



Jeffrey A. Meyers  
Commissioner

Christine Tappan  
Interim Director

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
*OFFICE OF HUMAN SERVICES*  
*DIVISION FOR CHILDREN, YOUTH & FAMILIES*

129 PLEASANT STREET, CONCORD, NH 03301-3857  
603-271-4455 1-800-852-3345 Ext. 4455  
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August 29, 2017

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

**REQUESTED ACTION**

Authorize the Department of Health and Human Services, Division for Children, Youth, and Families, to enter into an agreement with Bethany Christian Services of Northern New England, Vendor #161782-B001, P.O. Box 320, 183 High Street Candia, NH 03034, in an amount not to exceed \$100,000, to provide a Community and Faith Based Initiative for the support of Foster, Relative, and Adoptive Families, effective January 1, 2018 or upon date of Governor and Council approval, whichever is later, through December 31, 2019. 100% Federal Funds.

Funds are available in the following account(s) for SFY 2018 and SFY 2019 and are anticipated to be available in SFY 2020, 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.

**05-95-42-421010-29730000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT of, HHS: HUMAN SERVICES, CHILD PROTECTION, PROMOTING SAFE-STABLE FAMILIES**

SFY	Class	Title	Activity Code	Budget
2018	102-500734	Contracts for Program Services	42107306	\$25,000
2019	102-500734	Contracts for Program Services	42107306	\$50,000
2020	102-500734	Contracts for Program Services	42107306	\$25,000
			<b>Total</b>	<b>\$100,000</b>

## EXPLANATION

The purpose of this request is for the provision of recruitment, retention, and support for foster, relative, and adoptive families by engaging community and faith based organizations to provide families for children in need of a home, and to provide supportive services to those families. The Community and Faith Based Initiative was developed to augment the Division's annual statewide recruitment and retention plan. The Division seeks to engage leaders in community and faith based agencies in order to increase the accessibility of natural supports available in the community that can assist foster, relative, and adoptive families.

Foster, relative, and adoptive parents have a critical role in ensuring the safety and wellbeing of the children in New Hampshire who have been removed from their birth family. Recruiting and providing assistance to these families is crucial to having a readily available pool of providers who can provide that care. Children who enter foster care and are adopted from foster care may have challenges related to the trauma they have experienced and having access to supports and services while in care and after adoption not only helps retain families but ensures the children's well-being. This benefits the family, the children, and the State of New Hampshire as a whole.

Recruiting and supporting foster, relative, and adoptive parents impacts all child-serving systems because it allows children to have the supports they need to remain in their communities, addresses trauma, and improve overall well-being. The improved outcomes for children can have positive effects on schools, childcare centers, afterschool programs, family assistance programs, and ultimately housing, homelessness, and even the state correctional system.

Bethany Christian Services was selected for this project through a competitive bid process. A Request for Proposals was posted on the Department of Health and Human Services' website from June 5, 2017 through July 13, 2017. The Department received one (1) proposal. The proposal was reviewed and scored by a team of individuals with program specific knowledge. The Bid Summary is attached.

As referenced in the Request for Proposals and in Exhibit C-1 of this contract, this Agreement 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 decide not to approve this request, the foster and adoptive parents in the state will lose out on much needed supports, and the state will lose the additional families who are recruited through the activities of the grant. In addition the state will lose many important partnerships that are forged through this initiative.

Area served: statewide

Source of funds: 100% Federal Funds. (CFDA # 93.556 - Promoting Safe and Stable Families Program, FAIN 1701NHFPSS)

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

Respectfully submitted



Christine Tappan  
Interim Director

Approved by:



Jeffrey A. Meyers  
Commissioner





**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**

27 Hazen Dr., Concord, NH 03301  
Fax: 603-271-1516 TDD Access: 1-800-735-2964  
[www.nh.gov/doit](http://www.nh.gov/doit)

**Denis Goulet**  
*Commissioner*

September 15, 2017

Jeffrey A. Meyers, Commissioner  
Department of Health and Human Services  
State of New Hampshire  
129 Pleasant Street  
Concord, NH 03301

Dear Commissioner Meyers:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a contract with Bethany Christian Services of Northern New England, located in Candia, NH, as described below and referenced as DoIT No. 2018-057.

This Community and Faith Based Initiative will focus efforts on engaging community and faith based organizations to secure families for children in need of a home. Leaders in the community and faith based agencies will be engaged in order to increase the accessibility of natural supports available in the community that can assist resource and adoptive families.

The amount of the contract is not to exceed \$100,000 and shall become effective upon Governor and Executive Council approval through December 31, 2019.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

Denis Goulet

DG/ik  
DoIT #2018-057

cc: Bruce Smith, IT Manager, DoIT

Subject: Community and Faith Based Initiative to Support Foster, Relative, and Adoptive Families (RFP-2018-DCYF-08-COMMU)

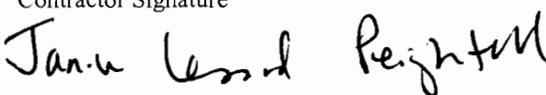
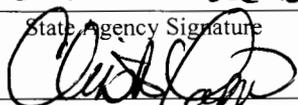
**Notice:** This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

**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 Bethany Christian Services of Northern New England		1.4 Contractor Address P.O. Box 320 183 High Street Candia, NH 03034	
1.5 Contractor Phone Number 603-483-2886	1.6 Account Number 05-95-42-421010-29730000-102-500734	1.7 Completion Date December 31, 2019	1.8 Price Limitation \$100,000
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory Janice Lessard Peightell Branch Director	
1.13 Acknowledgement: State of <del>New Hampshire</del> County of <del>Rochester</del> On <u>9/18/17</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  <div style="float: right; text-align: right;"> <b>SHARON PACKARD, Notary Public</b>                      My Commission Expires <b>October 29, 2019</b> </div>			
1.13.2 Name and Title of Notary or Justice of the Peace Sharon Packard			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Christine Toppan, Senior Division Director	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Date: <u>9-12-17</u> Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>9/28/17</u> Attorney			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

**3. EFFECTIVE DATE/COMPLETION OF SERVICES.**

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

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

**4. CONDITIONAL NATURE OF AGREEMENT.**

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

**5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.**

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

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

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

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

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

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

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

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

**7. PERSONNEL.**

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

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

Agreement. This provision shall survive termination of this Agreement.

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

#### **8. EVENT OF DEFAULT/REMEDIES.**

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

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

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

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

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

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

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

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

#### **9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.**

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

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

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

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

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

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

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

#### **14. INSURANCE.**

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

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

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

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

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

**15. WORKERS' COMPENSATION.**

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

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

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

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

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

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

**19. CONSTRUCTION OF AGREEMENT AND TERMS.**

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

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

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

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

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

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



## Scope of Services

### 1. Provisions Applicable to All Services

- 1.1. The Contractor 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 maintain a license as a child-placement agency and shall meet the training and qualifications in accordance with He-C 6448.
- 2.2. The Contractor shall engage community and faith based organizations in promoting recruitment and retention of foster, relative, and adoptive parents which shall include, but not be limited to:
  - 2.2.1. Introductions from current partners.
  - 2.2.2. Emails.
  - 2.2.3. Phone calls.
  - 2.2.4. Face-to-face meetings.
  - 2.2.5. "Faith Forums" which are meetings to discuss the needs in specific communities and ways to work together more effectively. Members include, but are not limited to:
    - 2.2.5.1. Faith leaders.
    - 2.2.5.2. Other agency representatives.
    - 2.2.5.3. Interested citizens.
- 2.3. The Contractor shall assist the Division for Children, Youth, and Families (DCYF) with outreach to community and faith based organizations which shall include, but not be limited to:
  - 2.3.1. Inviting all representatives from faith communities within a half hour of a "Faith Forum" event by:
    - 2.3.1.1. Creating a list of invitees based on an internet search.
    - 2.3.1.2. Sending out emails.



