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

Jeffrey A. Meyers  
Commissioner

Katja S. Fox  
Director

105 PLEASANT STREET, CONCORD, NH 03301  
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November 21, 2017

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 a **sole source** agreement with Boys & Girls Clubs of Central New Hampshire, Inc, Vendor #TBD, 55 Bradley Street, Concord NH 03301 in an amount not to exceed \$300,000 to provide the SMART Moves program which teaches youths the life skills necessary to manage negative peer and media pressure regarding alcohol, tobacco, other drug use, and early sexual interactions, effective upon Governor and Executive Council approval through June 30, 2019. 100% Other Funds.

Funds are available in the following account for SFY 2018 and SFY2019, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

**05-95-92-920510- 33820000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION FOR BEHAVIORAL HEALTH, Bureau of Drug and Alcohol, Governor Commission Funds**

SFY	Class/Account	Class Title	Job Number	Total Amount
2018	102-500734	Contracts for Social Services	92058503	\$150,000
2019	102-500734	Contracts for Social Services	92058503	\$150,000
			Total	\$300,000

**EXPLANATION**

This request is **sole source** because the Governor's Commission on Alcohol and Drug Abuse Prevention, Treatment, and Recovery was directed by an Organization note in the SFY 2018-2019 operating budget (HB144,Chapter 155) to provide funding for the Boys & Girls Clubs of Central New Hampshire to support the SMART Moves program.

The SMART Moves Program is an evidenced-informed, skill-based resistance curriculum for youth between the ages of six (6) and fifteen (15), delivered in age-appropriate group sessions to foster the development of coping strategies in order to effectively resist peer and media pressures regarding alcohol, tobacco, other drug use, and early sexual interactions. The benefits of the SMART Moves program for New Hampshire's youth include enhancing self-esteem and healthy lifestyle choices, supporting skill-building for responsible decision-making and peer relations for youth, teaching conflict resolution and peer leadership, connection to community service, teaching positive goal settings and providing healthy alternatives to substance misuse. In addition to the Vendor providing this program directly, the Vendor will enter into agreements with the New Hampshire Boys & Girls Clubs of Manchester, Souhegan, Salem, North Country, Portsmouth Naval Base, Derry and Nashua. The SMART Moves program across the eight (8) sites will provide services to at least eight hundred (800) youth.

Children as young as eight years-old report experimenting with alcohol and other drugs in our communities, with the average use of initiation of substances reported at 12 years-old (Substance Abuse, Health Services Administration, & for Behavioral Health Statistics, 2015). Intervening early in childhood can alter a life course trajectory in a positive direction (Kellam et al., 2008; Kitzman et al., 2010). While prevention can be effective at any age, it can have particularly strong effects when applied during childhood, when development is most easily shaped and set on a positive course.

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

Should the Governor and Executive Council not authorize this request, the SMART Moves program will not be available through the Boys & Girls Clubs in New Hampshire and early childhood and early adolescent substance misuse prevention programming that has the potential to prevent and reduce the negative consequences of early onset substance misuse may not be available to as many children in New Hampshire.

Areas Served. Capital Region, Greater Manchester Region, Souhegan Valley, Greater Salem Region, the North Country Region, the Greater Nashua Region, and the Portsmouth Naval Base.

Source of Funds: 100% Other Funds (Governor Commission Funds)

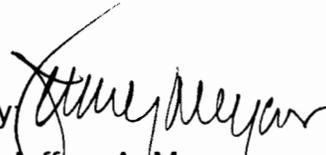
In the event that Other Funds (Governor Commission Funds) become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Katja S. Fox  
Director

Approved by



Jeffrey A. Meyers  
Commissioner

Subject: SMART Moves (SS-2018-BDAS-10-SMART)

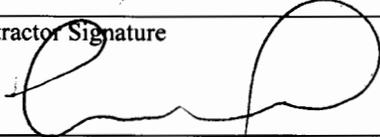
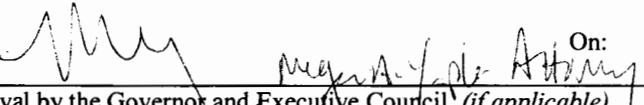
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**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 Boys & Girls Clubs of Central New Hampshire, Inc.		1.4 Contractor Address 55 Bradley Street Concord, NH 03301	
1.5 Contractor Phone Number 603-224-1061	1.6 Account Number 05-095-092-920510-33820000	1.7 Completion Date June 30, 2019	1.8 Price Limitation \$300,000
1.9 Contracting Officer for State Agency E. Maria Reinemann, Director		1.10 State Agency Telephone Number 603-271-9330	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory CHRISTOPHER EMOND CEO	
1.13 Acknowledgement: State of <u>NH</u> , County of <u>MERRIMACK</u> On <u>11.9.17</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] 		<b>LJILJANA MLINAR</b> NOTARY PUBLIC State of New Hampshire My Commission Expires March 13, 2020	
1.13.2 Name and Title of Notary or Justice of the Peace Ljiljana Mlinar - HR Generalist			
1.14 State Agency Signature  Date: <u>11/2/17</u>		1.15 Name and Title of State Agency Signatory Katya 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>12/2/17</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.



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## Scope of Services

### 1. Provisions Applicable to All Services

- 1.1. The Contractor will 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.

### 2. Scope of Services

- 2.1. The Contractor shall initiate and maintain a SMART Moves program for children between the ages of six (6) and fifteen (15) in order to provide education and skills training regarding resisting media influences and peer pressures to engage in alcohol, tobacco, other drug use, and early sexual involvement.
- 2.2. The Contractor shall provide a copy of the SMART Moves curriculum and training materials to the Department within fifteen (15) days of the start of the contract.
- 2.3. The Contractor shall conduct the SMART Moves classes in small-group sessions of up to fifteen (15) youth and in age-appropriate models including, but not limited to:
  - 2.3.1. SMART Kids: For children ages six (6) to nine (9). SMART Kids goals are to build self-esteem and to teach positive social skills.
  - 2.3.2. Start SMART: For children ages ten (10) to twelve (12). Start SMART presents information and skill development needed to resist pressure to use alcohol, tobacco, other drugs, and to engage in sexual activity. Group members analyze influences including, but not limited to the media and peers, as well as practice resisting peer pressure.
  - 2.3.3. Stay SMART: For children ages thirteen (13) to fifteen (15). Stay SMART provides information about alcohol, tobacco, other drugs, and sexuality and assists teenagers with developing the ability to make healthy choices. Teens practice problem solving, decision making, stress reduction techniques, and strategies to resist peer and media pressure.
- 2.4. The Contractor shall provide the location and supplies for the trainings.
- 2.5. The Contractor shall recruit children to attend the offered groups which may include, but is not limited to:
  - 2.5.1. Notification on Boys and Girls Clubs' websites.
  - 2.5.2. Social media platforms.
  - 2.5.3. Presentations for school personnel at regional elementary, middle, and high schools
  - 2.5.4. Outreach to parents either via the school or youth serving community organizations



