

The Organization has entered into a one-year operating lease agreement to rent satellite office space. The Organization also rents various other office space on a month to month basis. Rent expense under these agreements aggregated \$8,166 and \$10,545 for the years ended June 30, 2018 and 2017, respectively.

The approximate future minimum lease payments on the above leases is as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Amount</u>
2019	<u>\$ 2,268</u>

7. **INVESTMENTS**

Investments held in the form of mutual funds at Bank of America are stated at fair value. Realized gains and losses are determined on the specific identification method. Gains and losses (realized and unrealized) are reported in the statement of activities as increases or decreases to unrestricted net assets, except for those investments for which their use is restricted. Information on investments at June 30, 2018 and 2017 is presented as follows:

<u>Year</u>	<u>Investment</u>	<u>Cost</u>	<u>Market</u> <u>Value</u>	<u>Excess</u> <u>of Market</u> <u>Over</u> <u>Cost</u>	<u>Investment</u> <u>Income</u>
2018	Bank of America	\$194,026	\$209,058	\$15,032	\$5,405
2017	Bank of America	\$181,136	\$203,775	\$22,639	\$4,872

8. **UNRESTRICTED NET ASSETS - DESIGNATED**

By vote of the Board of Directors, funds have been designated for long term building maintenance. Unrestricted net assets designated by the board was \$19,244 and \$16,835 at June 30, 2018 and 2017, respectively.

9. **TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets at June 30, 2018 consisted of a \$5,000 contribution with a time restriction requiring the amount to be used in support of general operations for the fiscal year ended June 30, 2019.

10. **PERMANENTLY RESTRICTED NET ASSETS**

In 2007, the Resource Center established a permanent endowment fund for the organization with the intent of accumulating donations and interest earnings of one million dollars. During 2013, the Resource Center began taking allowable distributions from the fund. Per the laws of the State of New Hampshire (RSA 292-B:4), 7% of the fair market value of the endowment fund, calculated on the basis of fair market value determined at least quarterly and averaged over a period of not less than three years may be

appropriated for operating account expenditures. No distributions were taken from the fund during the years ended June 30, 2018 and 2017.

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 Resource Center 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 to help build healthier families and stronger communities.

In recognition of the prudence required of fiduciaries, the Resource Center only invests the fund in cash and mutual funds. The Resource Center has taken a risk adverse approach to managing the endowment 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 endowment fund at any given time.

As of June 30, 2018 and 2017, the endowment fund was entirely composed of permanently restricted net assets.

Fund activity for June 30, 2018 and 2017 was as follows:

	Balances as of <u>June 30, 2017</u>	Activity for the year ended <u>June 30, 2018</u>	Balances as of <u>June 30, 2018</u>
Permanent gifts	\$ 175,809	\$ -	\$ 175,809
Investment earnings	43,336	5,405	48,741
Realized gain	39,862	11,475	51,337
Transfer to unrestricted	(41,590)	-	(41,590)
Investment expense	(28,799)	(4,371)	(33,170)
Unrealized gain (loss)	<u>22,639</u>	<u>(7,607)</u>	<u>15,032</u>
	<u>\$ 211,257</u>	<u>\$ 4,902</u>	<u>\$ 216,159</u>

	Balances as of June 30, 2016	Activity for the year ended June 30, 2017	Balances as of June 30, 2017
Permanent gifts	\$ 175,809	\$ -	\$ 175,809
Investment earnings	38,464	4,872	43,336
Realized gain	27,740	12,122	39,862
Transfer to unrestricted	(41,590)	-	(41,590)
Investment expense	(24,646)	(4,153)	(28,799)
Unrealized gain (loss)	<u>23,987</u>	<u>(1,348)</u>	<u>22,639</u>
	<u>\$ 199,764</u>	<u>\$ 11,493</u>	<u>\$ 211,257</u>

#### 11. 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. Non recognized 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 September 14, 2018, the date the June 30, 2018 financial statements were available for issuance.

**FAMILY RESOURCE CENTER AT GORHAM**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

<b>FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE</b>	<b>FEDERAL CFDA NUMBER</b>	<b>PASS THROUGH GRANTOR NUMBER</b>	<b>FEDERAL EXPENDITURES</b>
<b><u>U.S. DEPT. OF HEALTH AND HUMAN SERVICES</u></b>			
Passed through State of New Hampshire			
Department of Health and Human Services, Office of Human Services,			
Division of Children, Youth and Families			
Stephanie Tubbs Jones Child Welfare Services Program	93.645	42106802	\$ 8,104
Promoting Safe and Stable Families	93.556	42107306	37,280
Social Services Block Grant	93.667	42106603	139,786
 <b>TANF CLUSTER</b>			
Temporary Assistance for Needy Families	93.558	45030206	65,740
Temporary Assistance for Needy Families	93.558	45030353	118,628
			<u>184,368</u>
 Maternal & Child Health Services Block Grant for States	 93.994	 90004009	 9,951
ACA Maternal, Infant and Early Childhood Home Visiting Program	93.505	05-95-90-902010-5896	157,316
ACA Maternal, Infant and Early Childhood Home Visiting Program	93.505	05-95-90-902010-0831	91,925
			<u>249,241</u>
 Passed through Easter Seals			
<b>MEDICAID CLUSTER</b>			
Medical Assistance Program	93.778	None	2,756
Total U.S. Department of Health and Human Services			<u>\$ 631,486</u>
 <b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
Passed through State of New Hampshire Department of Education			
Twenty-First Century Community Learning Centers	84.287	86227	\$ 179,474
Twenty-First Century Community Learning Centers	84.287	86282	181,709
Total U.S. Department of Education			<u>\$ 361,183</u>
Total expenditures of federal awards			<u>\$ 992,669</u>

**NOTE A - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Family Resource Center at Gorham under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Family Resource Center at Gorham, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Family Resource Center.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, where in certain types of expenditures are not allowable or are limited to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**NOTE C - INDIRECT COST RATE**

Family Resource Center at Gorham has elected to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

**FAMILY RESOURCE CENTER AT GORHAM**

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Family Resource Center at Gorham (a New Hampshire nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated September 14, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Family Resource Center at Gorham's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Family Resource Center at Gorham's internal control. Accordingly, we do not express an opinion on the effectiveness of Family Resource Center at Gorham's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

#### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Family Resource Center at Gorham's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

#### **Purpose of this Report**

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

*Leon, McDannell & Roberts*  
*Professional Association*

September 14, 2018  
North Conway, New Hampshire

**FAMILY RESOURCE CENTER AT GORHAM**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE**

To the Board of Directors  
Family Resource Center at Gorham  
Gorham, New Hampshire

**Report on Compliance for Each Major Federal Program**

We have audited Family Resource Center at Gorham's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Family Resource Center at Gorham's major federal programs for the year ended June 30, 2018. Family Resource Center at Gorham's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Family Resource Center at Gorham's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Family Resource Center at Gorham's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Family Resource Center at Gorham's compliance.

### Opinion on Each Major Federal Program

In our opinion, Family Resource Center at Gorham complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

### Report on Internal Control Over Compliance

Management of Family Resource Center at Gorham is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Family Resource Center at Gorham's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Family Resource Center at Gorham's internal control over compliance.

*A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.*

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Leon McDannell Roberts*  
*Professional Association*

September 14, 2018  
North Conway, New Hampshire



**FAMILY RESOURCE CENTER AT GORHAM**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

**A. SUMMARY OF AUDITORS' RESULTS**

1. The auditors' report expresses an unmodified opinion on the financial statements of Family Resource Center at Gorham.
2. No significant deficiencies were disclosed during the audit of the financial statements are reported in the *Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*. No material weaknesses are reported.
3. No instances of noncompliance material to the financial statements of Family Resource Center at Gorham, which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
4. No significant deficiencies in internal control over major federal award programs are reported in the *Independent Auditors' Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by Uniform Guidance*. No material weaknesses are reported.
5. The auditors' report on compliance for the major federal award programs for Family Resource Center at Gorham expresses an unmodified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with 2 CFR 200.516(a).
7. The program tested as a major program was: U.S. Department of Education; Twenty-First Century Community Learning Centers, CFDA – 84.287.
8. The threshold for distinguishing between Type A and B programs was \$750,000.
9. Family Resource Center at Gorham was determined to be a low-risk auditee.