**Exhibit A**

- 2.3.1.3. Making phone calls.
- 2.3.2. Providing a "Heart Gallery" which includes child-specific information and waiting child profiles and pictures, to churches and community groups willing to display current photos and information.
- 2.4. The Contractor shall act as a clearinghouse of information on recruitment and retention of foster and adoptive parents within community and faith based organizations. Clearinghouse information shall be provided to these organizations using various methods including, but not limited to:
  - 2.4.1. Sending out monthly or bi-monthly email updates.
  - 2.4.2. Building the "Helping Hands" list for each region for the Faithfully One by One Program. This list contains volunteers interested in how they can support families who foster or adopt a child.
- 2.5. The Contractor shall expand participation in the Community and Faith Based Advisory Council to include a greater representation of community and faith based organizations as evidenced by attendance at council meetings by using strategies including, but not limited to:
  - 2.5.1. Planning and managing events including, but not limited to:
    - 2.5.1.1. Annual May foster, kinship, and adoptive family celebration (hereafter "May celebration").
    - 2.5.1.2. Campership committee.
    - 2.5.1.3. Subcommittee to assist youth returning to home communities from the Sununu Youth Center.
  - 2.5.2. Organizing and leading "Faith Forums."
- 2.6. The Contractor shall provide education and training to community and faith based coordinators in each organization participating in this initiative including, but not limited to:
  - 2.6.1. Presenting on current needs at faith communities.
  - 2.6.2. Having other agencies present at "Faith Forums" which may include, but are not limited to:
    - 2.6.2.1. DCYF.
    - 2.6.2.2. Grant staff.
    - 2.6.2.3. CASA.
    - 2.6.2.4. Individuals who can provide testimonials of how needs have been met or what needs remain unmet.



**Exhibit A**

- 2.6.3. Presenting on topics such as:
  - 2.6.3.1. Adoption options.
  - 2.6.3.2. Foster parent application process.
  - 2.6.3.3. Safe Families for Children.
  - 2.6.3.4. Ways to support children and families already in local communities.
  - 2.6.3.5. What is the Community and Faith Based Initiative?
- 2.6.4. Having a Bethany Fellowship Dinner to share testimonials.
- 2.7. The Contractor shall promote the support of foster, relative, and adoptive parents within their identified community and faith based organizations by facilitating connections and assisting in sustaining connections between organizations and foster, relative, and adoptive parents through methods including, but not limited to:
  - 2.7.1. Collaborating with current partners, such as Make Over Ministry.
  - 2.7.2. Employing online resources, such as the virtual clothes closet.
  - 2.7.3. Requesting assistance from churches and agencies via the Helping Hands email list.
  - 2.7.4. Requesting assistance from to local groups, community agencies, or church teams for specific requests, such as the need for a home renovation.
  - 2.7.5. Holding events such as the May celebration.
- 2.8. The Contractor shall coordinate with DCYF staff, particularly the resource workers, in order to assist with activities including, but not limited to:
  - 2.8.1. Recruiting foster and adoptive parents through a variety of recruitment initiative and events.
  - 2.8.2. Organizing and implementing retention events for foster, relative, and adoptive families.
  - 2.8.3. Supporting foster, relative, and adoptive families by coordinating the donation of goods including, but not limited to:
    - 2.8.3.1. Furniture.
    - 2.8.3.2. Clothing.
    - 2.8.3.3. Toys.
    - 2.8.3.4. Donations for extracurricular and recreational activities for the children.
  - 2.8.4. Assisting foster, relative, and adoptive families by coordinating the donation of services to assist with meeting licensing requirements such as hard-wired smoke detector installation.

JLP

9-8-16



Exhibit A

- 2.9. The Contractor shall organize and implement appreciation and celebration events for foster, relative, and adoptive families including, but not limited to:
  - 2.9.1. May celebration.
  - 2.9.2. Christmas party.
  - 2.9.3. Faith Forums.
  - 2.9.4. May Foster Family event.
  - 2.9.5. November Adoption event.

**3. Definitions**

- 3.1. **Adoptive Families** – Families who have adopted children from the guardianship of the Division for Children, Youth, and Families.
- 3.2. **Clearinghouse** – An agency or organization that collects and distributes information about a specific subject.
- 3.3. **Community and Faith Based Advisory Council** – The advisory council is comprised of members of community and faith based organizations who commit to bi-monthly meetings, advise the Contractor on information shared at the meeting, and assist with planning activities related to the grant.
- 3.4. **DCYF (Division)** – Division for Children, Youth, and Families.
- 3.5. **DHHS (Department)** – Department of Health and Human Services.
- 3.6. **Foster Families** – Families that provide care to children who are in the custody of DCYF.
- 3.7. **He-C 6448** –New Hampshire Division for Children, Youth, and Families' Rules regarding the licensing requirements for child-placing agencies.
- 3.8. **Relative Providers** – Relatives of children who are in the custody of DCYF and are providing care to these children.
- 3.9. **Resource Workers** – Employees of DCYF who are charged with recruiting, licensing, and supporting foster/adoptive homes.

**4. Reporting**

- 4.1. The Contractor shall provide semi-annual reporting based on Department requirements which shall include, but not be limited to:
  - 4.1.1. The numbers and types of requests received and fulfilled from the district offices.
  - 4.1.2. A list of speaking engagements.
  - 4.1.3. A summary of events which were held as part of the contract.
  - 4.1.4. The number of people who expressed an interest in becoming foster or adoptive parents as a result of the speaking engagements and events.



**5. Performance Measures**

- 5.1. The Contractor shall ensure that following performance indicators are achieved for the time period specified and are monitored monthly to measure the effectiveness of the agreement:
  - 5.1.1. The Contractor shall fulfill at least five hundred (500) requests per calendar year for support for foster, relative, and adoptive families and their children.
  - 5.1.2. The Contractor shall provide a list to the Department of at least sixty (60) people per calendar year who express an interested in becoming foster or adoptive parents and have been referred to DCYF.
  - 5.1.3. The Contractor shall provide semi-annual reporting based on Department requirements.
  - 5.1.4. The Contractor shall organize and oversee at least two Faith Forums per year.
- 5.2. The Contractor shall develop and submit to the Department a corrective action plan for any performance measure that was not achieved within one (1) month after the required completion date.

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## Methods and Conditions Precedent to Payment

1. The State shall pay the Contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.
2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.
3. This contract is funded with funds from the Catalog of Federal Domestic Assistance (CFDA) #93.556, Department of Health and Human Services, Administration for Children and Families, Promoting Safe and Stable Families.
4. The Contractor shall provide twenty-five percent (25%) matching funds as shown in Exhibit B-1 through B-3 (Budgets).
5. Payment for said services shall be made monthly as follows:
  - 5.1. Payment shall be on a cost reimbursement basis for actual expenditures incurred in the fulfillment of this agreement, and shall be in accordance with the approved line item.
  - 5.2. The Contractor will submit an invoice in a form satisfactory to the State by the twentieth 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.
  - 5.3. The Contractor shall document the required match on all invoices. Failure to provide and/or document match may result in payment being withheld pending provision of match.
  - 5.4. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.
  - 5.5. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.
  - 5.6. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to: DCYFInvoices@dhhs.nh.gov
  - 5.7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.
6. The Contractor shall pursue any and all appropriate public sources of funds that are applicable to the funding of the Services, operations prevention, acquisition, or rehabilitation. Appropriate records shall be maintained by the Contractor to document actual funds received or denials of funding from such public sources of funds.

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**New Hampshire Department of Health and Human Services  
Community and Faith Based Initiative to  
Support Foster, Relative, and Adoptive Families**



**Exhibit B**

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7. When the Contract Price limitation is reached, the Contractor shall continue to operate at full capacity at no charge to the Division Children, Youth, and Families for the duration of the Contract Period.
8. 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.