Exhibit A

- 2.5.5. Public announcements at community locations.
- 2.6. The Contractor shall integrate SMART Moves into daily programming to ensure maximum attendance by Club members.
- 2.7. The Contractor shall submit to the Department a Recruitment Plan within the first thirty (30) days of the initiation of the contract that includes the type of recruitment effort and the timeline for delivery.
- 2.8. The Contractor shall ensure facilitators are trained in the SMART Moves program by Boys and Girls Club staff members who have experience delivering the SMART Moves program.
- 2.9. The Contractor shall administer pre-program and post-program testing to measure whether the program has met desired outcomes, including but not limited to:
  - 2.9.1. Increased knowledge regarding how to make healthy choices that positively affect quality of life.
  - 2.9.2. Increased perception of the harm of using alcohol, tobacco, and other drugs.
  - 2.9.3. Increased knowledge regarding how postponing sexual activity promotes positive health outcomes.
- 2.10. The Contractor shall act as a fiscal agent for the implementation of the SMART Moves program at seven (7) additional Boys and Girls Clubs in New Hampshire which includes, but is not limited to:
  - 2.10.1. Ensuring that participating programs have the required staff with the appropriate training to meet the needs of the program;
  - 2.10.2. Disbursing funds to the additional Boys and Girls Clubs; and
  - 2.10.3. Reporting requirements pursuant to this Contract.
- 2.11. The Contractor shall participate in bi-yearly Site Visits conducted by the Department for the purposes of contract monitoring and compliance.
- 2.12. The Contractor shall notify the Department within three (3) business days of any Bureau of Childcare Licensing violations for any of the Department-funded SMART Moves as well as provide a plan within fifteen (15) days of how the violation will be remedied.

**3. Staffing**

- 3.1. The Contractor shall ensure that at least one (1) staff member is in attendance to lead each SMART Moves class. That staff member must:
  - 3.1.1. Be at least eighteen (18) years of age and have a high school diploma or general equivalency diploma and at least one of the following:
    - 3.1.1.1. Experience working with school-age children totaling a minimum of six hundred (600) hours.
    - 3.1.1.2. Documentation of at least three (3) credits in elementary education, human growth and development, behavior management, recreation or early childhood education awarded by a regionally accredited college or university.



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3.1.1.3. Documentation from the Bureau of Childcare Licensing that she or he is qualified as an associate teacher in a school-age program.

**4. Reporting**

4.1. The Contractor shall submit to the Department a prevention services tracking form by the twenty-first (21<sup>st</sup>) of the month for the previous month that includes, but is not limited to the following aggregate information for each Boys and Girls Club:

4.1.1. Number of trainings.

4.1.2. Type of trainings.

4.1.3. Number of attendees.

4.1.4. Aggregate number of ages of attendees.

4.2. The Contractor shall provide aggregate pre-class and post-class test scores to the Department on the last business day of each quarter.

**5. Deliverables**

5.1. The Contractor shall ensure that across all eight (8) sites a minimum of three hundred (300) youth participate in trainings in State Fiscal Year 1 of the contract and a minimum of five hundred (500) youth participate in trainings in State Fiscal Year 2 of the contract.



Exhibit B

**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 other funds from the Governor's Commission Funds.
4. Payment for said services shall be made monthly as follows:
  - 4.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.
  - 4.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth 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 records of their activities related to Department programs and services.
  - 4.3. 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. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.
  - 4.4. 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.
  - 4.5. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to Jill Burke or invoices can be mailed to:

Department of Health and Human Services  
Division for Behavioral Health  
Bureau of Drug and Alcohol  
105 Pleasant St  
Concord, NH 03301  
Email address: Jill.Burke@dhhs.nh.gov
  - 4.6. 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. Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

C.F.

11.9.17



New Hampshire Department of Health and Human Services

Bidder/Program Name: Boys & Girls Clubs of Central New Hampshire

Budget Request for: SMART Moves

Budget Period: SFY 2018 (7/1/18-6/30/19)

1. Total Salary/Wages	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00	\$	133,000.00
2. Employee Benefits	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
3. Consultants	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
4. Equipment:	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Rental	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Repair and Maintenance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Purchase/Depreciation	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
5. Supplies:	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Educational	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00	\$	13,500.00
Lab	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Pharmacy	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Medical	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Office	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
6. Travel	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
7. Occupancy	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
8. Current Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Telephone	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Postage	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Subscriptions	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Audit and Legal	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Insurance	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Board Expenses	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
9. Software	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
10. Marketing/Communications	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
11. Staff Education and Training	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00	\$	3,500.00
12. Subcontracts/Agreements	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
13. Other (specific details mandatory):	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00	\$	150,000.00

Indirect As A Percent of Direct

0.0%

Contractor Initials: *CS*  
Date: *11.9.17*



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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 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;



- 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.



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



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



- 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.



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 GRANTEES 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



- 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.

11.9.17  
Date

Contractor Name:

  
Name: CHRISTOPHER LEMON  
Title: CEO



**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:

11.9.17  
Date

  
Name: CHRISTOPHER EMOND  
Title: CEO



**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



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 (I)(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.

11.9.17  
Date

Contractor Name:

  
Name: CHRISTOPHER EMOND  
Title: 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 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

4.9.17  
CEK



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.

11.9.17  
Date

Contractor Name:

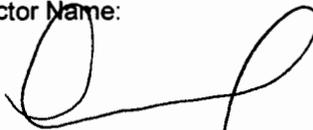
  
Name: CHRISTOPHER EMORY  
Title: CEO

Exhibit G

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

Contractor Initials C.E.



**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.

11.9.17  
Date

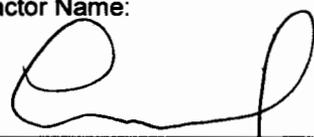
Contractor Name:  
  
Name: CHRISTOPHER EMOND  
Title: CEO



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.



Exhibit I

- I. “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

CS

11.9.17



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



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



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.



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

Katya S Fox  
Signature of Authorized Representative

Katya S Fox  
Name of Authorized Representative

\_\_\_\_\_  
Title of Authorized Representative

\_\_\_\_\_  
Date

BOSTON HILLS CROSS OF CENTRAL NH  
Name of the Contractor

[Signature]  
Signature of Authorized Representative

CHRISTOPHER EDMOND  
Name of Authorized Representative

C.E.O  
Title of Authorized Representative

11.9.17  
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:

11-9-17  
Date

  
Name: CHRISTOPHER EMOND  
Title: CEO



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: 130 950 124
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

NO                       YES

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

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

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

NO                       YES

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

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

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

Name: _____	Amount: _____



**DHHS INFORMATION SECURITY REQUIREMENTS**

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information 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 Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.
2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:
  - 2.1. 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.).
  - 2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
  - 2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.
  - 2.4. 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.
  - 2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information
  - 2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of 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.
    - 2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "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.