**B. FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**C. FINDINGS AND QUESTIONED COSTS-MAJOR FEDERAL AWARD PROGRAM AUDIT**

None

# **the family resource center**

123 Main Street Gorham, NH 03581 603-466-5190

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*Offices in Berlin, Colebrook, Lancaster & Littleton - [www.frc123.org](http://www.frc123.org)*

## **The Family Resource Center at Gorham 2018 BOARD OF DIRECTORS**

**Heidi Barker, President**  
UNH Cooperative Extension  
Field Specialist, Youth & Families

**Linda Lamirande, Treasurer**  
Accountant

**Nathan Morin, Vice President**  
North Country Health Consortium

**Bridget Laflamme,**  
Social Worker, Coos County Family Health

**Lucie Remillard, Secretary**  
Casa NH / Berlin City Councilor

**Anne-Marie Labonte**  
Coordinator, Project Aware SAU 3

**Donna Piet**  
NH-DHHS Berlin  
Family Services Specialist

**Karen Moore**  
Berlin Public Schools  
Title I Supervisor

**Vicky McGillicuddy**  
Grandparent Advisor

**Gretchen Taillon**  
White Mountain Community College

# PATRICIA STOLTE

## PROFESSIONAL SKILLS

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### ADMINISTRATIVE

Over thirty years' experience in positions requiring administrative responsibility and problem solving abilities including; nonprofit agencies, marketing departments and human service programs:

- Knowledge of all aspects of operational, financial and day-to-day management of both non-profit and for-profit businesses
- Responsible for managing resources, developing annual budgets, monitoring and managing budgets and overseeing contracts and compliance with DHHS.
- Supervision and leadership for four non-profit programs with 50 staff members
- Program implementation
- Development; grant writing, annual appeals and donor program implementation
- Human Resources creating policies & procedures, job descriptions, orientation and training for several agencies
- Initiated Strategic Planning process and Board Development within agencies
- Agency delegate for several state conferences, involved in coordination of all aspects of annual events, fundraising projects and marketing campaigns
- Facility and building management for several site locations
- Volunteer management, recruitment and recognition

### FISCAL MANAGEMENT

- Direct agency budget of \$1.5million with multiple program budgets
- Budget management of 3 programs with reporting to Board of Directors and agency CEO overseeing \$1.3million budget
- Budget management of advertising campaigns from \$500k to \$6 million for businesses
- Proposals for funding to state, federal and local governments for annual contracts
- Fiscal management of annual grants from NH Charitable Trust and other foundations.

### SKILLS:

- Work collaboratively with board members, staff and colleagues
- Create partnerships within the community to combine and extend resources
- Possess solid presentation, communication and organizational skills
- Knowledge of Microsoft Office, graphics programs and social media

## **PROFESSIONAL EXPERIENCE:**

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**The Family Resource Center,**  
Gorham NH Executive Director – August 2015 to present

**Tri-County Community Action Programs, Inc., Berlin, NH – August 2004 to August 2015**

- ServiceLink Resource Center Director - 2004 to 2006
- TCCAP Division Director - 2006 to 2015

**Mountain View Grand Resort**  
Whitefield NH - Public Relations Director – 2003-2004

**Berlin Main Street Program**  
Berlin, NH Executive Director - November 1997 to January 2003

**Zale Corporation/Karten's**  
Dallas/New Bedford, MA - Marketing Manager - 1991 to 1997

**Pierce-Cote Advertising Agency**  
Osterville, MA – PR & Media Manager 1989 to 1991

**Shreve, Crump & Low,**  
Boston - Marketing Director - 1984 to 1989

**Wolfe Publishing, Pittsford NY - Advertising Sales Representative - 1984**

## **EDUCATION & TRAINING**

State University of New York at Fredonia, BA in Mass Communications & Business  
Monroe Community College, Rochester, New York, Associates in Business Administration  
Brighton High School, Rochester, New York

## **VOLUNTEER ENGAGEMENT – PAST & PRESENT**

- Involved on area non-profit boards, community groups and projects with organizations such as Coos Country Health Services, Androscoggin Valley Home Care, AV Economic Recovery Committee, Head Start Board of Advisors, The Main Street Program and Androscoggin Valley Hospital Wellness Committee
- Member of NH Wellness & Prevention Council, Leadership North Country, Statewide Coalition of Aging Services, the Planning Committee for NH State Conference on Aging, the Coos County Coalition for Families & Children, The Endowment for Health Planning Committee and the Androscoggin Valley Community Partners



Jen Buteau

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#### ○ Skills and Professional Trainings

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- Growing Great Kids / Growing Great Families; evidence-based curricula trained and certified practitioner and supervisor
- Motivational Interviewing; an evidence-based counseling approach to health care
- Healthy Families America; evidence-based model certified Family Support Worker and Supervisor
- Healthy Families America; evidence-based model certified Parent Survey / Community Outreach Worker and Supervisor
- Pyramid Model for Supporting Social Emotional Competence in Infants and Young Children
- Parents Interacting with Infants and Toddlers (PI-WI) practitioner and coach
- Illness Management and Recovery Facilitator
- Regularly commended for delivering effective and quality services with integrity
- Active listener with excellent interpersonal skills
- Motivated, dependable, committed, and loyal employee
- Strong and proven sales and marketing background
- Ability to lead and motivate team members
- Self starter and quick learner
- Expert advocacy, communication, and case planning skills
- Successful leadership and managerial experiences
- Effectively use both traditional and social media to spread awareness and engage community members
- Grant writing, reporting, Opinion-Editorial pieces, and press releases
- Ability to multi-task, be versatile and deal with crisis situations while maintaining excellent time-management skills and professionalism
- Adhere to strict budgets and analyze and incorporate ways to decrease expenses and increase revenue
- Creative and innovative with a track record of designing and implementing programs where there is a need; such as the Holiday Shoppe, social skills groups, team-building sessions, boundaries trainings, trainings on evidence-based methods for dealing with people with personality disorders, and panel discussions on substance use in the North Country
- Sensitivity to and clinical experience with people struggling with addiction, mental health issues, poverty, diversity, cognitive impairments, or otherwise marginalized individuals
- Overall, genuinely cheerful, kind and respectful to all people

#### ○ Professional Experience

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September 2015 - present      Family Resource Center at Gorham      Director of Family Support Services

- Manage and develop evidence-based home visiting and family support programs in Coos and Upper Grafton County

2013 – 2015      CASA of NH      Training & Recruitment Coordinator

- Strategically implemented efforts to increase awareness about CASA of NH and recruited more quality volunteers to advocate for children who have been abused / neglected
- Initiated and developed fundraising campaigns, appeals, volunteer appreciation initiatives, grant research, writing and reporting

- Responsible for social media communications various platforms along with traditional communications such as radio, newspaper, television and frequent speaking engagements throughout the state
- Provided additional supports, trainings and resources as needed to ensure continued personal growth and effectiveness of volunteers

**2012 – 2013**

**Tri-County Cap, Berlin, NH**

**Employment Specialist**

- Worked closely and effectively with NH Employment Program teams in both the Berlin and Littleton District Offices to oversee appropriateness of placement with career path and intervene when issues / potential conflict arose. Provided job coaching and reinforcement to clients

**2005– 2012**

**Northern Human Services, Berlin, NH**

**Case Manager**

- Through community based services, assisted people with a major mental illness manage their social, emotional, housing, financial, legal, vocational and medical needs through assessment, coordinating services, advocacy, crisis intervention, referrals, service monitoring and outreach
- Facilitated evidence based practice group, "Illness, Management and Recovery." This site was awarded highest fidelity in state with this pilot group
- Carried a niche caseload of clients who historically were unsuccessful of engaging in traditional treatment by effectively employing interventions based on evidence based practices specific to the individuals

**2000 – 2005**

**The Wentworth, Jackson, NH**

**Director of Sales, 2002 – 2005**

**Dining Room Manager, 2000 -2002**

- Oversaw the execution of successful, quality events by effective coordination and supervision of multiple departments. Developed marketing strategies to brand hotel as an elegant country inn and premiere venue for luxurious weddings and upscale corporate retreats
- Hired, trained and managed all dining room, event and bar staff. Developed and implemented appropriate training procedures to acquire and maintain prestigious four diamond status restaurant
- Gained trust and respect of employees I supervised as well as other managers to be able to improve overall morale and milieu within Food and Beverage Department as well as the other Departments so that teamwork and efficiency drastically improved and turnover decreased
- Responsible for controlling labor and costs while providing exceptional product and outstanding customer service
- Exceeded aggressive budgeted revenues across all categories every year while achieving many record months and years.