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Exhibit B-2

New Hampshire Department of Health and Human Services

Bidder/Program Name: Bethany Christian Services of Northern New England

Budget for: Community and Faith Based Initiative to Support Foster, Relative, and Adoptive Families

Budget Period: SFY 2019 (07/01/18 - 06/30/19)

Line Item	Total Program Cost		Contractor Share/Match		Total	Total		Total
	Direct Incurred	Indirect Fixed	Direct Incurred	Indirect Fixed		Direct Incurred	Indirect Fixed	
1. Total Salary/Wages	\$ 42,125.00	\$ -	\$ 42,125.00	\$ -	\$ 42,125.00	\$ -	\$ -	\$ 42,125.00
2. Employee Benefits	\$ 9,916.00	\$ -	\$ 9,916.00	\$ -	\$ 9,916.00	\$ -	\$ -	\$ 9,916.00
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 2,400.00	\$ -	\$ 2,400.00	\$ -	\$ 2,400.00	\$ -	\$ -	\$ 2,400.00
7. Occupancy	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ -	\$ 1,200.00
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 504.00	\$ -	\$ 504.00	\$ -	\$ 504.00	\$ -	\$ -	\$ 504.00
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Volunteers	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00
Direct Assistance to Foster/Adoptive Families	\$ 2,239.00	\$ -	\$ 2,239.00	\$ -	\$ 2,239.00	\$ -	\$ -	\$ 2,239.00
Administrative Overhead	\$ -	\$ 5,784.00	\$ -	\$ 5,784.00	\$ -	\$ 5,784.00	\$ -	\$ 5,784.00
<b>TOTAL</b>	\$ 60,884.00	\$ 5,784.00	\$ 66,668.00	\$ 5,784.00	\$ 66,668.00	\$ 5,784.00	\$ 5,784.00	\$ 50,000.00

Indirect As A Percent of Direct 9.5%

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Contractor Initials  
Date 9-9-17

Exhibit B-3

New Hampshire Department of Health and Human Services

Bidder/Program Name: Bethany Christian Services of Northern New England

Budget for: Community and Faith Based Initiative to Support Foster, Relative, and Adoptive Families

Budget Period: SFY 2020 (07/01/2019-12/31/2019)

Line Item	Direct		Indirect		Total Program Cost		Direct		Indirect		Total	
	Incremental	Fixed	Incremental	Fixed	Incremental	Fixed	Incremental	Fixed	Incremental	Fixed	Incremental	Fixed
1. Total Salary/Wages	\$ 21,061.00	\$ -	\$ 21,061.00	\$ -	\$ 21,061.00	\$ -	\$ 21,061.00	\$ -	\$ 1,776.00	\$ -	\$ 1,776.00	\$ -
2. Employee Benefits	\$ 4,959.00	\$ -	\$ 4,959.00	\$ -	\$ 4,959.00	\$ -	\$ 4,959.00	\$ -	\$ 444.00	\$ -	\$ 444.00	\$ -
3. Consultants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Equipment:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase/Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Supplies:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Educational	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Medical	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Office	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ 1,200.00	\$ -	\$ -	\$ -	\$ -	\$ -
7. Occupancy	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ 600.00	\$ -	\$ 600.00	\$ -
8. Current Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Telephone	\$ 252.00	\$ -	\$ 252.00	\$ -	\$ 252.00	\$ -	\$ 252.00	\$ -	\$ 252.00	\$ -	\$ 252.00	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Audit and Legal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9. Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10. Marketing/Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11. Staff Education and Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12. Subcontracts/Agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13. Other (specific details mandatory):	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Volunteers	\$ 2,370.00	\$ -	\$ 2,370.00	\$ -	\$ 2,370.00	\$ -	\$ 2,370.00	\$ -	\$ 2,370.00	\$ -	\$ 2,370.00	\$ -
Direct Assistance to Foster/Adoptive Family	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative Overhead	\$ -	\$ 2,892.00	\$ -	\$ 2,892.00	\$ 2,892.00	\$ -	\$ 2,892.00	\$ -	\$ -	\$ 2,892.00	\$ -	\$ -
TOTAL	\$ 30,442.00	\$ -	\$ 30,442.00	\$ -	\$ 33,334.00	\$ -	\$ 33,334.00	\$ 5,442.00	\$ 8,334.00	\$ 2,892.00	\$ 25,000.00	\$ -

9.5%

Indirect As A Percent of Direct

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Date 9-8-17  
Contractor Initials



**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

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more employees, it will maintain a current EEO on file and submit an EEO Certification Form to the OCR, certifying that its EEO 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 EEO Certification Form to the OCR certifying it is not required to submit or maintain an EEO. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEO requirement, but are required to submit a certification form to the OCR to claim the exemption. EEO 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.

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Exhibit C-1

**REVISIONS TO GENERAL PROVISIONS**

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

4. **CONDITIONAL NATURE OF AGREEMENT.**

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

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language:

- 10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.
- 10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.
- 10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.
- 10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.
- 10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

3. Extension:

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

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**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

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

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

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

Contractor Name:

9-8-17

Date

Jane Leed Peightel

Name:

Title:

Director Bethany Christian Jones  
NH (Northern New England)

Contractor Initials

JLP

Date

9-8-17



**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-I.)
3. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

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

Contractor Name:

9-8-17  
Date

John Leonard Peggall

Name:

Title: Director Bethany Christine  
Senior Northern New England

Exhibit E – Certification Regarding Lobbying

Contractor Initials

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

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

**INSTRUCTIONS FOR CERTIFICATION**

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

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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 (l)(b) of this certification; and
  - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

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

Contractor Name:

9-8-17

Date

*James Leard Rejzental*

Name:

Title:

*Director Behavioral Health Services  
of Northern New England*

*JLR*

*9-8-17*



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

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

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

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

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

Exhibit G

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

Contractor Initials

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Date

9-8-17

New Hampshire Department of Health and Human Services  
Exhibit G



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

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

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

Contractor Name:

9-8-17  
Date

Jane Leach Pegibed

Name:  
Title:

Director Bethany Christian Services  
of Northern New England

Exhibit G

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

Contractor Initials

JLP

Date

9-8-17



**CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE**

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

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

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

Contractor Name:

Janice Leand Rejzter

Name:  
Title:

9-8-17

Date

Contractor Initials JLP  
Date 9-8-17



Exhibit I

**HEALTH INSURANCE PORTABILITY ACT**  
**BUSINESS ASSOCIATE AGREEMENT**

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

**(1) Definitions.**

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

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Exhibit I

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

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

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



Exhibit I

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

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

**(3) Obligations and Activities of Business Associate.**

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

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

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

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9-8-17



Exhibit I

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

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

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Exhibit I

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

**(4) Obligations of Covered Entity**

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

**(5) Termination for Cause**

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

**(6) Miscellaneous**

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

JL

9-8-17



Exhibit I

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

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

Department of Health and Human Services  
The State

Signature of Authorized Representative

*Christie M. Tappan*  
Name of Authorized Representative

Senior Division Director  
Title of Authorized Representative

*9-12-17*  
Date

*Bethany Christian Services of Northern New England*  
Name of the Contractor

*John Lesd Peightell*  
Signature of Authorized Representative

*Janice Lessard Peightell*  
Name of Authorized Representative

*Director Bethany Christian Services of Northern New England*  
Title of Authorized Representative

*9-8-17*  
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:

9-8-17

Date

John Paul Pezzella

Name:

Title:

Director Bethany Christian  
Services of Northern New  
England

Contractor Initials

JLP

Date

9-8-17



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: 080534080
2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

X NO \_\_\_\_\_ YES

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

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

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

\_\_\_\_\_ NO \_\_\_\_\_ YES

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

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

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

Name: _____	Amount: _____



**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](mailto:DHHSChiefInformationOfficer@dhhs.nh.gov)
      - 2.6.1.2. [DHHSInformationSecurityOffice@dhhs.nh.gov](mailto: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.

JLP

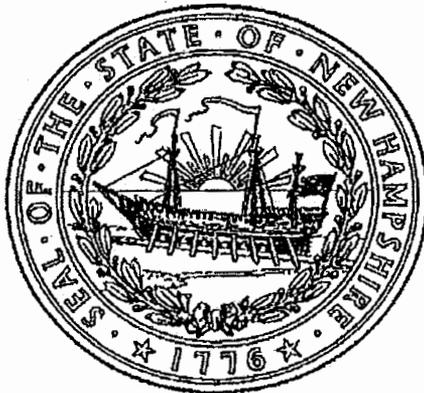
9-8-17

**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 BETHANY CHRISTIAN SERVICES OF NORTHERN NEW ENGLAND is a Michigan Nonprofit Corporation registered to transact business in New Hampshire on January 06, 2017. 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: 762740



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 30th day of June 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, Nicole Johnson, do hereby certify that:

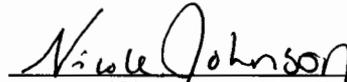
1. I am a duly elected Officer of Bethany Christian Services of Northern New England.  
(Agency Name)
2. The following is a true copy of the resolution duly adopted at a meeting of the Board of Directors of the Agency duly held on September 7, 2017:  
(Date)

**RESOLVED:** That the Director of the New Hampshire Branch of Bethany Christian Services of Northern New England  
(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 8th day of September, 2017.  
(Date Contract Signed)

4. Janice Peightell is the duly elected Director of the NH Branch of Bethany Christian Services of Northern New England of the Agency.