Breach notifications will be sent to the following email addresses:

      - 2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov
      - 2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov
- 2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor 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 vendor 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

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



deletion, or otherwise physically destroying the media (for example, degaussing). The vendor 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 vendor prior to destruction.

- 2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor 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 vendor, including breach notification requirements.
3. The vendor 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 vendor and any applicable sub-contractors prior to system access being authorized.
4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor 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 appropriate authorized data owner or leadership member within the Department.

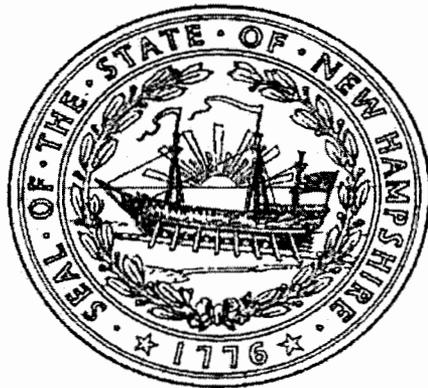
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that BOYS & GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC. is a New Hampshire Nonprofit Corporation registered to transact business in New Hampshire on January 05, 1945. 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: 63070



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 28th day of September A.D. 2017.

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

William M. Gardner  
Secretary of State

# CERTIFICATE OF VOTE

I, Christopher Brown, President of the Board, do hereby certify that:  
(Name of the elected Officer of the Agency; cannot be contract signatory)

1. I am a duly elected Officer of Boys & Girls Clubs of Central NH.  
(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 October 31, 2017 :  
(Date)

**RESOLVED:** That the CEO of the Boys & Girls Clubs of Central NH  
(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 30th day of November, 2017\_.  
(Date Contract Signed)

4. Christopher Emond is the duly elected CEO  
(Name of Contract Signatory) (Title of Contract Signatory)

of the Agency.

  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Merrimack

The forgoing instrument was acknowledged before me this 9<sup>th</sup> day of November 2017.

By Christopher Brown, President of the Board.  
(Name of Elected Officer of the Agency)

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

**LJILJANA MLINAR**  
NOTARY PUBLIC  
State of New Hampshire  
My Commission Expires  
March 13, 2020

Commission Expires: March 13, 2020



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

11/21/2017

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 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> THE ROWLEY AGENCY INC. 45 Constitution Avenue P.O. Box 511 Concord NH 03302-0511		<b>CONTACT NAME:</b> Susan Gilman <b>PHONE (A/C, No, Ext):</b> (603) 224-2562 <b>FAX (A/C, No):</b> (603) 224-8012 <b>E-MAIL ADDRESS:</b> sgilman@rowleyagency.com															
<b>INSURED</b> Boys and Girls Clubs of Central New Hampshire, Inc. PO Box 1204 Concord NH 03302-1204		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Citizens Insurance Co.</td> <td>31534</td> </tr> <tr> <td>INSURER B: Hanover Insurance Co.</td> <td>22292</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: Citizens Insurance Co.	31534	INSURER B: Hanover Insurance Co.	22292	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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**COVERAGES**

CERTIFICATE NUMBER: 17/18 Cert

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 checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ZBV9258510-06	07/01/2017	07/01/2018	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 - COMP/OP AGG \$ Included
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			ABV9124844-07	07/01/2017	07/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<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 \$ 0			UHV9258514-06	07/01/2017	07/01/2018	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ 5,000,000
A	<input checked="" type="checkbox"/> 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	WBV9191071-10 3A States: NH	07/01/2017	07/01/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER 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)

Attesting to liability and workers compensation coverages.

**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

Susan Gilman/SJG

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## **Boys and Girls Clubs**

### **M i s s i o n**

**To inspire and enable all young people, especially those who need us most, to reach their full potential as productive, caring, responsible citizens.**

BOYS AND GIRLS CLUBS OF  
CENTRAL NEW HAMPSHIRE, INC.

FINANCIAL REPORT

JUNE 30, 2016

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**NATHAN WECHSLER & COMPANY**  
**PROFESSIONAL ASSOCIATION**  
**CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS**

*INDEPENDENT AUDITOR'S REPORT*

To the Board of Directors  
Boys and Girls Clubs of Central New Hampshire, Inc.  
Concord, New Hampshire 03301

We have audited the accompanying statement of financial position of Boys and Girls Clubs of Central New Hampshire, Inc., as of June 30, 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year 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.

*Auditor's Responsibility*

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Clubs of Central New Hampshire, Inc. as of June 30, 2016, and the results of its operations and its functional expenses and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Other Matter***

As discussed in Note 1 to the financial statements, during the year ended June 30, 2016, the Boys and Girls Clubs of Central New Hampshire, Inc. acquired the assets and assumed the liabilities of the Boys and Girls Club of Lakes Region, Inc. In accordance with generally accepted accounting principles, the financial statements are presented as if the above transaction had taken place as of July 1, 2015.

***Report on Summarized Comparative Information***

We have previously audited the Boys and Girls Clubs of Central New Hampshire, Inc. June 30, 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 9, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nathan Wechsbe & Company  
Concord, New Hampshire  
October 21, 2016

## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

## STATEMENTS OF FINANCIAL POSITION

June 30, 2016 and 2015

		ASSETS	
		2016	2015
<b>CURRENT ASSETS</b>			
Cash		\$ 512,662	\$ 118,453
Current portion of contributions receivable, net of allowance for doubtful accounts of \$38,330		217,211	176,324
Grants receivable		53,600	74,385
Accounts receivable, net of allowance for doubtful accounts of \$3,000		46,798	28,604
Prepaid expenses		16,133	24,978
	<i>Total current assets</i>	<u>846,404</u>	<u>422,744</u>
<b>LONG-TERM ASSETS</b>			
Contributions receivable, net of allowance for doubtful accounts of \$10,842 and discount of \$29,875		177,147	232,518
Investments		1,047,114	563,763
Cash restricted to investment in building		30,200	243,506
Contributions receivable restricted to investment in building, net of allowance of \$10,000 and discount of \$11,398		685,467	708,725
Contributions receivable restricted to endowment		-	12,722
Loan fees, net of accumulated amortization of \$47,783		32,991	27,992
Property and equipment, net		5,466,221	4,536,240
	<i>Total assets</i>	<u>\$ 8,285,544</u>	<u>\$ 6,748,210</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Current portion of long-term debt		\$ 58,289	\$ -
Accounts payable		89,379	47,147
Accrued expenses		112,276	61,499
Deferred revenues		40,114	36,282
	<i>Total current liabilities</i>	<u>300,058</u>	<u>144,928</u>
<b>LONG-TERM LIABILITIES</b>			
Notes payable		370,371	-
Bond payable		1,222,895	1,294,895
	<i>Total long-term liabilities</i>	<u>1,593,266</u>	<u>1,294,895</u>
	<i>Total liabilities</i>	<u>1,893,324</u>	<u>1,439,823</u>
<b>COMMITMENTS (See Notes)</b>			
<b>NET ASSETS</b>			
Unrestricted:			
Unrestricted		879,078	660,643
Unrestricted - invested in plant, property and equipment		3,814,666	3,241,345
Total unrestricted net assets		4,693,744	3,901,988
Temporarily restricted		1,141,308	1,251,001
Permanently restricted		557,168	155,398
	<i>Total net assets</i>	<u>6,392,220</u>	<u>5,308,387</u>
	<i>Total liabilities and net assets</i>	<u>\$ 8,285,544</u>	<u>\$ 6,748,210</u>

## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
Year Ended June 30, 2016 and Comparative Totals for Year Ended June 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Total	2015 Total
Revenues from Club activities and other support:					
Membership dues	\$ 1,567,166	\$ -	\$ -	\$ 1,567,166	\$ 1,311,702
Camp fees	737,450	-	-	737,450	592,817
Less: financial aid and scholarships	(965,735)	-	-	(965,735)	(722,803)
<i>Net membership dues and camp fees</i>	1,338,881	-	-	1,338,881	1,181,716
Contributions	157,300	1,097,576	401,770	1,656,646	1,122,028
Annual Breakfast, net of expenses of \$15,096	75,982	83,191	-	159,173	170,158
TV auction, net of expenses of \$6,738	128,592	-	-	128,592	94,913
Golf tournament, net of expenses of \$25,605	74,362	-	-	74,362	61,251
Other fundraising, net of expenses of \$8,260	70,861	-	-	70,861	114,557
Grant income	-	44,421	-	44,421	306,500
Miscellaneous income	89,988	-	-	89,988	87,108
Contributed goods, services and use of facilities	125,553	-	-	125,553	115,910
Other programs and fees	66,125	-	-	66,125	106,622
Loss on disposal of property and equipment	(32,547)	-	-	(32,547)	(278)
Investment income	6,021	3,615	-	9,636	20,886
Realized and unrealized loss on investments	(10,058)	(4,054)	-	(14,112)	(29,056)
<i>Total revenues from Club activities and other support</i>	2,091,060	1,224,749	401,770	3,717,579	3,352,315
Net assets released from restrictions:					
For satisfaction of program restrictions	180,076	(180,076)	-	-	-
For satisfaction of program restrictions for capital expenditures	988,882	(988,882)	-	-	-
For satisfaction of time restrictions	165,484	(165,484)	-	-	-
	1,334,442	(1,334,442)	-	-	-
	3,425,502	(109,693)	401,770	3,717,579	3,352,315
Expenses:					
Program services	2,043,419	-	-	2,043,419	1,976,878
Support and administrative	437,902	-	-	437,902	331,248
Fundraising	152,425	-	-	152,425	172,759
<i>Total expenses</i>	2,633,746	-	-	2,633,746	2,480,885
<i>Total increase (decrease) in net assets</i>	791,756	(109,693)	401,770	1,083,833	871,430
Net assets, beginning of year	3,901,988	1,251,001	155,398	5,308,387	4,436,957
Net assets, end of year	\$ 4,693,744	\$ 1,141,308	\$ 557,168	\$ 6,392,220	\$ 5,308,387

BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

STATEMENTS OF CASH FLOWS  
Years Ended June 30, 2016 and 2015

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase in net assets	\$ 1,083,833	\$ 871,430
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	203,311	179,307
Loss on disposal of property and equipment	32,547	278
Gifts restricted for endowment	(401,770)	(12,722)
Gifts restricted for capital campaign	(791,478)	(523,840)
Reinvested interest and dividends	(9,615)	(20,819)
Financial assistance and change in allowance for uncollectible contributions receivable	31,034	77,034
Net realized and unrealized loss on investments net of fees	14,180	29,056
(Increase) decrease in grants, accounts and contributions receivable	22,021	(146,217)
(Increase) decrease in prepaid expenses	8,845	(1,281)
Decrease in accounts payable	(22,265)	(18,562)
Increase in accrued liabilities	50,777	13,082
Increase (decrease) in deferred revenues	3,830	(28,473)
<i>Net cash provided by operating activities</i>	<b>225,250</b>	<b>418,273</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(689,616)	(60,033)
Proceeds from sale of investments	26,576	-
Purchases of investments	(514,492)	-
<i>Net cash used in investing activities</i>	<b>(1,177,532)</b>	<b>(60,033)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowings from long-term debt	22,000	50,000
Repayments on long-term debt	(74,813)	(547,000)
Loan fees	(7,250)	-
Gifts restricted for endowment	401,770	12,722
Gifts restricted for capital campaign	791,478	279,530
<i>Net cash provided by (used in) financing activities</i>	<b>1,133,185</b>	<b>(204,748)</b>
<i>Net increase in cash</i>	<b>180,903</b>	<b>153,492</b>
Cash, beginning of year	361,959	208,467
<i>Cash, end of year</i>	<b>\$ 542,862</b>	<b>\$ 361,959</b>
Cash is comprised of:		
Cash	\$ 512,662	\$ 118,453
Cash restricted to investment in building	30,200	243,506
<i>Total cash</i>	<b>\$ 542,862</b>	<b>\$ 361,959</b>

BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

STATEMENTS OF CASH FLOWS (CONTINUED)

Years Ended June 30, 2016 and 2015

	2016	2015
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for interest	\$ 37,862	\$ 41,695
<b>NON-CASH INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	\$ 1,163,589	\$ 74,343
Amounts included in accounts payable	64,500	-
Direct financing	409,473	-
Direct funding through contributions	-	14,310
	<u>689,616</u>	<u>60,033</u>
<i>Cash paid for property and equipment</i>	<u>\$ 689,616</u>	<u>\$ 60,033</u>
<b>NON-CASH FINANCING ACTIVITIES</b>		
Gifts restricted for capital campaign	\$ 791,478	\$ 523,840
Direct repayment of debt through Block Grant	-	230,000
Direct funding through contributions	-	14,310
	<u>791,478</u>	<u>279,530</u>
<i>Financing gifts restricted for capital campaign</i>	<u>\$ 791,478</u>	<u>\$ 279,530</u>
Decrease in notes payable	\$ 74,813	\$ 997,000
Direct repayments of debt through Block Grants received	-	450,000
	<u>74,813</u>	<u>547,000</u>
<i>Repayments on long-term debt</i>	<u>\$ 74,813</u>	<u>\$ 547,000</u>

## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

Year Ended June 30, 2016 and Comparative Totals for Year Ended June 30, 2015

	Program Services	Support and Administration	Fundraising	2016 Total	2015 Total
Salaries and wages	\$ 982,539	\$ 226,231	\$ 104,450	\$ 1,313,220	\$ 1,185,932
Payroll taxes and benefits	174,246	30,485	26,243	230,974	210,042
<i>Total personnel costs</i>	<u>1,156,785</u>	<u>256,716</u>	<u>130,693</u>	<u>1,544,194</u>	<u>1,395,974</u>
Program supplies, Christmas gifts and awards	135,100	1,695	49	136,844	122,949
Maintenance and repairs	138,224	14,095	4,921	157,240	139,342
Transportation and vehicle expenses	42,348	227	576	43,151	62,276
Utilities	54,845	6,355	-	61,200	73,719
Insurance	51,308	6,291	579	58,178	67,833
Office expense	6,163	15,806	3,096	25,065	17,708
Dues and fees	505	25,327	61	25,893	13,920
Advertising	6,926	141	183	7,250	6,672
Fundraising, other	-	-	8,401	8,401	18,762
Cost of relocation	20,437	-	-	20,437	2,855
Contributed goods, services and use of facilities	115,400	-	-	115,400	113,468
Miscellaneous	20,121	21,306	631	42,058	39,953
Rent	39,250	-	-	39,250	37,800
Financial assistance and pledge write offs, net of bad debt recovery	31,719	7,720	-	39,439	75,034
Professional fees	250	33,009	-	33,259	32,588
Conferences and training	2,774	11,586	1,578	15,938	8,995
Telephone	10,972	1,050	474	12,496	12,772
Payroll services	-	5,275	-	5,275	4,703
Student store program	1,186	-	-	1,186	1,573
Contract services	8,434	390	-	8,824	8,987
Bad debt expense and allowance for uncollectible contributions receivable adjustment	-	(8,405)	-	(8,405)	2,000
<i>Total expenses before depreciation and interest</i>	<u>1,842,747</u>	<u>398,584</u>	<u>151,242</u>	<u>2,392,573</u>	<u>2,259,883</u>
Depreciation and amortization	169,169	33,145	997	203,311	179,307
Interest	31,503	6,173	186	37,862	41,695
	<u>200,672</u>	<u>39,318</u>	<u>1,183</u>	<u>241,173</u>	<u>221,002</u>
<i>Total expenses</i>	<u>\$ 2,043,419</u>	<u>\$ 437,902</u>	<u>\$ 152,425</u>	<u>\$ 2,633,746</u>	<u>\$ 2,480,885</u>

## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

### NOTES TO FINANCIAL STATEMENTS

---

#### *Note 1. Nature of Activities*

Boys and Girls Clubs of Central New Hampshire, Inc. ("the Club") provides program and club activities for children in the areas surrounding Concord, the Lakes Region, Hopkinton, Suncook, Warner, and Franklin, New Hampshire. These activities are conducted throughout the year as after school club activities, summer day camp activities and teen center programs.

During the year end June 30, 2016, the Boys and Girls Clubs of Central New Hampshire, Inc. acquired the assets and assumed the liabilities of the Boys and Girls Club of Lakes Region, Inc. In accordance with generally accepted accounting principles, the financial statements are presented as if this transaction had taken place as of July 1, 2015. The June 30, 2015 financial statements include the accounts of Boys and Girls Clubs of Central New Hampshire Inc. and the Boys and Girls Club of the Lakes Region, Inc. Prior to the acquisition, the Boys and Girls Club of Central New Hampshire and the Boys and Girls Club of the Lakes Region, Inc. shared common members of their Boards and were, therefore, under common control. All material inter-organization transactions have been eliminated in the consolidation.

#### *Note 2. Summary of Significant Accounting Policies*

**Basis of accounting:** The financial statements of the Club are prepared on the accrual basis; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

**Estimates and assumptions:** Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Accordingly, actual results may differ from estimated amounts.

**Basis of presentation:** The Club accounts for contributions received in accordance with the FASB Accounting Standards Codification topic for revenue recognition (FASB ASC 958-605) and contributions made in accordance with FASB ASC 958-720-25 and FASB ASC 958-310. In accordance with FASB ASC 958-605-25, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence or nature of any donor restrictions. In addition, FASB ASC 958-310 requires that unconditional promises to give (pledges) be recorded as receivables and recognized as revenues.

The Club adheres to the Presentation of Financial Statements for Not-for-Profit Organizations topic of the FASB Accounting Standards Codification (FASB ASC 958-205). Under FASB ASC 958-205, the Club 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. Descriptions of the three net asset categories are as follows:

*Unrestricted net assets* include revenues and expenses and contributions pledged which are not subject to any donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

*(continued on next page)*

**BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

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*Temporarily restricted net assets* include contributions and gifts for which donor-imposed restrictions will be met either by the passage of time or the actions of the Club and also includes the accumulated appreciation related to permanently restricted endowment gifts, which is a requirement of FASB ASC 958-205-45.

*Permanently restricted net assets* include gifts that require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions.

**Contributions:** Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

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 a purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets as net assets released from restrictions.

**Property and equipment:** Property and equipment are recorded at cost, or in the case of donated assets, at fair value. Maintenance, repairs and minor renewals are expensed as incurred. Purchases, renewals and betterments in excess of \$5,000 are capitalized. Provision for depreciation is made using the straight-line method by annual charges calculated to absorb the costs over the following estimated useful lives:

	Years
Building and improvements .....	10-40
Program equipment.....	5-10
Motor vehicles .....	5
Software .....	3
Office equipment, furniture and fixtures.....	5-10

**Cash and cash equivalents:** For purposes of reporting cash flows, the Club considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. As of June 30, 2016, the Club had no cash equivalents.

**Investments:** The Club carries investments in marketable securities at their fair values in the statement of financial position. Purchased and gifted securities are recorded at fair value on the date of the acquisition and gifted securities are net of any brokerage fees.

Realized and unrealized gains and losses on securities in the investment portfolio are allocated to each class of net assets on a specific-identification basis and are included in the accompanying statement of activities and changes in net assets.

**Accounts receivable and contributions receivable:** Accounts receivable and contributions receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for financial assistance and bad debt expense and an adjustment to an allowance based on its assessment of the current status of individual accounts.

*(continued on next page)*

# BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

## NOTES TO FINANCIAL STATEMENTS

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Balances that are still outstanding after management has used reasonable collection efforts are considered financial assistance for accounts receivable or bad debt expense for contributions receivable and are adjusted accordingly.

**Deferred revenue:** Deferred revenue primarily results from the Club recognizing summer camp fees in the period in which the related care is performed. Accordingly, registration and camp fees received for July and August summer camp are deferred until camp commences.

**Income taxes:** The Club is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Club is also exempt from state income taxes by virtue of its ongoing exemption from federal income taxes. Accordingly, no provision for income taxes has been recorded in the accompanying financial statements.