## **○ Education**

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Rivier College, B.A., Psychology

## **○ Community Involvement**

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2014 Co-recipient of the Gus Rooney Award      Former Therapeutic foster care provider

Soccer coach for North Country Soccer League      Former Berlin Planning Board Member

Coach / coordinator for Young Athlete Program      Former Berlin City Councilor

**REDACTED**

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## **Annette Lucas**

### **Objective**

### **Work Experience**

**01/2016- Present      Family Resource Center at Gorham      Lancaster, NH**

**Healthy Families America Family Support Specialist- Full Time**

- Provide in home support to at risk families
- Create support plans based on family's needs including: budgeting assistance, parenting skills, child development, and referrals to outside service agencies.
- Use reflective and active listening skills, practice confidentiality, record keeping, and provide creativity and flexibility with planning for each family.
- Implementing curriculum based activities to support parent- child interaction, child abuse prevention, and assisting in promotion of self, home, family and community health

**08/2014- 05/2016      Century 21 Winn Associates      Littleton, NH**

**Property Manager- Full Time**

- List, advertise and present rental properties to potential tenants.
- Verify references and complete Credit Checks
- Collect, record and follow-up on all lease fees due
- Develop, coordinate, and participate weekly staff meetings
- Positive communication with Home Buyers and Sellers
- Maintain Seller and Buyer contracts
- General Office Practice and Procedures

**06/2009 – 02/2011      Tri-County CAP, Inc.      Whitefield, NH**

**Staff Guardian – Full Time**

- Advocate for developmentally and mentally disabled client's that are wards of the state
- Maintain records and documentation in a manner that reflects current status of ward
- Meet with treatment team and provide wrap around services to wards
- Complete guardianship report and plans in accordance with State and Program requirements

## **Education**

**1981 Graduate of White Mountain Regional High School**

## **Certification's and Trainings**

- Peer Recovery Coach-Connecticut Community for Addiction Recovery CCAR
- PIWI and PIWI 2.0 Certified
- Adult Mental Health First Aid USA
- Youth Mental Health First Aid USA
- Standards of Quality for Family Strengthening & Support
- Parent Advocacy
- Healthy Families of America Home Visitor Certification
- Healthy Families of America Assessment Worker Certification
- Growing Great Kids Curriculum Certification
- Therapeutic Crisis Intervention
- More training certifications available upon request
- Complex Trauma and Attachment



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# **SARAH MORSE**

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## **Skills Summary**

Customer service, Management

## **Education**

***White Mountains Community College  
Hospitality Management 2019***

Winnisquam Regional High School  
Graduated 2007

## **Experience**

### ***Omni Mount Washington Resort***

*Guest Room Attendant*

February 2018 - Current

Indian Head Resort

1-800-343-8000

Lincoln, NH

July 2017 – February 2018

Hampton Inn & Suites By Hilton

603-444-0025

Littleton, NH

June 2016 – February 2017

Hampton Inn & Suites By Hilton

603-286-3400

Tilton, NH

August 2015 – May 2016

References:

## LAUREN SCOTT

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[REDACTED]  
(603) 551-3622  
[REDACTED]

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### PROFESSIONAL SUMMARY

A former intelligence professional highly trained and experienced in human intelligence and counter insurgency operations with a BS in Criminal Justice and Psychology. Effective leader and collaborative team member with strong qualitative reasoning and analysis. Dedicated service representative with 7+ years extensive experience in customer relations, sales and inventory control.

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### SKILLS

- |                                    |                                     |
|------------------------------------|-------------------------------------|
| • Project management               | • Highly responsible and reliable   |
| • Decisive problem solver          | • Extremely organized and efficient |
| • Persuasive negotiator            | • Motivated team player             |
| • Exceptional interpersonal skills | • Conflict resolution               |

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### WORK HISTORY

**FOOD AND BEVERAGE- BANQUET SERVER, 2017-Current**  
Mountain View Grand- Whitefield, NH

- Support a positive event outcome by ensuring all food and beverage items are presented and served correctly in a timely manner, resulting in superior service
- Maintain an open, professional communication with all supporting departments, such as keeping the Sales Team informed and alerted to possible challenges
- Professional and effective supervision of Banquet Staff and accompanying employees
- Accurately complete event area preparation prior to guests arrival, supervise efficient cleanup of event venue, returning all equipment to proper storage areas.
- Provide valuable and reliable service by ensuring assigned events and activities are organized and executed
- Properly read BEO to understand function/event setup details and conduct pre-shift meetings to explain event details and time schedules

#### **FOOD SERVICE WORKER, 2016 to 2017**

**C.N. Brown - Colebrook, NH**

- Maintained a high level of efficiency in a fast paced work environment
- Worked closely with team members to consistently provide a quality product
- Maintained cleanliness and compliance with sanitation, hygienic, and safety requirements to provide a safe work environment for staff and customers
- Stored foods in designated areas in accordance with food safety procedures
- Accurately managed inventory that included organizing food and products by date and maintaining adequate supplies

#### **WIRELESS SALES ASSOCIATE, 2015 to 2016**

**Wireless Advocates- Eglin AFB, FL**

- Balance customer demands with Service and Sales team requests
- Consult with customers to evaluate needs and determine best appropriate solution; counsel customers on options for service and coverage
- Created and maintained spreadsheets using a balanced Excel functions and calculations to develop reports and presentations
- Conducted annual inventory counts, sales audits, inventory receiving and pullbacks
- Provided customer service and scheduled sales appointments for existing and new customers
- Processed new client applications, upgrade services, or plan change
- Activated various cellular devices such as cellphones, tablets, or mobile hotspots
- Worked as an individual or team to meet daily and monthly sales projected goals

#### **HUMAN INTELLIGENCE COLLECTOR, 2010 to 2016**

**United States Army - Nashville, TN**

- Provided US Military personnel with information about enemy forces, strengths, capabilities, vulnerabilities and intentions as well as potential battle areas
- Prepared administrative and intelligence reports in order to disseminate information in a timely manner
- Create products in cooperation with other intelligence entities to brief supervisors
- Maintained an Intelligence Information Report Binder that tracked every report referencing units Operating Environment
- Gathered Intelligence that led to the capture of high value targets and associated wanted personalities
- Tactically gathered information from witnesses, sources, and detainees
- Accessed security awareness in source operations
- Conducted source operations, interrogations, debriefs and screenings to fulfill intelligence requirements
- Managed and organized classified material
- Developed leadership skills by holding positions as an effective team leader less

#### **SHIFT SUPERVISOR, 2014**

**Rite Aid- Franklin, NH**

- Accountable for store cash and all other financial assets, reconciling cash register drawers, preparing deposits, and ordering changes from the bank
- Respond to customers concerns or complaints in a sense of urgency and efficient manner
- Controlled inventory by performing proper receiving and stocking standards including accurate cycle counting
- Managed tasks and supervised staff of 5 store associates
- Oversaw store inventory was regularly inspected in accordance with the Product Freshness Review Schedule
- Followed merchandising guidelines within seasonal departments, end caps, displays and basic inline departments to present visually appealing displays
- Cultivated a customer-focused shopping environment by greeting and responding to all customers in a friendly manner
- Processed merchandise transfers according to standard operating procedures

#### **FIREARMS ASSOCIATE, 2013**

**AAFES- Fort Campbell, KY**

- Ability to meet Federal requirements for handling and processing firearm transactions
- Efficiently processed multiple firearm background checks daily using traditional NICS phone in checks
- Processed legal forms, documents, and customer purchase paperwork
- Meticulously organized and filed crucial paperwork
- General management of ammunition, firearms and firearm accessories, including merchandising, pricing, inventory controls and evaluation
- Conducted daily and annual inventory as well as background checks
- Ordered, processed, and received inventory
- Demonstrated and communicated in depth knowledgeable of firearms, firearms safety, and specialized merchandise to customers

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#### **EDUCATION**

**LAKEWOOD COLLEGE - Cleveland, OH; 2014**

**KUTZTOWN UNIVERSITY OF PENNSYLVANIA - Kutztown, PA; May 2011**  
**Bachelor of Science in Criminal Justice and Psychology**

# TINA HOLMES

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## OBJECTIVE

To work in a position where I can help individuals live their best life, and work alongside people who share my passion for recovery, and personal growth.