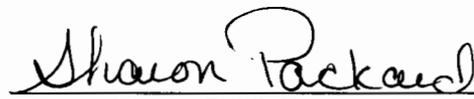
  
(Signature of the Elected Officer)

STATE OF NEW HAMPSHIRE

County of Rockingham

The forgoing instrument was acknowledged before me this 8th day of September, 2017,

By Nicole Johnson.

  
(Notary Public/Justice of the Peace)

(NOTARY SEAL)

Commission Expires: \_\_\_\_\_  
**SHARON PACKARD, Notary Public**  
**My Commission Expires October 29, 2019**



## CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

08/28/2017

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).

PRODUCER BUI TEN & ASSOCIATES, LLC. 5738 FOREMOST DRIVE, SE GRAND RAPIDS, MI 49546 PAUL S BUI TEN	CONTACT NAME: Jean Nolf
	PHONE (A/C, No., Ext): 616-284-3018 FAX (A/C, No.):
	E-MAIL ADDRESS: jean.nolf@buiteninsurance.com
	INSURER(S) AFFORDING COVERAGE NAIC #
INSURED BETHANY CHRISTIAN SERVICES INC BETHANY CHRISTIAN SERVICES USA LLC; BETHANY CHRISTIAN SERVICES GLOBAL LLC 901 EASTERN AVE NE PO BOX 294 GRAND RAPIDS, MI 49501-0294	INSURER A: PHILADELPHIA INDEMNITY INS CO
	INSURER B: ACCIDENT FUND INS CO OF AMER 10166
	INSURER C: TRAVELERS INS CO** 25615
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

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

INSR LTR	TYPE OF INSURANCE	ADD'L SUBR (INSR) WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> PROFESSIONAL <input checked="" type="checkbox"/> SEX ABUSE/MOLESTA GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER		PHPK1702052 \$3 MIL AGG/\$1 MIL OCC \$3 MIL AGG/\$1 MIL EA ACT	09/01/2017 09/01/2017 09/01/2017	09/01/2018 09/01/2018 09/01/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ 3,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> COMP/COLL <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS 500/1000 D		PHPK1702052	09/01/2017	09/01/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10000		PHUB597925	09/01/2017	09/01/2018	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N/A	WCV6106734	12/31/2016	12/31/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	EMPLOYEE THEFT		105663451	09/01/2017	09/01/2018	500,000 5,000 DED
A	CYBER / MEDIA LIAB		PHSD1274649/PHSD1274651	09/01/2017	09/01/2018	EA AGGR 3,000,000

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

RE: 183 HIGH STREET, CANDIA NH

CERTIFICATE HOLDER	CANCELLATION
NEWHAMP  NEW HAMPSHIRE DEPT OF HEALTH & HUMAN SERVICES; DIVISION FOR CHILDREN, YOUTH & FAMILIES 129 PLEASANT ST CONCORD, NH 03301 3857	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE PAUL S BUI TEN



## BETHANY CHRISTIAN SERVICES MISSION STATEMENT

Bethany Christian Services demonstrates  
the love and compassion of Jesus Christ  
by protecting and enhancing the lives  
of children and families through  
quality social services.

# **Bethany Christian Services**

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**Consolidated Financial Report  
with Additional Information  
December 31, 2016**

# Bethany Christian Services

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## Independent Auditor's Report

To the Board of Directors  
Bethany Christian Services

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Bethany Christian Services and its subsidiaries (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

To the Board of Directors  
Bethany Christian Services

**Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Bethany Christian Services and its subsidiaries as of December 31, 2016 and 2015, and the changes in net assets, functional expenses, and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2017 on our consideration of Bethany Christian Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bethany Christian Services' internal control over financial reporting and compliance.

*Plante & Moran, PLLC*

March 14, 2017

# Bethany Christian Services

## Consolidated Statement of Financial Position

	December 31, 2016	December 31, 2015
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 3,384,158	\$ 2,990,483
Investments (Note 2)	30,713,071	28,702,551
Receivables - Net	13,214,573	12,052,980
Prepaid expenses and other current assets:		
Prepaid expenses	1,053,788	1,141,724
Deposits	209,274	290,091
Total current assets	48,574,864	45,177,829
<b>Property and Equipment - Net (Note 3)</b>	17,413,896	15,152,226
<b>Investment in Unconsolidated Affiliate (Note 2)</b>	559,813	585,351
Total assets	<u>\$ 66,548,573</u>	<u>\$ 60,915,406</u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 2,662,814	\$ 2,499,265
Bank line of credit (Note 6)	-	1,200,000
Current portion of long-term debt (Note 6)	599,103	646,216
Deferred revenue	2,836,792	2,472,916
Accrued employee compensation and benefits	5,523,726	5,075,479
Total current liabilities	11,622,435	11,893,876
<b>Annuities Payable (Note 4)</b>	309,467	303,613
<b>Long-term Debt - Net of current portion (Note 6)</b>	7,993,702	6,081,282
Total liabilities	19,925,604	18,278,771
<b>Net Assets</b>		
Unrestricted:		
Undesignated	26,485,079	24,751,797
Board-designated (Note 9)	18,213,840	17,222,314
Temporarily restricted (Note 9)	1,744,725	489,850
Permanently restricted (Note 9)	179,325	172,674
Total net assets	46,622,969	42,636,635
Total liabilities and net assets	<u>\$ 66,548,573</u>	<u>\$ 60,915,406</u>

# Bethany Christian Services

## Consolidated Statement of Activities and Changes in Net Assets

	Year Ended							
	December 31, 2016			December 31, 2015				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue and Support</b>								
Contributions	\$ 13,736,273	\$ 2,205,641	\$ 4,642	\$ 15,946,556	\$ 16,353,107	\$ -	\$ 7,590	\$ 16,360,697
Child support	68,591,691	-	-	68,591,691	58,009,703	-	-	58,009,703
Service fees	22,586,358	-	-	22,586,358	22,657,150	-	-	22,657,150
Investments and other	4,155,002	64,720	2,009	4,221,731	657,484	(7,234)	(318)	649,932
Total revenue and support	109,069,324	2,270,361	6,651	111,346,336	97,677,444	(7,234)	7,272	97,677,482
<b>Net Assets Released from Restrictions</b>	1,015,486	(1,015,486)	-	-	149,795	(49,795)	(100,000)	-
Total revenue, support, and net assets released from restrictions	110,084,810	1,254,875	6,651	111,346,336	97,827,239	(57,029)	(92,728)	97,677,482
<b>Expenses</b>								
Program services:								
Adoption	23,535,635	-	-	23,535,635	23,628,286	-	-	23,628,286
Foster care	28,728,340	-	-	28,728,340	25,847,924	-	-	25,847,924
International social services	1,224,090	-	-	1,224,090	1,229,699	-	-	1,229,699
Refugee services	22,069,414	-	-	22,069,414	15,607,613	-	-	15,607,613
Counseling	10,413,250	-	-	10,413,250	10,328,045	-	-	10,328,045
Residential treatment	1,943,134	-	-	1,943,134	1,822,481	-	-	1,822,481
Sponsorship	435,644	-	-	435,644	363,421	-	-	363,421
Other programs	3,391,965	-	-	3,391,965	2,993,678	-	-	2,993,678
Total program services	91,741,472	-	-	91,741,472	81,821,147	-	-	81,821,147
Support services:								
Management and general	10,011,512	-	-	10,011,512	9,384,727	-	-	9,384,727
Fundraising	5,607,018	-	-	5,607,018	5,068,901	-	-	5,068,901
Total expenses	107,360,002	-	-	107,360,002	96,274,775	-	-	96,274,775
<b>Net Increase (Decrease) in Net Assets</b>	2,724,808	1,254,875	6,651	3,986,334	1,552,464	(57,029)	(92,728)	1,402,707
<b>Net Assets - Beginning of year</b>	41,974,111	489,850	172,674	42,636,635	40,421,647	546,879	265,402	41,233,928
<b>Net Assets - End of year</b>	<b>\$ 44,698,919</b>	<b>\$ 1,744,725</b>	<b>\$ 179,325</b>	<b>\$ 46,622,969</b>	<b>\$ 41,974,111</b>	<b>\$ 489,850</b>	<b>\$ 172,674</b>	<b>\$ 42,636,635</b>

See Notes to Consolidated Financial Statements.