The Club adopted the provision of FASB ASC 740, Accounting for Uncertainty in Income Taxes. Accordingly, management evaluated the Club's tax positions and concluded the Club had maintained its tax-exempt status, does not have any significant unrelated business income and had taken no uncertain tax positions that require adjustment or disclosure in the financial statements. With few exceptions, the Club is no longer subject to income tax examinations by the U.S. Federal or State tax authorities for years before 2013.

**Advertising costs:** The Club expenses all advertising costs as incurred. Advertising costs amounted to \$7,250 for the year ended June 30, 2016.

### *Note 3. Concentration of Credit Risk*

The Club maintains its cash at local financial institutions at June 30, 2016. The Club's accounts are insured up to \$250,000 per depositor at each financial institution. Amounts in excess of federally insured limits approximated \$239,600 at June 30, 2016.

### *Note 4. Contributions Receivable*

Unconditional promises to give are included in the financial statements as contributions receivable and revenue of the appropriate net asset category. Contributions receivable expected to be received beyond one year are recognized at fair value using present value techniques and a discount rate of 4%.

Unconditional promises to give are expected to be realized in the following periods:

	Capital Campaign Contributions Receivable	Contributions Receivable
In one year or less	\$ 677,114	\$ 256,260
Between one year and five years	27,250	203,536
In five years or more	2,500	13,610
	<hr/> 706,864	<hr/> 473,406
Less allowance for doubtful accounts	(10,000)	(49,173)
Less present value discount	(11,397)	(29,875)
<i>Total</i>	<hr/> <hr/> \$ 685,467	<hr/> <hr/> \$ 394,358

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BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

NOTES TO FINANCIAL STATEMENTS

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Approximately seven percent of total undiscounted contributions receivable, or \$83,042, represents promises to give by board members or employees.

During the year ended June 30, 2015 the Club was awarded up to \$560,000 in Community Development Investment Program Funds by the Community Development Finance Authority ("CDFA") for construction of a new recreational center for the Suncook site unit. During the years ended June 30, 2016 and 2015, the CDFa accepted \$700,000 in donations from area businesses, resulting in net tax credit proceeds to the Club of \$560,000 to benefit the project. As of June 30, 2016 the outstanding balance amounted to \$137,200 which is included in contributions receivable at June 30, 2016. The CDFa holds a security in the Club's building.

During the year ended June 30, 2015 the Club was awarded up to \$400,000 in Community Development Investment Program Funds by the Community Development Finance Authority ("CDFa") for renovations to the Lakes Region site unit. During the years ended June 30, 2016 and 2015, the CDFa accepted \$500,000 in donations from area businesses, resulting in net tax credit proceeds to the Club of \$400,000 to benefit the project. This balance has been included in contributions receivable at June 30, 2016. The CDFa holds a security in the Club's building.

**Note 5. Line-of-Credit, Long-Term Debt and Pledged Assets**

Details of long-term debt as of June 30, 2016 is as follows:

Bond payable, collateralized by all business assets, with interest at 2.89%, due September 2033 (see additional details below)	\$ 1,222,895
Construction note payable, see additional details below	409,473
Vehicle loan, collateralized by vehicle, with interest at 1%, requiring monthly principal and interest payments of \$376, due October 2020	19,187
	<hr/>
	1,651,555
Portion payable within one year	58,289
<i>Total long-term debt</i>	<u><u>\$ 1,593,266</u></u>

During September 2013, the New Hampshire Health and Education Facilities Authority (the Issuer) issued \$3,000,000 of Boys & Girls Clubs of Greater Concord Issue, Series 2013 Revenue Bond, on behalf of the Boys and Girls Clubs of Central New Hampshire, Inc., pursuant to a loan agreement between the Issuer, the Boys and Girls Clubs of Central New Hampshire, Inc., and the Bank of New Hampshire (the Purchaser). The proceeds were used for renovations to the Bradley Street building. The interest on borrowings are at 2.89% (10 year FHLB + 0.30% adjusting every 5 years with the next adjustment date of September 1, 2023). Under the terms of the agreement, the Club was required to make interest only payments due monthly until September 1, 2016.

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## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

### NOTES TO FINANCIAL STATEMENTS

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Commencing on October 1, 2016 and on the first day of each month thereafter, the bond requires monthly equal principal payments in the amount which is necessary to fully amortize the outstanding principal balance of the Bond as of September 1, 2016 over 17 years by the maturity date.

The Club is required to maintain minimum debt service coverage based on net income to debt service requirement for the fiscal year, tested annually with demonstration of compliance due by October 31. The Club has redeemed \$1,777,105 on the bond through June 30, 2016. Debt outstanding for this bond payable amounted to \$1,222,895 at June 30, 2016.

During the year ended June 30, 2016, the Club entered into a non-revolving line-of-credit to fund the construction of a new building for the Suncook location with maximum borrowings up to \$800,000 during a thirty-six month period. At the completion of the draw period, the line-of-credit will convert to a 22-year term loan. Interest on borrowings is at the fixed rate of 2.99% for the first ten years then the interest rate will be based on the ten-year Classic Advance Rate of the Federal Home Loan Bank of Boston plus 1.75%. The outstanding balance of this non-revolving line-of-credit amounted to \$409,473 at June 30, 2016.

Financing costs related to the bond payable and non-revolving line-of-credit were capitalized in accordance with generally accepted accounting principles and are included as loan fees in the accompany statement of financial position. The loan fees are being amortized over the term of the agreement. Amortization expense is expected to be \$1,985 each year.

The Club has a \$150,000 line-of-credit agreement with interest at prime rate (3.25% at June 30, 2016), collateralized by the Bradley Street building and all business assets with an annual review date of October 31. There was no outstanding balance on this line-of-credit at June 30, 2016.

Maturities of long-term debt are as follows:

<u>Year ending June 30,</u>	
2017	\$ 58,289
2018	60,613
2019	64,491
2020	90,398
2021	90,151
Thereafter	1,287,613
<i>Total</i>	<u>\$ 1,651,555</u>

#### *Note 6. Operating Lease for Land*

The Club leases land where its operating facility is built under a non-cancelable operating lease with the City of Concord, New Hampshire. The lease expired in December 2009. During September 2009, the Club exercised a ten-year renewal option. The lease was amended and restated during May 2013. The lease expires in April 2053 and may be renegotiated for continuance beyond the termination date subject to the mutual agreement of the Club and the City of Concord. The agreement requires that the Club continue operating in its current capacity but requires no rental payments.

# BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

## NOTES TO FINANCIAL STATEMENTS

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### *Note 7. Property and Equipment*

Property and equipment, at cost, at June 30, 2016, amounted to:

Building and improvements	\$ 6,324,479
Program equipment	119,077
Motor vehicles	176,295
Software	20,850
Office equipment, furniture and fixtures	126,469
<i>Total property and equipment</i>	6,767,170
Less accumulated depreciation	1,300,949
<i>Total property and equipment, net</i>	\$ 5,466,221

### *Note 8. Endowment Funds and Net Assets*

The Club adheres to the Other Presentation Matters section of the Presentation of Financial Statements for Not-for-Profit Organizations topic of the FASB Accounting Standards Codification (FASB ASC 958-205-45). FASB ASC 958-205-45 provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA). FASB ASC 958-205-45 also requires additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA.

The State of New Hampshire enacted UPMIFA effective July 1, 2008, the provisions of which apply to endowment funds existing on or established after that date. The Club adopted FASB ASC 958-205-45 for the year ending June 30, 2009. The Club's endowment consists of four funds established for scholarships, the Lakes Region site and the Concord Teen Center. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Club has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing the Club to appropriate for expenditure or accumulate so much of an endowment fund as the Club determines to be prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument.

As a result of this interpretation, the Club classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

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## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

### NOTES TO FINANCIAL STATEMENTS

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In accordance with UPMIFA, the Club considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the various funds
- (2) The purposes of the donor-restricted endowment funds
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Club
- (7) The investment policies of the Club

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Club to retain as a fund of perpetual duration. As of June 30, 2016, the Club did not have any deficiencies.

*Investment Return Objectives, Risk Parameters and Strategies:* The Club has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk.

Endowment assets are invested in a well-diversified asset mix that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to yield an annual distribution of 4.75%, while growing the funds if possible. Therefore, the Club expects its endowment assets, over time, to maintain purchasing power of the endowment assets and provide additional real growth through investment return. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

*Spending Policy:* The Club has a policy of appropriating for distribution each year 4.75% of its endowment fund's three-year average market value of the pooled investment portfolio at the beginning of the calendar year in which the distribution is planned. The Club has a policy not to draw from donor-restricted endowment funds that fair value has fallen below the level the donor or UPMIFA requires the Club to retain. In establishing this policy, the Club considered the long-term expected return on its investment assets, the nature and duration of the individual endowment funds, many of which must be maintained in perpetuity based on donor restrictions, and the possible effects of inflation. The Club expects the current spending policy to allow its endowment funds to grow at a nominal average rate, which is consistent with the Club's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

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BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

NOTES TO FINANCIAL STATEMENTS

Endowment net asset composition by type of fund as of June 30, 2016 is as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 2,974	\$ 557,168	\$ 560,142
Board-designated endowment funds	451,054	-	-	451,054
	<u>\$ 451,054</u>	<u>\$ 2,974</u>	<u>\$ 557,168</u>	<u>\$ 1,011,196</u>

Changes in the endowment net assets as of June 30, 2016 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2015	\$ 371,906	\$ 11,276	\$ 142,676	\$ 525,858
Investment return:				
Investment income	6,021	3,041	-	9,062
Net depreciation (realized and unrealized)	(9,264)	(4,054)	-	(13,318)
Total investment return	(3,243)	(1,013)	-	(4,256)
Contributions	100,000	-	414,492	514,492
Appropriation of endowment assets for expenditure	(17,609)	(7,289)	-	(24,898)
Endowment net assets, June 30, 2016	<u>\$ 451,054</u>	<u>\$ 2,974</u>	<u>\$ 557,168</u>	<u>\$ 1,011,196</u>

Income from permanently restricted net assets at June 30, 2016 is available for the following purposes:

Lakes Region site	\$ 414,492
Teen Center support	128,253
Billy Haller Fund for scholarships	14,423
<i>Total</i>	<u>\$ 557,168</u>

Temporarily restricted net assets at June 30, 2016 consisted of gifts and other unexpended revenues available for the following purposes:

Building and improvements at various sites	\$ 558,705
Time restricted grants and contributions receivable	398,161
College and other scholarships	112,219
Teen Center programs	35,138
Technology, computers, and robotics	11,529
Healthy Eating Program	10,756
For the Love of Dance	9,215
Portion of perpetual endowment funds subject to time restriction under UPMIFA	2,974
Various other programs and purposes	2,611
<i>Total</i>	<u>\$ 1,141,308</u>

## BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

### NOTES TO FINANCIAL STATEMENTS

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#### *Note 9. Retirement Benefits*

The Club has an Employee Contributory Tax Deferred Annuity Plan for employees who have at least 1,000 consecutive hours of service in a twelve-month time period. The Club contributes for eligible employees, on a biweekly basis, a total of 3% of their compensation.

Employees will be 33% to 100% vested based on years of service ranging from one to three years. The Club's contribution under this plan for the year ended June 30, 2016 was \$18,486.

#### *Note 10. Fair Value Measurements*

The Fair Value Measurements Topic of the FASB Accounting Standards Codification (FASB ASC 820-10) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date. The types of assets carried at the level 1 fair value generally are securities listed in active markets, certificates of deposit and certain money market accounts.
- Level 2 - Inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option-pricing models, discounted cash flow models, and similar techniques.

All assets have been valued using a market approach and have been consistently applied. There were no changes in the valuation techniques during the current year. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. Prices may be indicated by pricing guides, sales transactions, market trades, or other sources.

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BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.

NOTES TO FINANCIAL STATEMENTS

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Financial assets carried at fair value on a recurring basis consist of the following at June 30, 2016:

	Level 1	Level 2
Mutual funds	455,970	-
Cash/ money market accounts	319,155	-
Fixed income securities and index shares	115,412	-
Corporate bonds	-	97,003
Equities	59,574	-
<i>Total</i>	<u>\$ 950,111</u>	<u>\$ 97,003</u>

Approximately 44% of the Club's investments amounting to \$455,970 were invested in one mutual fund as of June 30, 2016.

GAAP requires disclosure of an estimate of fair value of certain financial instruments. The Club's significant financial instruments are cash, notes payable and other short-term assets and liabilities. For these financial instruments, carrying values approximate fair value.

**Note 11. Contributed Materials, Services and Use of Facilities**

The Club records various types of in-kind contributions. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses.

The Club received contributed supplies and professional services amounting to approximately \$75,000 for the year ended June 30, 2016. In addition, the Club received donated use of facilities amounting to approximately \$50,400 for the year ending June 30, 2016.

**Note 12. Commitments**

During the year ended June 30, 2012, the Club entered into a contract with the Concord School District ("the District"). Under the terms of the contract, the District provides the Club with the use of classrooms and access to other facilities as needed for monthly payments of \$1,000. The Club is required to work with the District to serve the after school needs of the school population ages 6 and up and implement an after school program that will run during the 2012 - 2016 school years. The contract requires a minimum staff to student ratio of 1:15. The Club and the District reserve the right to opt out of the contract.