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## EXPERIENCE

North Country Serenity Center

Capacity building specialist/recovery coach – June 2018-August 2018

- I was a recovery coach, working with individuals trying to initiate and sustain a path to recovery. I was a point of resource for people looking for information. I also did outreach as well and was responsible for promoting the Serenity Center and spreading the word of recovery

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## EDUCATION

- 2005 – Exeter Adult Education- GED
- 2009- LNA course
- 2018 -Recovery coach academy
- 2018- ethical considerations
- 2018-suicide prevention
- 2018-HIV/Aids
- 2018-TOT train the trainer

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## AWARDS AND ACKNOWLEDGEMENTS

- I am a person in long term recovery. I currently have 14 months abstinence .
- I have opened 2 Narcotics Anonymous meetings that I personally facilitate 2 nights of the week.
-

**FRC Strength To Succeed - Key Personnel FY 19**

<b>Name</b>	<b>Job Title</b>	<b>Salary</b>	<b>%</b>	<b>total</b>
Patti Stolte	Executive Director	\$ 65,000	8%	\$ 5,200
Jen Buteau	Director of Family Supports	\$ 55,000	20%	\$ 11,000
Annette Lucas	Director of Strength to Succeed	\$ 39,200	100%	\$ 39,200
open	Strength to Succeed admin assistant	\$ 29,000	76%	\$ 21,895
open	Intake / Referral Coordinator	\$ 33,000	50%	\$ 16,500
Sarah Morse	Parent Partner	\$ 27,300	100%	\$ 27,300
Lauren Scott	Parent Partner	\$ 27,300	100%	\$ 27,300
Tina Holmes	Parent Partner	\$ 27,300	100%	\$ 27,300
open	Parent Partner	\$ 27,285	100%	\$ 27,285
open	Youth Prevention Specialist	\$ 36,000	90%	\$ 32,400
open	Family Support Specialist	\$ 34,000	100%	\$ 34,000
open	Family Support Specialist	\$ 30,000	50%	\$ 15,000
open	Family Support Specialist	\$ 30,000	50%	\$ 15,000
				\$ 299,380

**FRC Strength To Succeed - Key Personnel FY 20**

<b>Name</b>	<b>Job Title</b>	<b>Salary</b>	<b>%</b>	<b>total</b>
Patti Stolte	Executive Director	\$ 65,000	7%	\$ 4,550
Jen Buteau	Director of Family Supports	\$ 55,000	17%	\$ 9,350
Annette Lucas	Director of Strength to Succeed	\$ 40,000	100%	\$ 40,000
open	Strength to Succeed Admin assistant	\$ 28,000	72%	\$ 20,020
open	Intake / Referral Coordinator	\$ 37,200	50%	\$ 18,600
Sarah Morse	Parent Partner	\$ 29,000	100%	\$ 29,000
Lauren Scott	Parent Partner	\$ 29,000	100%	\$ 29,000
Tina Holmes	Parent Partner	\$ 28,000	100%	\$ 28,000
open	Parent Partner	\$ 27,000	100%	\$ 27,000
open	Parent Partner	\$ 27,000	100%	\$ 27,000
open	Youth Prevention Specialist	\$ 38,000	95%	\$ 36,100
open	Family Support Specialist	\$ 34,000	100%	\$ 34,000
open	Family Support Specialist	\$ 33,000	72%	\$ 23,760
			%	
				\$ 326,380



Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH  
BUREAU OF DRUG AND ALCOHOL SERVICES

105 PLEASANT STREET, CONCORD, NH 03301  
603-271-6110 1-800-852-3345 Ext. 6738  
Fax: 603-271-6105 TDD Access: 1-800-735-2964  
www.dhhs.nh.gov

April 11, 2018

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 for Behavioral Health, to enter into an agreement with the vendors listed below, for the provision of Targeted Prevention Programming for DCYF-Involved Families with Substance Use Disorder in an amount not to exceed \$744,197.40, effective upon date of Governor and Council approval, through June 30, 2019. 100% Federal Funds.

Contractor Name	Vendor ID	Contractor Address	SFY 2018	SFY 2019	Total Price Limitation
Granite Pathways	228900-B001	10 Ferry Street Concord, NH 03301	\$121,778	\$487,111	\$608,889
The Family Resource Center at Gorham	162412-B001	123 Main Street Gorham, NH 03581	\$27,062	\$108,247	\$135,309
Total			\$148,840	\$595,358	\$744,198

Funds are available in the following account(s) for SFY 2018 and 2019, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, without approval from Governor and Executive Council, if needed and justified.

05-95-92-920510-25590000- HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, BUREAU OF DRUG AND ALCOHOL, OPIOID STR GRANT,

SFY	Class/Account	Class Title	Job Number	Total Amount
SFY18	102-500731	Contracts for Program Services	92052559	\$148,940
SFY19	102-500731	Contracts for Program Services	92052559	\$595,359
Total				\$744,198



### EXPLANATION

The purpose of this request is to provide Substance Use Disorder prevention and early intervention services to children (from birth through age ten (10)) involved with the Division for Children, Youth and Families (DCYF) and their parents/caregivers who have a substance use disorder. These statewide services will ensure the availability of integrated services designed to reduce and mitigate childhood trauma from substance use in the family. Services to be provided include training and assisting partner programs with developing and implementing strategies that assist the target population. These contracts were developed specifically for the target population using research on best practices, technical assistance from the Substance Abuse and Mental Health Services Administration, guidance from existing Division for Children, Youth and Families Parent Partners, and collaboration within the Department.

The State of New Hampshire was awarded funding authorized by the 21st Century CURES Act through the Substance Abuse and Mental Health Services Administration (SAMHSA). SAMHSA is overseeing the process for states to receive federal funding through the State Targeted Response to the Opioid Crisis Grants Program.

These two contracts constitute one of the projects that will be implemented under the 21st Century CURES Act funding, including the following services and activities:

- Integrated Medication Assisted Treatment for Pregnant and Postpartum Women.
- Naloxone Distribution to Individuals Transitioning from Corrections to the Community.
- Project Management Support: Training, Technical Assistance, Data Collection and Reporting Consultant.
- Re-entry Care Coordination for Women Transitioning from Corrections to the Community.
- Recovery Support Services and Parenting Programming for Pregnant Women and Parents in Recovery.
- Recovery Support Services for School-Aged Youth in Recovery.
- Targeted Prevention Programming for Division for Children Youth and Families Involved Families with Substance Use Disorder.

New Hampshire seeks to fill the current gaps in critical specialty services for populations that are disproportionately affected by opioid use disorder and substance use disorder, and those that are limited in capacity to serve high-need populations.

Granite Pathways and Family Resource Center at Gorham were selected for this project through a competitive bid process. A Request for Proposals/Applications was posted on The Department of Health and Human Services' web site from December 19, 2017 through January 22, 2018. The Department received two (2) proposals. The proposals/applications were reviewed and scored by a team of individuals with program specific knowledge. The review included a thorough discussion of the strengths and weaknesses of the proposals/applications. The Bid Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1, Revisions to General Provisions, of this contract, the Department reserves the option to extend contract 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 Executive Council.

His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
April 11, 2018  
Page 3 of 3

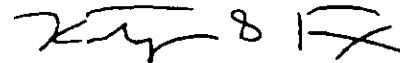
Should the Governor and Executive Council not authorize this request, children impacted by addiction issues within their family may not receive the services and targeting prevention messaging necessary to support them with current needs and to assist them with avoiding addiction issues in the future. In addition, relative caregivers may not receive the support necessary to continue to support the children in their family impacted by addiction.

Area served: Statewide.