# Bethany Christian Services

## Consolidated Statement of Functional Expenses Year Ended December 31, 2016

	Adoption	Foster Care	International Social Services	Refugee Services	Counseling	Residential Treatment	Sponsorship	Other Programs	Management and General	Fundraising	Total
<b>Operating Expenses</b>											
Salaries	\$ 11,705,125	\$ 10,466,184	\$ 124,542	\$ 8,902,027	\$ 5,204,811	\$ 1,144,084	\$ 84,505	\$ 1,514,853	\$ 5,188,604	\$ 2,038,642	\$ 46,373,377
Fringes	2,792,286	2,400,002	29,120	2,017,202	1,024,809	284,765	20,971	440,522	986,630	429,189	10,425,496
Taxes	863,312	768,769	8,892	657,257	383,675	85,130	6,168	113,871	372,105	150,131	3,409,310
Professional fees	1,210,672	305,439	55,128	669,573	367,959	36,817	47,752	114,970	801,870	890,873	4,501,053
Supplies	187,554	214,136	758	165,495	84,564	26,726	44	53,355	50,440	18,571	801,643
Telephone	339,018	254,006	1,546	162,184	152,732	3,734	65	33,564	38,689	24,555	1,010,093
Postage	197,429	39,925	9	14,527	20,347	971	1,487	12,759	72,125	144,586	504,165
Occupancy	1,775,038	1,119,375	5,337	969,991	578,443	48,593	-	152,827	282,572	112,045	5,044,221
Printing	139,388	54,195	861	20,443	43,183	136	382	30,401	42,059	374,007	705,055
Information technology	416,505	362,612	3,067	348,890	146,733	33,670	3,326	53,372	2,374	41,377	1,411,926
Equipment and furnishings	66,180	48,692	68	70,333	37,375	9,962	-	4,973	30,358	8,636	276,577
Travel	848,939	1,049,132	45,878	542,740	452,929	22,129	15,216	33,970	391,922	222,885	3,625,740
Conferences and meetings	232,825	158,216	1,047	110,542	52,810	9,441	295	71,706	168,328	117,279	922,489
Advertising	742,647	389,090	-	75,154	474,106	180	-	95,554	409,806	13,305	2,199,842
Special assistance	765,556	10,818,320	-	7,114,578	1,101,028	183,484	1,866	166,724	492	203	20,152,251
Overseas contributions	467,328	-	859,366	-	-	-	249,566	1,142	-	-	1,577,402
Program development	3,777	15	-	103	-	-	-	-	-	-	3,895
Payment processing fees	320,242	1,832	1,744	817	15,850	-	3,629	46,282	1,560	3,049	395,005
Educational and promotional materials	13,952	13,104	162	4,239	10,036	29	-	2,160	142,089	25,797	211,568
Miscellaneous fund raising	-	-	-	-	-	-	-	-	-	923,504	923,504
Bad debt	71,606	1,799	-	-	144,780	277	-	-	-	-	218,462
Miscellaneous	198,418	133,193	85,914	62,911	85,102	3,173	372	288,112	613,721	45,328	1,516,244
Depreciation	177,838	130,304	651	160,408	31,978	49,833	-	160,848	415,768	23,056	1,150,684
<b>Total operating expenses</b>	<b>\$ 23,535,635</b>	<b>\$ 28,728,340</b>	<b>\$ 1,224,090</b>	<b>\$ 22,069,414</b>	<b>\$ 10,413,250</b>	<b>\$ 1,943,134</b>	<b>\$ 435,644</b>	<b>\$ 3,391,965</b>	<b>\$ 10,011,512</b>	<b>\$ 5,607,018</b>	<b>\$ 107,360,002</b>

See Notes to Consolidated Financial Statements.

# Bethany Christian Services

## Consolidated Statement of Functional Expenses Year Ended December 31, 2015

	Adoption	Foster Care	International Social Services	Refugee Services	Counseling	Residential Treatment	Sponsorship	Other Programs	Management and General	Fundraising	Total
<b>Operating Expenses</b>											
Salaries	\$ 11,884,951	\$ 9,558,235	\$ 194,126	\$ 6,599,236	\$ 5,427,658	\$ 1,064,477	\$ 44,692	\$ 1,423,991	\$ 4,796,012	\$ 1,706,869	\$ 42,700,247
Fringes	2,630,429	2,130,968	25,982	1,526,467	1,069,912	246,243	11,238	415,568	908,152	291,152	9,256,111
Taxes	875,181	700,616	13,832	485,424	396,239	78,327	3,253	105,196	345,502	123,760	3,127,330
Professional fees	1,001,509	301,789	62,532	226,275	326,573	34,802	201	176,930	948,339	1,279,070	4,358,020
Supplies	191,673	215,639	3,098	139,630	72,350	30,622	21	24,412	55,975	16,933	750,353
Telephone	405,666	227,804	1,829	125,143	155,475	6,246	32	38,954	40,868	23,451	1,025,468
Postage	236,617	40,855	138	12,479	24,033	496	2,260	12,691	89,786	56,784	476,139
Occupancy	1,743,163	989,335	10,090	753,893	515,334	67,722	-	169,876	309,140	108,478	4,667,031
Printing	152,231	42,536	1,291	15,761	42,021	311	345	21,180	38,089	78,816	392,581
Information technology	328,662	291,248	5,194	189,716	102,424	22,260	498	48,059	131,587	26,447	1,146,095
Equipment and furnishings	41,724	51,331	404	145,722	11,312	10,791	-	16,106	35,399	4,175	316,964
Travel	873,651	914,344	65,128	422,616	443,601	23,352	531	124,104	356,626	200,410	3,424,363
Conferences and meetings	385,321	129,547	1,100	74,627	44,406	2,398	74	40,723	134,465	123,516	936,177
Advertising	664,887	521,217	2,568	63,883	472,249	546	1,388	41,161	327,591	15,044	2,110,534
Special assistance	744,324	9,390,878	12,105	4,636,474	1,105,857	172,485	2,344	102,396	25	123	16,167,011
Overseas contributions	663,555	-	723,326	-	-	-	291,798	27,256	-	-	1,705,935
Program development	12,597	5,651	6,703	1,342	5,102	11	-	4,461	11,750	1,000	48,617
Payment processing fees	288,573	1,055	926	272	14,261	58	3,808	54,340	1,654	20	364,967
Educational and promotional materials	36,336	27,790	119	12,037	8,713	2,538	-	3,815	173,765	14,801	279,914
Miscellaneous fund raising	-	-	-	-	-	-	-	-	-	915,989	915,989
Bad debt	55,012	67,708	-	850	41,706	-	-	-	-	-	165,276
Miscellaneous	227,664	124,806	95,839	68,989	20,055	10,937	938	2,460	311,854	51,861	915,403
Depreciation	184,560	114,572	3,369	106,777	28,764	47,859	-	139,999	368,148	30,202	1,024,250
Total operating expenses	<b>\$23,628,286</b>	<b>\$25,847,924</b>	<b>\$ 1,229,699</b>	<b>\$15,607,613</b>	<b>\$10,328,045</b>	<b>\$1,822,481</b>	<b>\$ 363,421</b>	<b>\$2,993,678</b>	<b>\$9,384,727</b>	<b>\$5,068,901</b>	<b>\$96,274,775</b>