The Club has a contract with the St. Gabriel Parish ("the Parish"). Under the terms of the contract, the Parish provides the Boys and Girls Clubs of Central New Hampshire, Inc. with the use of one classroom and access to other facilities as needed. The lease requires monthly rental payments of \$450 and terminates on July 30, 2017 with an option to renew on an annual basis.

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**BOYS AND GIRLS CLUBS OF CENTRAL NEW HAMPSHIRE, INC.**

**NOTES TO FINANCIAL STATEMENTS**

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During April 2014, the Club entered into a lease agreement with the Town of Allenstown for a period of 99 years, commencing on April 14, 2014, through April 14, 2113, with three renewal periods, each for a period of 99 years, unless earlier terminated. Under the terms of the agreement, the Club leases a building which requires no rental payments. The agreement requires that the Club continue to serve youths who are members of the Club. Under the terms of the agreement, the Town of Allenstown also agrees to pay for landscaping, grounds maintenance and utilities for the property.

During the year ended June 30, 2016, the Club entered into a contract for construction services for renovations to the Lakes Region site. The total contract amount is approximately \$556,000. Services are expected to begin and be completed in the year ending June 30, 2017.

The Club has a vehicle lease agreement for one bus that expires in the year ending June 30, 2018. Lease expense amounted to \$6,120 for the year ended June 30, 2016.

The future minimum lease payments due as of June 30, 2016 as are follows:

<u>Year Ending June 30,</u>	
2017	\$ 11,520
2018	2,550
<i>Total</i>	<u>\$ 14,070</u>

**Note 13. Related Party Transaction**

During the year ended June 30, 2016, the Club paid professional fees to a board member's business organization amounting to approximately \$9,500 for services rendered.

**Note 14. Reclassifications**

Certain reclassifications have been made to the June 30, 2015 financial statement presentation to correspond to the current year's format. Net assets and changes in net assets are unchanged due to these reclassifications.

**Note 15. Subsequent Events**

The Club has evaluated subsequent events through October 21, 2016 the date which the financial statements were issued, and have not evaluated subsequent events after that date. There were no subsequent events that would require disclosure in the financial statements for the year ended June 30, 2016.

**Boys & Girls Clubs of Central New Hampshire**

**Board of Directors**

**As of 1/1/2017**

<b>President</b>	<b>Chris Brown</b>	<b>Brown</b>	CEO, New Hampshire Distributors
	<b>John Cimikoski</b>	<b>Cimikoski</b>	Owner, Cimo's South End Deli
<b>Secretary</b>	<b>Tom Cook</b>	<b>Cook</b>	President, Concord Litho
	<b>Scott Knowles</b>	<b>Knowles</b>	Real Estate Agent, RE/MAX Bayside
	<b>Paul Gaudet, Jr.</b>	<b>Gaudet, Jr.</b>	Sales Manager, Autoserv Dealer Group
	<b>Mary Mattson</b>	<b>Mattson</b>	Senior VP, Commercial Lending, Bank of New Hampshire
	<b>Nancy Mellitt</b>	<b>Mellitt</b>	Director of Development, New Hampshire Food Bank
<b>Co-VP</b>	<b>Bob Moses</b>	<b>Moses</b>	Attorney, Self-Employed
	<b>Timothy O'Shea</b>	<b>O'Shea</b>	HR Professional, Fidelity Investments
	<b>Michael Percy</b>	<b>Percy</b>	Claims Manager, Concord Group Insurance
	<b>Jim Pratt</b>	<b>Pratt</b>	VP Small Business Lending, The Provident Bank
<b>Co-VO</b>	<b>Paul Provost</b>	<b>Provost</b>	Senior Vice President, Merrimack County Savings Bank
	<b>Jon Ruggles</b>	<b>Ruggles</b>	Owner, R&T Electric
	<b>Scott Schermerhorn</b>	<b>Schermerhorn</b>	Principal & CEO, Granite Investment Advisors
<b>Past President</b>	<b>David T. Segal</b>	<b>Segal</b>	President, Sanel Autoparts Plus
<b>Treasurer</b>	<b>Cheryl Tufts</b>	<b>Tufts</b>	President, 3W Design
	<b>Steve Winer</b>	<b>Winer</b>	Shareholder, Orr & Reno

# SONIA WILKS

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## SUMMARY

Creative After School Professional who supports all learning styles. Implements the latest trends in the After School curriculum. Extensive knowledge of Program and Staff Development.

## HIGHLIGHTS

- Behavior management techniques
- Active listener
- Positive and cheerful
- Exceptional organizational skills
- Schedule creation and maintenance
- Reliable
- Excellent communication skills
- Proven team leader
- Training in food handling preparation

## ACCOMPLISHMENTS

Won "Adviser of the Year Award" in 2011  
Won "Regional Award" for Best Youth Leadership program in 2012  
Awarded four National Awards in the areas of Education, Service to Organization and Community, Health and Fitness and Social Recreation.  
Achieved over 13k in Scholarships  
Built Partnerships with local Colleges  
Participated in a Steering Committee to plan a Leadership Conference in 2012

## EXPERIENCE

09/2014 to Current

### Site Director

**Concord Family YMCA** - Concord, NH

Creates and implements daily After School schedules, manages staff and member files. Responsible for maintaining professional relationships with site school and staff.

06/2014 to 08/2014

### Assistant Camp Director

**Stafford County YMCA / Camp Coney Pine** - Rochester, NH

Responsible for the daily schedule, supervision of staff and specialists as well as the well being of its campers.

04/2014 to 06/2014

### Teen Center Coordinator

**Granite YMCA Downtown Manchester** - Manchester, NH

Responsible for daily schedule, maintaining a positive relationship with all of the organizations departments and building relationships with potential local partners.

10/2008 to 04/2014

### Senior Program Director

**Boys & Girls Club of Greater Concord** - Concord, NH

Created and implemented daily After School schedules and Summer Camp schedules.

Responsible for hiring and training up to 10 staff and interns.

Effectively disciplined children and recommended measures to correct behavior.

Carefully monitored up to 70 children and their play activities.

Offered detailed weekly parent e-mails that outlined members programs and club updates, school days off and special events.

Routinely picked children up from school and activities.

Created and implemented developmentally age appropriate and stimulating curriculum.

Upheld all First Aid CPR AED and State regulated certifications, such as NH health card for driving 15 passenger vans and small buses.

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Identified early signs of emotional and developmental problems in children and brought them to the parents' attention.

## EDUCATION

**Still Attending:** Early Childhood Education

**New Hampshire Technical Institute** - Concord, NH, USA

Classes Completed: Growth and Development of a Young Child

**Select One:** Business Marketing

**University of Phoenix - Online** - Concord, NH, USA

Didn't Graduate

**Boys and Girls Club of Central New Hampshire**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Central New Hampshire site – Sonia Wilks	Branch Director	45,000	48%	21,428