Source of Funds: 100% Federal Funds from DHHS, Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Treatment, Targeting Capacity Expansion State Targeted Response to the Opioid Crisis Grant (CFDA # 93.788 FAIN T1080246)

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Katja S. Fox  
Director



Approved by:

Jeffrey A. Meyers  
Commissioner



Office of Business Operations  
Contracts & Procurement Unit  
Summary Scoring Sheet

Targeted Prevention Programming for  
DCYF-Involved Families

RFP-2018-BDAS-04-TARGE

RFP Name

RFP Number

Bidder Name

1. Granite Pathways
2. The Family Resource Center

Pass/Fail	Maximum Points	Actual Points
	700	617
	700	597

Reviewer Names

1. Erica Ungarelli, Director, Bureau of Children's Behavioral Health
1. Geraldo Pilarski- Parent Program Specialist, DCYF
1. Aurelia Moran- Home Visiting Program Supervisor, DPHS
1. Don Hunter, Planning and Review Analyst, BDAS, COST
1. Laurie Heath, Business Admin III, DBH/BDAS Finance, COST

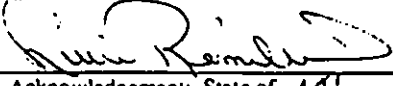
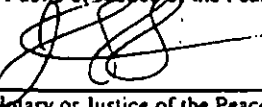


Subject: Targeted Prevention Programming for DCYF-Involved Families (RFP-2018-BDAS-04-TARGE-02)

**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 The Family Resource Center at Gorham		1.4 Contractor Address 123 Main Street Gorham, NH 03581	
1.5 Contractor Phone Number 603-466-5190 x304	1.6 Account Number 05-95-92-920510-25590000-102-500731	1.7 Completion Date June 30, 2019	1.8 Price Limitation \$135,309
1.9 Contracting Officer for State Agency E. Maria Reinemann, Esq. Director of Contracts and Procurement		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Lucie Remillard, Secretary	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>C00S</u> On <u>4-9-18</u> , 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 indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  (Seal)		JOSEPH YOUNG Notary Public, State of New Hampshire My Commission Expires August 2, 2022	
1.13.2 Name and Title of Notary or Justice of the Peace Joseph Young Notary			
1.14 State Agency Signature  Date: <u>4/12/18</u>		1.15 Name and Title of State Agency Signatory Kitja S. Fox, Director	
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: <u>4/17/18</u>			
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, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

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. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data obtained or created on behalf of DHHS, shall be subject to the requirements stated in Exhibit K.
- 1.4. The Contractor agrees that in the performance of any services involving the collection, transmission, storage, or disposition of data containing protected health information (PHI) or in the case of substance use disorder (SUD) data created by a Part 2 provider on behalf of DHHS, shall be subject to the requirements stated in Exhibit I and 45 CFR Part 2.
- 1.5. The Contractor agrees that in the performance of any services all staff members shall have training in confidentiality and information security relating to the information, files and data that is involved in the performance of the contract.
- 1.6. The Contractor agrees that any database, dashboard, or information system designed, built, or modified on behalf of DHHS shall be defined and subject to the requirements in Exhibit K, Exhibit I, and all applicable NH Department of Information Technology (DoIT) standards, policies, and procedures.

### 2. Scope of Services

#### 2.1. General Provisions

- 2.1.1. The Contractor shall provide services to the Division for Children, Youth and Families (DCYF)-involved children (from birth through age ten (10)) and their parents/caregivers who have a substance use disorder for the two (2) District Offices of Littleton and Berlin. See Exhibit A-1 for more details.
- 2.1.2. The Contractor shall assist in developing a strong collaboration between agencies within the Department including, but not limited to the Bureau of Drug and Alcohol Services (BDAS), the Division for Children, Youth, and Families (DCYF), the Division of Public Health Services (DPHS), and the Bureau for Children's Behavioral Health (BCBH) by creating and implementing programs targeted at DCYF-involved children and their parents/ primary caregivers with substance use disorder in order to:

- 2.1.2.1. Reduce and mitigate childhood trauma by:





- 2.1.2.1.1. Increasing access to and participation in evidence-based home visiting services;
- 2.1.2.1.2. Reducing the child's risk of substance use issues; and
- 2.1.2.1.3. Increasing training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma-informed care so that the workforce is better prepared to address the challenges of this population;
- 2.1.2.2. Engage, educate, and empower parents/primary caregivers in a peer-to-peer model to increase family protective factors and reduce risk factors in order to better support childhood social and emotional needs by:
  - 2.1.2.2.1. Fostering positive parent/primary caregiver child attachment;
  - 2.1.2.2.2. Increasing parent/primary caregiver knowledge about childhood development and learning;
  - 2.1.2.2.3. Increasing resiliency and social connectedness in parents/primary caregivers; and
  - 2.1.2.2.4. Educating parents on the topic of trauma for children and the risk continued substance use poses to the child.
- 2.1.3. The Contractor shall maintain one (1) point of contact and one (1) alternate contact who can receive requests from the two (2) covered District Offices that will refer families to this program.
- 2.1.4. The Contractor shall ensure that families who are referred for services are offered all program components in a timely fashion, with the understanding that DCYF involvement has a twelve (12) month timeframe for permanency decisions that can impact a parent's parental rights.
- 2.1.5. The Contractor shall re-offer services at two (2) and six (6) weeks after the initial offer of services to families that decline the initial offer of services, cease to participate, or do not attend a scheduled visit.
- 2.1.6. The Contractor shall collaborate with Department partners when any issues/barriers arise including, but not limited to, timely access to treatment and program partner capacity issues such as program waitlists or lack of treatment provider capacity.
- 2.1.7. The Contractor shall ensure that when there is an Infant Safe Plan of Care (ISPOC) for a child, all participating partners are knowledgeable about the plan of care and are assisting DCYF and the family to fulfill the plan of care through the use of wraparound meetings and collaboration with the participating partners.
- 2.1.8. The Contractor shall be familiar with the DCYF practice model and Solution Based Casework (SBC) in order to provide services within these frameworks.  
(More information can be found at

*LR*



<https://www.dhhs.nh.gov/dcyf/documents/nhdcyf%202015-2019cfsp.pdf> and  
[http://www.solutionbasedcasework.com/about/.](http://www.solutionbasedcasework.com/about/))

- 2.1.9. The Contractor shall collaborate with the Department on federally-mandated outcome design and data collection for program evaluation and federal reporting purposes.
- 2.1.10. The Contractor shall collaborate with existing program providers to ensure consistency in practice and enrollment of clients in appropriate programming including, but not limited to:
  - 2.1.10.1. Collaborating with the North Country Health Consortium to develop a protocol and referral process for prioritization of DCYF-involved families with substance use disorder/opioid use disorder (SUD/OD).
  - 2.1.10.2. Collaborating with the local Integrated Delivery Network in order to learn from their prior work and keep them informed of the Contractor's various efforts.
  - 2.1.10.3. Collaborating with the Coos Coalition for Children and Young Families by participating in their leadership, board and their committees applicable to this contract.
- 2.1.11. The Contractor shall establish a formal agreement with the Regional Access Point provider to develop a protocol and referral process for prioritization of DCYF-involved families with substance use disorder/opioid use disorder (SUD/OD).
- 2.1.12. When treatment services cannot be provided within forty-eight (48) hours of referral, the Contractor shall ensure the client has access to interim services, defined as recovery support services or services with a lower American Society of Addiction Medicine (ASAM) Level of Care, under this contract or by referral to an agency that has an earlier available opening in the client's service area. This shall be accomplished through increasing access to treatments by:
  - 2.1.12.1. Assisting with accessing transportation to treatment.
  - 2.1.12.2. Expanding home visiting services beyond parenting home visits.
  - 2.1.12.3. Assisting with completing paperwork including, but not limited to
    - 2.1.12.3.1. Replacing a lost insurance card.
    - 2.1.12.3.2. Obtaining medical clearance.
  - 2.1.12.4. Developing a plan of care for children while the parent(s) are receiving treatment.
- 2.1.13. The Contractor shall identify or develop, when indicated, appropriate Strength to Succeed training curriculum and educational materials including, but not limited to:
  - 2.1.13.1. Parenting curriculum for parents and families while in treatment and recovery including, but not limited to:



- 2.1.13.1.1. The Nurturing Parenting Program for Families in Substance Abuse Treatment and Recovery (Nurturing Parenting Program).
- 2.1.13.1.2. Anger Management for Substance Abuse and Mental Health Clients: Participant Workbook.
- 2.1.13.2. Prevention messaging geared for young children regarding substance use.
- 2.1.13.3. Addiction 101, which the Contractor shall develop with BDAS to be delivered to the program partners who are not SUD treatment providers and do not have the basic training already, including DCYF.
- 2.1.13.4. DCYF Involvement 101, which the Contractor shall develop with DCYF to be delivered to the program partners not affiliated with DCYF to include the DCYF practice model and the tenets of Solution Based Casework.
- 2.1.14. The Contractor shall develop pre- and post-tests for the trainings addressed in Subsection 2.1.13 and will collect and score the tests in order to determine improvement gained from the training.
- 2.1.15. The Contractor shall utilize the "Strength to Succeed" name, when marketing or conducting business for this program.
- 2.1.16. The Contractor shall use a Department-approved, parent-child interaction form to collect a baseline and to follow up with families enrolled in home visiting programs in order to show an increase in positive parenting skills and knowledge of childhood development.
- 2.2. **DCYF Parent Partner Program (Peer Recovery Support)**
  - 2.2.1. The Contractor shall collaborate with the DCYF Parent Partner Program in order to:
    - 2.2.1.1. Hire qualified Parent Partners which shall include, but not be limited to:
      - 2.2.1.1.1. Sending a letter to DCYF for each applicable DO to inform of the plan to hire Parent Partners.
      - 2.2.1.1.2. Developing a job description for the role.
      - 2.2.1.1.3. Determining if the DCYF Supervisor, District Office supervisor, and/or Parent Partner Program manager would like to be on the hiring committee.
      - 2.2.1.1.4. Advertising the position.
      - 2.2.1.1.5. Developing interview questions.
      - 2.2.1.1.6. Scheduling and conducting interviews.
      - 2.2.1.1.7. Selecting Parent Partners based on interviews.
    - 2.2.1.2. Develop program oversight and an integrated supervision model for Parent Partners to include, but not be limited to providing a point of



contact and oversight at each of the two (2) covered District Offices which shall include, but not be limited to:

- 2.2.1.2.1. Employing reflective supervision.
- 2.2.1.2.2. Collaborating with the DCYF contact person at a minimum of once per month for feedback regarding the Parent Partners.
- 2.2.1.2.3. Providing Practice-Based Coaches to the Parent Partners.
- 2.2.1.3. Train Parent Partners in providing support to families with SUD/OD.
- 2.2.2. The Contractor shall collaborate with DCYF to establish a recruitment and hiring plan that ensures Parent Partners are co-located in each of the two (2) covered District Offices as an integrated member of the team.
- 2.2.3. The Contractor shall ensure Parent Partners are adequately trained and supervised to provide peer support and are educated regarding the goals of peer support which include, but are not limited to:
  - 2.2.3.1. Instilling hope in families.
  - 2.2.3.2. Providing support and promoting self-advocacy.
  - 2.2.3.3. Providing an understanding of the DCYF practice, policies, and regulations.
- 2.2.4. The Contractor shall collaborate with the DCYF Parent Partner program to identify Parent Partners that are willing and able to become Certified Recovery Support Workers (CRSW's). Upon obtaining agreement from Parent Partners to become CRSW's, the Contractor shall:
  - 2.2.4.1. Support the parent partners in all aspects of certification as outlined by the Office of Professional Licensure and Certification (OPLC). <https://www.oplc.nh.gov/alcohol-other-drug/index.htm>
  - 2.2.4.2. Ensure all components necessary for billing for CRSW's are in place in accordance with Rule He-W513.
  - 2.2.4.3. Enroll with Medicaid and managed care organizations.

### 2.3. Home Visiting Programming

- 2.3.1. The Contractor shall provide evidenced-based home visiting programming. (More information available at <https://homvee.acf.hhs.gov/models.aspx>) Evidenced-based home visiting programming includes, but is not limited to:
  - 2.3.1.1. Providing Ages & Stages Questionnaires, Third Edition Developmental screenings (ASQ-3™) (More information available at <http://agesandstages.com/products-services/asq3/>)
  - 2.3.1.2. Providing parent education.
  - 2.3.1.3. Providing in-home supports.

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- 2.3.1.4. Providing age and developmentally appropriate Substance Use prevention messages and program curriculums.
- 2.3.1.5. Assisting families in locating and contacting community supports as needed.
- 2.3.1.6. Collaborating with DCYF case workers to monitor families' progress and create a shared goal plan for the family.
- 2.3.1.7. Collaborating with DCYF to identify realistic strategies for supporting families and to build success in reaching family case goals as stated in the Solution Based Case (SBC) Plans.
- 2.3.2. The Contractor shall ensure the home visit programming is effective by:
  - 2.3.2.1. Engaging voluntary clients.
  - 2.3.2.2. Developing promotional materials, that will be the property of the Department, targeted at identified families.
  - 2.3.2.3. Providing access to discretionary funds.
  - 2.3.2.4. Employing a home visiting intervention owned by the Contractor, called Creative Outreach.
  - 2.3.2.5. Utilizing evidence-based models including, but not limited to;
    - 2.3.2.5.1. Nurturing Parenting Program.
    - 2.3.2.5.2. Growing Great Kids.
    - 2.3.2.5.3. Growing Great Families
  - 2.3.2.6. Utilizing client satisfaction surveys.
  - 2.3.2.7. Training home visitors in a parent-child interaction assessment tool developed by Healthy Family America, called CHEERS (Cues, Holding, Expression, Empathy, Rhythmicity Reciprocity, Smiles).
- 2.3.3. The Contractor shall use Department-approved parent-child Interaction assessment tools to measure progress towards achieving the performance measures which may include, but not be limited to:
  - 2.3.3.1. Parenting Interactions with Children: Checklist of Observations Linked to Outcomes (PICCOLO).
  - 2.3.3.2. Parents Interacting With Infants and Toddlers (PI-WI).
  - 2.3.3.3. North Carolina Family Assessment Scales (NCFAS-G).
  - 2.3.3.4. Edinburgh Postnatal Depression Scale (EDPS).
  - 2.3.3.5. PHQ-9 and PHQ-2, tools for assessing depression.
  - 2.3.3.6. Beck Depression Inventory (BDI-II).



2.3.3.7. TWEAK (Tolerance, Worried, Eye-Opener, Amnesia, K/Cut Down) screening test consisting of five (5) questions designed to screen pregnant women for harmful drinking habits.

2.3.3.8. Michigan Alcohol Screening Test (MAST).

2.3.3.9. Drug Abuse Screening Test (DAST).

2.3.3.10. Relationship Assessment Tool (RAT).

2.3.3.11. Adult-Adolescent Parenting Inventory (AAPI) screen.

2.3.4. The Contractor shall follow up on assessment tool outcomes by:

2.3.4.1. Employing motivational interviewing with clients.

2.3.4.2. Scoring screenings as soon as possible in order to validate clients' responses.

2.3.4.3. Providing referrals.

2.3.5. The Contractor shall collaborate with community partners including, but not limited to:

2.3.5.1. Schools.

2.3.5.2. Project Aware.

2.3.5.3. Families and Schools Together (FAST).

#### 2.4. Relative Caregiver Support:

2.4.1. The Contractor shall develop and promote relative caregiver support groups to help reduce caregiver strain and create a natural system of support among relative caregivers. The support groups must be accessible to the two (2) District Office covered catchment areas and be based on areas of high need. Development and promotion shall include, but not be limited to:

2.4.1.1. Development:

2.4.1.1.1. Employing the Nurturing Parenting Program.

2.4.1.1.2. Empowering relative caregivers to have input regarding:

2.4.1.1.2.1. Topics.

2.4.1.1.2.2. Guest speakers.

2.4.1.1.2.3. Format, frequency, duration, and time of meetings.

2.4.1.1.3. Having a skilled staff person at the meeting, but encouraging relative caregivers to facilitate the meeting.

2.4.1.2. Promotion:

2.4.1.2.1. Positive word of mouth.

2.4.1.2.2. Referrals.

2.4.1.2.3. Incentives.

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- 2.4.1.2.4. Social media.
- 2.4.1.2.5. Press releases.
- 2.4.1.2.6. Opinion-editorials.
- 2.4.1.2.7. Radio public service announcements.
- 2.4.1.2.8. Posters, flyers, and brochures which shall be the property of the Department.

2.4.2. The Contractor shall collaborate with DCYF to ensure relative caregivers are informed of supports including, but not limited to:

- 2.4.2.1. The Relative Caregiver specialist at DCYF and the Resource Guide developed by DCYF.
- 2.4.2.2. Relative caregiver support groups in their area.
- 2.4.2.3. Other community resources to help support the caregiver and the child, and reduce caregiver strain.

2.4.3. The Contractor shall provide education to the caregiver on how to interact with the child(ren) in a developmentally-appropriate manner regarding parental substance use disorder and how to prevent addiction in their own lives.

## 2.5. Parent and Child Substance Use Education

2.5.1. The Contractor shall provide parent and child substance use education, using the Nurturing Parenting program (<http://www.nurturingparenting.com>) which includes, but is not limited to:

- 2.5.1.1. Training all relevant staff in the Nurturing Parenting program.
- 2.5.1.2. Providing education in a variety of settings including in single or co-facilitated group settings.
- 2.5.1.3. Modifying the education for individuals and families not yet ready for a group setting.