# Bethany Christian Services

## Consolidated Statement of Cash Flows

	Year Ended	
	December 31, 2016	December 31, 2015
<b>Cash Flows from Operating Activities</b>		
Increase in net assets	\$ 3,986,334	\$ 1,402,707
Adjustments to reconcile increase in net assets to net cash and cash equivalents from operating activities:		
Depreciation	1,150,684	1,024,250
Loss on sale of property and equipment	629,291	11,502
Permanently restricted contributions received	(4,642)	(7,590)
Bad debt expense	(218,462)	(165,276)
Net realized and unrealized (gains) losses on investments	(1,746,311)	1,208,609
Earnings on unconsolidated investment	(38,462)	(42,000)
Distributions from unconsolidated affiliate	64,000	64,000
Net present value adjustment of annuities payable	46,271	22,047
Changes in operating assets and liabilities which (used) provided cash:		
Receivables	(943,131)	(1,645,264)
Prepaid expenses and other	168,753	(272,418)
Accounts payable and accrued expenses	163,549	(779,262)
Accrued employee compensation and benefits	448,247	148,130
Deferred revenue	363,876	(139,123)
Net cash and cash equivalents provided by operating activities	4,069,997	830,312
<b>Cash Flows from Investing Activities</b>		
Purchase of property and equipment	(4,309,187)	(1,379,308)
Proceeds from disposition of property and equipment	267,542	-
Purchases of investments	(3,782,506)	(1,476,709)
Proceeds from sales of investments	3,518,297	1,271,110
Net cash and cash equivalents used in investing activities	(4,305,854)	(1,584,907)
<b>Cash Flows from Financing Activities</b>		
Payments on annuities payable	(40,417)	(41,693)
Payments on long-term debt	(5,538,882)	(872,060)
Proceeds from long-term debt	7,404,189	296,250
Draws from revolving credit facilities	1,250,000	1,200,000
Payments on revolving credit facilities	(2,450,000)	-
Permanently restricted contributions received	4,642	7,590
Net cash and cash equivalents provided by financing activities	629,532	590,087
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	393,675	(164,508)
<b>Cash and Cash Equivalents - Beginning of year</b>	2,990,483	3,154,991
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 3,384,158</b>	<b>\$ 2,990,483</b>
<b>Supplemental Disclosure of Cash Flow Information - Cash paid for interest</b>	\$ 155,890	\$ 132,718

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note I - Nature of Activities and Significant Accounting Policies

**Nature of Organization** - Bethany Christian Services and its subsidiaries (the "Organization") is a not-for-profit corporation whose sources of revenue are derived principally from public contributions, government grants, and service fees. The Organization operates a child placement agency and provides such services as foster care, pregnancy counseling, adoptive services, and other related social services as may be appropriate in stabilizing and/or improving human relationships and conditions. Currently, these services are provided in 39 home offices in 37 states plus Washington D.C., with the central business office located in Grand Rapids, Michigan. Approximately 62 and 59 percent of operating revenue in 2016 and 2015, respectively, was derived from services provided under contract with governmental units.

Significant accounting policies are as follows:

**Principles of Consolidation** - The consolidated financial statements include the accounts of the Organization and all of its wholly owned subsidiaries, which include all of the various branches and related legal entities. All material intercompany accounts and transactions have been eliminated in consolidation.

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

**Basis of Presentation** - The Organization prepares its consolidated financial statements in accordance with the accounting principles outlined in the American Institute of Certified Public Accountants' *Audit and Accounting Guide for Not-for-Profit Entities* and accounting standards for financial statements of not-for-profit organizations.

**Cash Equivalents** - The Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

**Concentration of Credit Risk Arising from Deposit Accounts** - The Organization maintains cash balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000 and certain other federally managed programs. As of December 31, 2016 and 2015, the Organization had depository accounts with a financial institution in excess of federally insured limits.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note I - Nature of Activities and Significant Accounting Policies (Continued)

**Investments** - Investments are stated at fair value, except for the investment in unconsolidated affiliate, which is recorded using the equity method. Gains or losses on investments are reported in the consolidated statement of activities and changes in net assets as increases or decreases in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulations or by law.

**Receivables** - Receivables are stated at invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. The allowance was \$175,000 and \$164,050 at December 31, 2016 and 2015, respectively.

**Property and Equipment** - Property and equipment are recorded at cost when purchased or at fair value at the date of donation and are being depreciated on a straight-line basis over their estimated useful lives. Costs of maintenance and repairs are charged to expense when incurred. Estimated useful lives are 40 years for buildings, 20 years for land improvements (or the lease term, whichever is shorter), 10 years for furniture and fixtures, three to six years for machinery and equipment, and three to five years for vehicles.

The Organization reports gifts of property and equipment as unrestricted support, unless explicit donor stipulations specify how the donated assets must be used. Gifts of property and equipment with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire property and equipment are reported as restricted support. Absent explicit donor stipulations about how long the property and equipment must be maintained, the Organization reports expirations of donor restrictions over time based on an estimate of the useful lives of the donated or acquired property and equipment.

Certain property and equipment were acquired with funds from grant contracts that include the option for the grantor to require reversion of title at the end of the grant contract. These assets are insignificant to the consolidated financial statements as a whole and were fully depreciated as of December 31, 2016 and 2015.

**Deferred Revenue** - Deferred revenue consists primarily of adoption fees billed to prospective parents and collected in advance of providing adoption services and grant revenue received in advance of expenditures.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Classification of Net Assets** - Net assets of the Organization are classified as unrestricted, temporarily restricted, or permanently restricted depending on the presence and characteristics of donor-imposed restrictions limiting the Organization's ability to use or dispose of contributed assets or the economic benefits embodied in those assets.

Donor-imposed restrictions that expire with the passage of time or can be removed by meeting certain requirements result in temporarily restricted net assets. Temporarily restricted net assets include accumulated endowment earnings and pledges not available for current purposes that will be released from restriction due to the passage of time. Permanently restricted net assets result from donor-imposed restrictions that limit the use of net assets in perpetuity. Earnings, gains, and losses on restricted net assets are classified as unrestricted unless specifically restricted by the donor or by applicable state law.

During 2015, the Organization received communication from a donor to release the restriction of a gift in permanently restricted net assets for \$100,000.

**Contributions** - Contributions of cash and other assets, including unconditional promises to give in the future, are reported as revenue when received, measured at fair value. Donor promises to give in the future are recorded at the present value of estimated future cash flows. Contributions resulting from split-interest agreements, measured at the time the agreements are entered into, are based on the difference between the fair value of the assets received or promised and the present value of the obligation to the third-party recipient(s) under the contract.

Contributions without donor-imposed restrictions are reported as unrestricted support. Other restricted gifts are reported as restricted support and temporarily or permanently restricted net assets.

**Grant Revenue** - Grant revenue received for grants determined to be exchange transactions is recognized as services are provided. Grant money received in excess of that earned is recorded as deferred revenue. Grant revenue is primarily received for child support services.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Service Fee Revenue** - Prospective parents involved in the domestic infant and international adoption process are charged a fee for services, which consists of the home study, placement of the child, and supervision during the post-placement probationary time period. The international adoption process also includes fees charged by the Organization for acting as a liaison with the international agency. These fees are billed at the time the home study is complete. The Organization's policy is to recognize a portion of the fee as revenue at the time of home study completion and record a deferred revenue related to the remaining balance. A portion of the deferred revenue is recognized at the time of placement, with the remainder balance being recognized when the adoption is closed.

**Functional Allocation of Expenses** - The costs of providing the program and support services have been reported on a functional basis in the statement of activities and changes in net assets. Indirect costs have been allocated between the various programs and support services based on estimates, as determined by management. Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

**Federal Income Taxes** - The Organization is exempt from income tax under provisions of Internal Revenue Code Section 501(c)(3).

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or other applicable taxing authorities. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2016 and 2015, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the consolidated financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Advertising** - Advertising costs are expensed as incurred and amounted to \$2,199,842 and \$2,110,534 in 2016 and 2015, respectively.

**Risks and Uncertainties** - The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note I - Nature of Activities and Significant Accounting Policies (Continued)

The Organization's child support revenue category is made up of approximately 32 percent and 29 percent of contracts with state and federal agencies for international refugee services as of December 31, 2016 and 2015, respectively.

**Revenue Recognition** - In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Organization's year ending December 31, 2019. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods. The Organization anticipates this standard will have an impact on the consolidated financial statements, specifically related to certain child support and service fee contracts with customers. The Organization is continuing to assess all potential impacts.

**Lease Recognition** - In February 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The reporting of lease-related expenses in the statements of activities and changes in net assets and cash flows will be generally consistent with the current guidance. The lease new guidance will be effective for the Organization's year ending December 31, 2020 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. Upon implementation, the Organization's lease payment obligations will be recognized at their estimated present value along with a corresponding right-of-use asset. Lease expense recognition will be generally consistent with current practice.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 1 - Nature of Activities and Significant Accounting Policies (Continued)

**Not-for-Profit Financial Reporting** - The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, in August 2016. ASU 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes: net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Organization, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Organization's year ending December 31, 2018 and thereafter and must be applied on a retrospective basis. The Organization is currently evaluating the impact this standard will have on the consolidated financial statements.

**Subsequent Events** - The consolidated financial statements and related disclosures include evaluation of events up through and including March 14, 2017, which is the date the consolidated financial statements were available to be issued.

### Note 2 - Investments

Investments consisted of the following at December 31:

	2016	2015
Mutual funds	\$ 22,832,465	\$ 22,433,691
Pooled funds	320,375	347,140
Exchange traded funds	7,560,230	5,921,720
Subtotal	30,713,071	28,702,551
Investment in unconsolidated affiliate	559,813	585,351
Total	<u>\$ 31,272,884</u>	<u>\$ 29,287,902</u>

Investment income consists of the following:

	2016	2015
Interest and dividends	\$ 984,968	\$ 947,846
Realized and unrealized gains (losses)	1,746,311	(1,208,609)
Total	<u>\$ 2,731,279</u>	<u>\$ (260,763)</u>

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 2 - Investments (Continued)

During 2005, the Organization purchased a 40 percent minority interest in a limited liability company for \$802,060. This investment is accounted for using the equity method of accounting. The Organization recognized income of approximately \$43,000 and \$42,000 and received a distribution of \$64,000 for each of the years ended December 31, 2016 and 2015. The Organization is the sole tenant of the real estate limited liability company and has incurred lease expenses of \$169,051 in 2016 and \$164,928 in 2015 related to an operating lease entered into in conjunction with the investment.

### Note 3 - Property and Equipment

The cost of property and equipment is summarized as follows:

	2016	2015
Land	\$ 1,487,813	\$ 1,440,054
Land improvements	1,459,001	1,450,028
Buildings and improvements	19,247,815	18,042,518
Transportation equipment	579,424	528,989
Furniture and fixtures	7,195,450	6,646,760
Construction in progress	1,539,107	238,334
Total cost	31,508,610	28,346,683
Accumulated depreciation	(14,094,714)	(13,194,457)
Net carrying amount	<u>\$ 17,413,896</u>	<u>\$ 15,152,226</u>

Depreciation expense was \$1,150,684 for 2016 and \$1,024,250 for 2015.

As of December 31, 2016, the Organization has no significant commitments related to capital improvements.

### Note 4 - Annuities Payable

The Organization sponsors a program in which donors may transfer assets to the Organization for the right to receive a predetermined return during their lifetimes (an annuity). Based upon the terms of each annuity agreement, the Organization determines its liability under the agreement using the estimated present value of future payments to the annuitant. Such future payments are determined utilizing the life expectancy of the annuitant (based on Annuity 2012 Table for males and females) and the interest rate (discount rate), the applicable federal mid-term rate for U.S. Treasury bills, in effect at the time of the gift. At December 31, 2016 and 2015, the Organization recorded \$309,467 and \$303,613, respectively, in annuities payable relating to such program.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 5 - Operating Leases

The Organization leases office space and certain equipment and vehicles under operating lease agreements that expire through 2021. The following is a schedule of future minimum rental payments for the years ending December 31:

2017	\$ 2,962,709
2018	2,146,053
2019	1,561,773
2020	842,282
2021	281,391

Total \$ 7,794,208

Total rent expense on these leases for 2016 and 2015 was \$2,783,889 and \$2,591,840, respectively.

### Note 6 - Line of Credit

During the year, the Organization refinanced its line of credit and increased available borrowings from \$3,000,000 to \$5,000,000. There were no outstanding borrowings at December 31, 2016. There were outstanding borrowings of \$1,200,000 at December 31, 2015. The 2016 line of credit bears interest at LIBOR, plus 1.75 percent (an effective rate of 2.37 percent at December 31, 2016). The 2015 line of credit bears interest at LIBOR plus 1.7 percent (an effective rate of 1.94 percent at December 31, 2015). The line of credit is collateralized by the Organization's brokerage accounts and expires on May 9, 2017.

As of December 31, 2016 and 2015, the Organization had outstanding notes payable as follows:

	<u>2016</u>	<u>2015</u>
Thrift store mortgage, payable in monthly installments of \$1,919, increasing to \$2,058 in 2017, including interest of LIBOR plus 2.05 percent (an effective rate of 2.29 percent at December 31, 2015). The loan was paid off in 2016	\$ -	\$ 355,025
Term loan payable in monthly installments of \$49,523, increasing to \$53,000 in 2017, including interest of LIBOR plus 1.7 percent (an effective rate of 1.94 percent at December 31, 2015). The loan was paid off in 2016	-	3,872,681

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 6 - Line of Credit (Continued)

	<u>2016</u>	<u>2015</u>
Barnabas Foundation note payable with principal payable upon the termination of the loan and interest due quarterly. Interest is a fixed rate of LIBOR plus 1 percent (an effective rate of 1.62 and 1.24 percent at December 31, 2016 and 2015, respectively). The loan matures on June 21, 2018 and is unsecured	\$ 1,500,000	\$ 1,500,000
Girls Group Home mortgage payable in monthly principal installments of \$1,646 plus interest of LIBOR plus 2.65 percent (an effective rate of 2.89 percent at December 31, 2015). The loan was paid off in 2016	-	279,792
Holland building promissory note with principal payable upon the termination of the loan and interest due monthly. Interest is a fixed rate of LIBOR plus 1.75 percent (an effective rate of 2.37 percent at December 31, 2016). The loan matures on July 5, 2018 and the loan is collateralized by the Holland property	1,025,000	-
Term loan payable in monthly principal installments of \$57,350 plus interest at LIBOR plus 1.75 percent (an effective rate of 2.37 percent at December 31, 2016). The loan matures on February 29, 2023 and is unsecured	3,966,063	-
52nd Street promissory note with principal payable upon the termination of the loan and interest due monthly. Interest is a fixed rate of LIBOR plus 1.75 percent (an effective rate of 2.37 percent at December 31, 2016). The loan matures on February 26, 2018 and is collateralized by the 52nd Street property	1,381,742	-
Federal Home Loan Bank Affordable Housing Program notes payable, received to assist in the building of low-income housing units. This loan has no repayment requirements, no interest, and will be forgiven at the end of the 15-year compliance period if the related projects are operated in compliance with the grant terms. The loan is secured by the housing units associated with the loan	720,000	720,000
Total	8,592,805	6,727,498
Less current portion	599,103	646,216
Long-term portion	<u>\$ 7,993,702</u>	<u>\$ 6,081,282</u>

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 6 - Line of Credit (Continued)

The debt service requirements are as follows:

<u>Years Ending December 31</u>	<u>Amount</u>
2017	\$ 599,103
2018	3,020,463
2019	2,128,695
2020	643,899
2021	659,746
Thereafter	<u>1,540,899</u>
Total	<u>\$ 8,592,805</u>

Interest expense for the line of credit and long-term debt totaled \$155,890 and \$132,718 for 2016 and 2015, respectively.

The Organization is required to meet quarterly debt covenants that include liquidity requirements in relation to the term loan payables and line of credit.

### Note 7 - Employee Benefit Plans

#### 403(b) Retirement Plan

The Organization has a 403(b) retirement plan. Under the plan, employees can elect to defer up to 85 percent of their annual compensation up to the maximum dollar amount determined by the Internal Revenue Code.

The Organization provides a discretionary match for eligible employee contributions in an amount equal to 100 percent of elective deferral contributions according to the following schedule:

<u>Years of Service</u>	<u>Limit on Contributions Matched</u>
Less than 2	No matching contribution
2-4	4 percent
5-9	6 percent
10 or more	8 percent

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 7 - Employee Benefit Plans (Continued)

In addition, the Organization can make a discretionary contribution of 2 percent of salary for each participant employed at the end of the year, with at least two years of service, and who has worked at least 1,000 hours during the year. The discretionary contribution was made for 2016 and 2015.

The Organization made contributions of \$1,904,641 and \$1,634,891 to the plan for the years ended December 31, 2016 and 2015, respectively.