2.6. The Contractor shall develop and submit a work plan to the Department for review and approval, which describes the process for ensuring the completion of all aspects of the Scope of Services within thirty (30) days of Governor and Executive Council approval of the contract.

## 2.7. Data and Reporting

2.7.1. The Contractor shall submit monthly narrative reports to the Department including a summary of project progress, barriers met and addressed, and general aggregate information regarding the families served by the program. The aggregate information must include, but is not limited to:

- 2.7.1.1. Primary drug of choice for family members.
- 2.7.1.2. General treatment access information for family members.
- 2.7.1.3. Number and ages of children served by program.



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- 2.7.1.4. Date of enrollment in program.
  - 2.7.1.5. Living arrangements for each child served by this program including, but not limited to in his or her own home with parents; in a relative caregiver home; in a foster home; or in a residential group home at the time of the referral, until program discharge.
  - 2.7.1.6. Change in the living status of each child.
  - 2.7.1.7. Number of provider organizations providing direct services as listed in the scope of service.
  - 2.7.1.8. Number of parent partners hired and the district offices covered.
  - 2.7.2. The Contractor shall collaborate with the Department-selected technical assistance vendor to collect de-identified, aggregate data and implement an evaluation process that is culturally appropriate for the population served and is approved by the Department.
- 3. Performance Measures**
- 3.1. The Contractor shall ensure that the following performance indicators are quarterly achieved and monitored monthly to measure the effectiveness of the agreement:
    - 3.1.1. The Contractor shall provide evidence-based home visiting services to one hundred percent (100 %) of families referred to the program that require home visiting services as part of their treatment plan.
    - 3.1.2. The Contractor shall increase training opportunities for the early childhood and home visiting workforce in substance misuse prevention, recovery, and trauma informed care by three (3) trainings per calendar year and increase the knowledge of substance misuse prevention, recovery and trauma informed care among the early childhood and home visiting workforce, as demonstrated by an increase of (10%) in aggregate as measured quarterly from training pre-tests to training post-tests
    - 3.1.3. The Contractor shall ensure that eighty percent (80%) of families referred to the program receive access to treatment or interim treatment services within forty eight (48) hours of referral.
  - 3.2. Quarterly, the Contractor shall develop and submit to the Department, a corrective action plan for any performance measure that was not achieved.



Exhibit A-1

**NH DHHS DIVISION OF FAMILY ASSISTANCE (DFA)  
DISTRICT OFFICE CATCHMENT AREA**

**Where to Apply**

<b>DFA Locations</b>	<b>Towns Served</b>
<b>Berlin</b> 650 Main Street, Suite 200 Berlin; 03570-2431 Phone: 752-7800 or 1-800-972-6111	Berlin, Clarksville, Colebrook, Columbia, Dixville, Dummer, Errol, Gorham, Groveton, Milan, Millsfield, N. Stratford, Northumberland, Percy, Pittsburgh, Randolph, Shelburne, Stark, Stewartstown, Stratford, Wentworth's Location, W. Stewartstown
<b>Claremont</b> 17 Water Street, Ste. 301 Claremont; 03743-2280 Phone: 542-9544 or 1-800-982-1001	Acworth, Canaan, Charlestown, Claremont, Cornish, Croydon, Enfield, George's Mills, Goshen, Grafton, Grantham, Guild, Hanover, Langdon, Lebanon, Lempster, Lyme, Meriden, Newport, Orange, Orford, Plainfield, Springfield, Sunapee, Unity, Washington, West Lebanon
<b>Concord</b> 40 Terrill Park Drive Concord; 03301-9955 Phone: 271-6201 or 1-800-322-9191	Allenstown, Andover, Boscawen, Bow, Bradford, Canterbury, Chichester, Concord, Contoocook, Danbury, Dunbarton, Elkins, Epsom, Franklin, Henniker, Hill, Hillsboro, Hooksett, Hopkinton, Loudon, New London, Newbury, Northfield, Pembroke, Penacook, Pittsfield, Salisbury, Suncook, Sutton, Warner, Webster, Wilmot
<b>Conway</b> 73 Hobbs Street Conway; 03818-6188 Phone: 447-3841 or 1-800-552-4628	Albany, Bartlett, Brookfield, Chatham, Chocorua, Conway, Eaton, Effingham, Freedom, Glen, Hale's Location, Hart's Location, Intervale, Jackson, Kearsarge, Madison, Melvin Village, Moultonborough, N. Conway, Ossipee, Sanbornville, Sandwich, Snowville, Tamworth, Tuftonboro, Wakefield, Wolfeboro
<b>Keene</b> 111 Key Road Keene; 03431 Phone: 357-3510 or 1-800-624-9700	Alstead, Antrim, Ashuelot, Bennington, Chesterfield, Deering, Drewville, Dublin, Fitzwilliam, Francestown, Gilsum, Greenfield, Hancock, Harrisville, Hinsdale, Jaffrey, Keene, Lyndeborough, Marlborough, Marlow, Nelson, New Ipswich, Peterborough, Richmond, Rindge, Roxbury, Sharon, Spoffard, Stoddard, Sullivan, Surry, Swanzey, Temple, Troy, Walpole, Westmoreland, Winchester, Windsor
<b>Laconia</b> 65 Beacon Street West Laconia; 03246-9988 Phone: 524-4485 or 1-800-322-2121	Alexandria, Alton, Ashland, Barnstead, Belmont, Bridgewater, Bristol, Campton, Center Harbor, Dorchester, Ellsworth, Gilford, Gilmanton, Groton, Hebron, Holderness, Laconia, Lakeport, Meredith, New Hampton, Plymouth, Rumney, Sanbornton, Silver Lake, Thornton, Tilton, Waterville Valley, Wentworth, Winnisquam

Exhibit A-1

**NH DHHS DIVISION OF FAMILY ASSISTANCE (DFA)  
DISTRICT OFFICE CATCHMENT AREA**

**Where to Apply**

<b>DFA Locations</b>	<b>Towns Served</b>
<b>Littleton</b> 80 North Littleton Road Littleton; 03561-3841 Phone: 444-6786 or 1-800-552-8959	Bath, Benton, Bethlehem, Carroll, Dalton, Easton, Franconia, Glenclyff, Haverhill, Jefferson, Lancaster, Landaff, Lincoln, Lisbon, Littleton, Livermore, Lyman, Monroe, Piermont, Pike, Sugar Hill, Twin Mountain, Warren, Whitefield, Woodstock, Woodsville
<b>Manchester</b> 195 McGregor St., Ste 110 Manchester; 03102-3762 Phone: 668-2330 or 1-800-852-7493	Auburn, Bedford, Chester, Goffstown, Manchester, New Boston, Weare
<b>Rochester</b> 150 Wakefield St., Ste 22 Rochester; 03867-1309 Phone: 332-9120 or 1-800-862-5300	Barrington, Dover, Durham, Farmington, Gonic, Lee, Madbury, Middleton, Milton, New Durham, Rochester, Rollinsford, Somersworth, Strafford, Union
<b>Seacoast</b> 50 International Drive Portsmouth; 03801 Phone: 433-8300 or 1-800-821-0326	Brentwood, Candia, Deerfield, East Kingston, Epping, Exeter, Fremont, Greenland, Hampton, Hampton Falls, Kensington, Kingston, New Castle, Newfields, Newington, Newmarket, North Hampton, Northwood, Nottingham, Portsmouth, Raymond, Rye, Seabrook, South Hampton, Stratham
<b>Southern</b> 3 Pine Street, Suite Q Nashua; 03060-9311 Phone: 883-7726 or 1-800-852-0632	Amherst, Atkinson, Brookline, Danville, Derry, Greenville, Hampstead, Hollis, Hudson, Litchfield, Londonderry, Mason, Merrimack, Milford, Mont Vernon, Nashua, Newton, Pelham, Plaistow, Salem, Sandown, Wilton, Windham



## Methods 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 by the Contractor pursuant to Exhibit A, Scope of Services.
2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.
3. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) # 93.788, US Department of Health and Human Services, Substance Abuse and Mental Health Administration.
4. The Contractor shall provide flexible funds in the amount specified in the Contractor's budget as in order to assist with removing any barriers that parents/caregivers may encounter in accessing any of the components of this program. Flexible funds are for services or products necessary to be able to receive home visiting or to go to treatment which include, but are not limited to:
  - 4.1. Gas cards.
  - 4.2. Car repair bills.
  - 4.3. Heating oil.
5. Payment for said services shall be made monthly as follows:
  - 5.1. 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.
  - 5.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth (20<sup>th</sup>) working day of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior month. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep detailed records of their activities related to Department-funded programs and services.
  - 5.3. 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.
  - 5.4. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.
  - 5.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to:
    - 5.5.1. Email address: Laurie.Heath@dhhs.nh.gov
  - 5.6. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services, and in this Exhibit B.
  - 5.7. Notwithstanding paragraph 18 of the Form P-37, General Provisions, an amendment limited to transfer the funds within the budget and within the price limitation, can be

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New Hampshire Department of Health and Human Services  
Targeted Prevention Programming  
for DCYF-Involved Families

Exhibit B



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made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

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4-5-18

**New Hampshire Department of Health and Human Services**

**College-Programs Institute: The Family Resources Center**

**Budget Requested for: Targeted Prevention Programming for OCYF-Approved Facilities**

**Design Period: 1ST 1212 (MAY 1, 2012 - JUNE 30, 2012)**

Line Item	Quantity	Unit Price	Amount	Tax	Total
1. Fuel (Gasoline)	12,000.00	\$6.00	\$72,000.00	\$1,800.00	\$73,800.00
2. Fuel (Diesel)	2,000.00	\$12.00	\$24,000.00	\$600.00	\$24,600.00
3. Fuel (Kerosene)	5,000.00	\$4.00	\$20,000.00	\$500.00	\$20,500.00
4. Fuel (Lubricants)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
5. Fuel (Other)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
6. Fuel (Total)	21,000.00		\$136,000.00	\$3,400.00	\$139,400.00
7. Maintenance (Repairs)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
8. Maintenance (Parts)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
9. Maintenance (Labor)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
10. Maintenance (Total)	3,000.00		\$30,000.00	\$750.00	\$30,750.00
11. Insurance (Life)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
12. Insurance (Health)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
13. Insurance (Disability)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
14. Insurance (Total)	3,000.00		\$30,000.00	\$750.00	\$30,750.00
15. Other (Miscellaneous)	1,000.00	\$10.00	\$10,000.00	\$250.00	\$10,250.00
16. Other (Total)	1,000.00		\$10,000.00	\$250.00	\$10,250.00
TOTAL	26,000.00		\$386,000.00	\$9,600.00	\$395,600.00

New Hampshire Department of Health and Human Services												
Exhibit/Program Name: The Family Resource Center												
Budget Request for: Targeted Prevention Programming for OCYF-involved Families												
Budget Period: SFY2019 (JULY 1, 2018 - JUNE 30, 2019)												
1. Total Salary/Wages	\$	63,140.81	\$	11,614.06	\$	63,755.22	\$	6,000.00	\$	4,000.00	\$	18,000.00
2. Employee Benefits	\$	12,784.00	\$	1,278.80	\$	14,062.80	\$	2,000.00	\$	300.00	\$	3,300.00
3. Consultants	\$	2,000.00	\$	700.00	\$	2,700.00	\$	2,000.00	\$	200.00	\$	2,200.00
4. Equipment	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Furnish	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Repairs and Maintenance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Purchase/Depreciation	\$	600.00	\$	60.00	\$	660.00	\$	600.00	\$	60.00	\$	660.00
5. Supplies	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Educational	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Lab	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Pharmacy	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Medical	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Office	\$	1,788.43	\$	178.84	\$	1,967.40	\$	300.00	\$	50.00	\$	350.00
6. Travel	\$	8,500.00	\$	850.00	\$	9,350.00	\$	2,000.00	\$	200.00	\$	2,200.00
7. Occupancy	\$	1,200.00	\$	120.00	\$	1,320.00	\$	600.00	\$	60.00	\$	660.00
8. Current Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Telephone	\$	550.00	\$	55.00	\$	605.00	\$	250.00	\$	25.00	\$	275.00
Postage	\$	88.00	\$	8.80	\$	96.80	\$	88.00	\$	8.80	\$	96.80
Subscriptions	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Audit and Legal	\$	300.00	\$	30.00	\$	330.00	\$	300.00	\$	30.00	\$	330.00
Insurance	\$	350.00	\$	35.00	\$	385.00	\$	250.00	\$	25.00	\$	275.00
Board Expenses	\$	100.00	\$	10.00	\$	110.00	\$	100.00	\$	10.00	\$	110.00
9. Software	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10. Information/Communications	\$	366.00	\$	36.60	\$	402.60	\$	250.00	\$	25.00	\$	275.00
11. Staff Education and Training	\$	1,300.00	\$	130.00	\$	1,430.00	\$	1,000.00	\$	100.00	\$	1,100.00
12. Subcontract/Agreements	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
13. Other (specify details mandatory file line)	\$	2,500.00	\$	250.00	\$	2,750.00	\$	-	\$	-	\$	-
TOTAL	\$	118,154.38	\$	14,918.44	\$	138,089.83	\$	16,748.00	\$	1,874.80	\$	21,422.80
Indirect As a Percent of Direct				13.0%								



### 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;

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.



New Hampshire Department of Health and Human Services  
Exhibit C



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 (EEO):** The Contractor will provide an Equal Employment Opportunity Plan (EEO) 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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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

*PR*

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.

**DEFINITIONS**

As used in the Contract, the following terms shall have the following meanings:

**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.

**DEPARTMENT:** NH Department of Health and Human Services.

**FINANCIAL MANAGEMENT GUIDELINES:** Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

**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 to be provided to eligible individuals 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.

**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.

**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 the time to time.

**CONTRACTOR MANUAL:** Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

**SUPPLANTING OTHER FEDERAL FUNDS:** The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

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Exhibit C-1

**REVISIONS TO GENERAL PROVISIONS**

1. Subparagraph 4 of the General Provisions of this contract, 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.

2. Subparagraph 10 of the General Provisions of this contract, 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.

3. Extension:

- The Department reserves the right to renew the Contract for up to two (2) additional years, subject to the continued availability of funds, satisfactory performance of services and approval by the Governor and Executive Council.



**CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS**

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

**ALTERNATIVE I - FOR 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

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.

Contractor Name:

4-9-18  
Date

[Signature]  
Name:  
Title: Secretary



CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 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-1.)
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.

Contractor Name:

12-9-18  
Date

Ruth Remick  
Name:  
Title: Secretary

Exhibit E - Certification Regarding Lobbying

Contractor Initials

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

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 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



New Hampshire Department of Health and Human Services  
Exhibit F



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.

Contractor Name:

4-9-18  
Date

[Signature]  
Name:  
Title:



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

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

Contractor 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

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

Contractor Initials

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

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

Contractor Name:

4-9-18  
Date

[Signature]  
Name:  
Title: Secretary

Exhibit G

Contractor Initials LR

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



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Contractor Name:

4-9-18  
Date

[Signature]  
Name:  
Title: Secretary



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

The Contractor 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 Contractor and subcontractors and agents of the Contractor 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



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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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

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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.

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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

Katja S Fox  
Signature of Authorized Representative

Katja S Fox  
Name of Authorized Representative

Director  
Title of Authorized Representative

4/21/18  
Date

The Family Resource Center at Gorham  
Name of the Contractor

Lucie Remillard  
Signature of Authorized Representative

Lucie Remillard  
Name of Authorized Representative

Secretary  
Title of Authorized Representative

4-9-18  
Date



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

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

Contractor Name:

4-9-18  
Date

[Signature]  
Name:  
Title: Secretary

New Hampshire Department of Health and Human Services  
Exhibit J



**FORM A**

As the Contractor 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: 01915087
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?

X 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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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

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**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

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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

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New Hampshire Department of Health and Human Services

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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

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**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.).

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**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

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New Hampshire Department of Health and Human Services

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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/doi/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer, and additional email addresses provided in this section, of any security breach within two (2) hours of the time that the Contractor learns of its occurrence. 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.

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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, Information Security Office and Program Manager of any Security Incidents and Breaches within two (2) hours of the time that the Contractor learns of their occurrence.

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

**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 contact for Data Management or Data Exchange issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

- B. DHHS contacts for Privacy issues:

DHHSPrivacyOfficer@dhhs.nh.gov

- C. DHHS contact for Information Security issues:

DHHSInformationSecurityOffice@dhhs.nh.gov

- D. DHHS contact for Breach notifications:

DHHSInformationSecurityOffice@dhhs.nh.gov

DHHSPrivacyOfficer@dhhs.nh.gov