### Note 8 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the consolidated financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Organization's assets measured at fair value on a recurring basis at December 31, 2016 and 2015 and the valuation techniques used by the Organization to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 8 - Fair Value Measurements (Continued)

#### Assets Measured at Fair Value on a Recurring Basis at December 31, 2016

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2016
Investments:				
Mutual funds - Domestic stock	\$ 6,919,941	\$ -	\$ -	\$ 6,919,941
Mutual funds - Foreign stock	4,632,383	-	-	4,632,383
Mutual funds - Real estate	602,147	-	-	602,147
Exchange traded funds - Domestic stock	3,344,857	-	-	3,344,857
Exchange traded funds - Foreign stock	1,701,229	-	-	1,701,229
Exchange traded funds - Real estate	1,027,684	-	-	1,027,684
Mutual funds - Bonds	10,677,995	-	-	10,677,995
Exchange traded funds - Bonds	1,486,460	-	-	1,486,460
Pooled funds - Balanced	-	91,936	-	91,936
Pooled funds - Domestic stock	-	50,632	12,404	63,036
Pooled funds - Foreign equity	-	71,675	-	71,675
Pooled funds - Global allocation	-	22,332	-	22,332
Pooled funds - Bonds	-	51,445	-	51,445
Pooled funds - Alternatives	-	-	19,951	19,951
Total investments	\$ 30,392,696	\$ 288,020	\$ 32,355	\$ 30,713,071

#### Assets Measured at Fair Value on a Recurring Basis at December 31, 2015

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2015
Investments:				
Mutual funds - Domestic stocks	\$ 6,462,673	\$ -	\$ -	\$ 6,462,673
Mutual funds - Foreign stock	4,276,458	-	-	4,276,458
Mutual funds - Bonds	11,151,475	-	-	11,151,475
Mutual funds - Real estate	543,085	-	-	543,085
Exchange traded funds - Domestic stock	3,071,531	-	-	3,071,531
Exchange traded funds - Foreign stock	1,567,944	-	-	1,567,944
Exchange traded funds - Real estate	985,377	-	-	985,377
Exchange traded funds - Bonds	296,868	-	-	296,868
Pooled funds - Balanced	-	97,188	-	97,188
Pooled funds - Domestic stocks	-	51,747	11,988	63,735
Pooled funds - Foreign equity	-	77,044	-	77,044
Pooled funds - Global allocation	-	25,571	-	25,571
Pooled funds - Bonds	-	59,117	-	59,117
Pooled funds - Alternatives	-	-	24,485	24,485
Total investments	\$ 28,355,411	\$ 310,667	\$ 36,473	\$ 28,702,551

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 8 - Fair Value Measurements (Continued)

The fair value of pooled funds, corporate bonds, and U.S. Treasury and U.S. agency notes at December 31, 2016 and 2015 was determined primarily based on Level 2 inputs. The Organization estimates the fair value of these investments using quoted prices for similar assets in active markets and other inputs such as interest rates and yield curves.

The Organization's policy is to recognize transfers between levels of the fair value hierarchy as of the end of the reporting period. For the years ended December 31, 2016 and 2015, there were no transfers between levels of the fair value hierarchy.

### Note 9 - Donor-restricted and Board-designated Endowments

The Organization's endowment includes both donor-restricted endowment funds and funds designated by the board of directors to function as endowments. 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.

#### Interpretation of Relevant Law

The board of directors of the Organization has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization 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, and (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. In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Organization and the donor-restricted endowment fund
- (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 Organization
- (7) The investment policies of the Organization

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 9 - Donor-restricted and Board-designated Endowments (Continued)

#### Endowment Net Asset Composition by Type of Fund as of December 31, 2016

	Unrestricted - Board- designated	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 486,489	\$ 179,325	\$ 665,814
Board-designated endowment funds	18,213,840	-	-	18,213,840
Total funds	<u>\$ 18,213,840</u>	<u>\$ 486,489</u>	<u>\$ 179,325</u>	<u>\$ 18,879,654</u>

#### Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2016

	Unrestricted - Board- designated	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	\$ 17,222,314	\$ 427,923	\$ 172,674	\$ 17,822,911
Investment return:				
Investment income	634,680	-	-	634,680
Net appreciation	1,085,491	58,566	2,009	1,146,066
Total investment return	1,720,171	58,566	2,009	1,780,746
Contributions	231,996	-	4,642	236,638
Appropriation of endowment assets for expenditure	(840,641)	-	-	(840,641)
Other changes - Transfers from unrestricted - undesignated net assets	(120,000)	-	-	(120,000)
Endowment net assets - End of year	<u>\$ 18,213,840</u>	<u>\$ 486,489</u>	<u>\$ 179,325</u>	<u>\$ 18,879,654</u>

#### Endowment Net Asset Composition by Type of Fund as of December 31, 2015

	Unrestricted - Board- designated	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 427,923	\$ 172,674	\$ 600,597
Board-designated endowment funds	17,222,314	-	-	17,222,314
Total funds	<u>\$ 17,222,314</u>	<u>\$ 427,923</u>	<u>\$ 172,674</u>	<u>\$ 17,822,911</u>

# Bethany Christian Services

## Notes to Consolidated Financial Statements December 31, 2016 and 2015

### Note 9 - Donor-restricted and Board-designated Endowments (Continued)

#### Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2015

	Unrestricted - Board- designated	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets - Beginning of year	\$ 17,860,092	\$ 480,338	\$ 265,402	\$ 18,605,832
Investment return:				
Investment income	614,229	-	-	614,229
Net depreciation	(873,539)	(11,378)	(318)	(885,235)
Total investment return	(259,310)	(11,378)	(318)	(271,006)
Contributions	416,546	-	7,590	424,136
Appropriation of endowment assets for expenditure	(823,214)	(41,037)	-	(864,251)
Net assets reclassified - Permanently restricted released from restriction	100,000	-	(100,000)	-
Other changes - Transfers from unrestricted - undesignated net assets	(71,800)	-	-	(71,800)
Endowment net assets - End of year	<u>\$ 17,222,314</u>	<u>\$ 427,923</u>	<u>\$ 172,674</u>	<u>\$ 17,822,911</u>

#### Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results while assuming a moderate level of investment risk. The Organization expects its endowment funds, over time, to provide an average rate of return of approximately 8 percent annually. Actual returns in any given year may vary from this amount.

# **Bethany Christian Services**

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## **Notes to Consolidated Financial Statements December 31, 2016 and 2015**

### **Note 9 - Donor-restricted and Board-designated Endowments (Continued)**

#### **Strategies Employed for Achieving Objectives**

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

#### **Spending Policy and How the Investment Objectives Relate to Spending Policy**

The Organization has a policy of appropriating for distribution each year 5 percent of its endowment fund's average fair value over the prior eight quarters through the calendar year end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its endowment to grow at an average of 3 percent annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

## **Additional Information**

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## Independent Auditor's Report on Additional Information

To the Board of Directors  
Bethany Christian Services

We have audited the consolidated financial statements of Bethany Christian Services as of and for the year ended December 31, 2016, and have issued our report thereon dated March 14, 2017, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position, activities, and the St. Louis and St. Charles schedule of project unit cost are presented for the purpose of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual entities and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Plante & Moran, PLLC*

March 14, 2017

# Bethany Christian Services

## Consolidating Statement of Financial Position December 31, 2016

	Total	Arkansas	Northern California	Southern California	Colorado	Florida	Gulf Coast
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 3,384,158	\$ 3,550	\$ (1,819)	\$ 3,618	\$ 5,133	\$ 4,670	\$ (272,185)
Investments	30,713,071	1,071,181	-	347,167	136,322	279,116	-
Receivables - Net	13,214,573	1,950	39,975	73,608	133,832	193,264	52,192
Prepaid expenses and other:							
Prepaid expenses	1,053,788	1,095	3,265	6,319	3,049	1,790	194
Deposits	209,274	-	2,139	5,371	1,600	-	-
Total current assets	48,574,864	1,077,776	43,560	436,083	279,936	478,840	(219,799)
Property and equipment:							
Land and land improvements	2,946,814	-	-	-	-	-	-
Buildings and improvements	19,247,816	-	70,623	-	-	-	-
Furniture and fixtures	7,195,449	-	117,399	6,847	-	-	3,805
Transportation equipment	579,424	-	45,460	-	-	-	-
Construction in progress	1,539,107	-	-	80,000	-	-	-
Total property and equipment	31,508,610	-	233,482	86,847	-	-	3,805
Less accumulated depreciation	(14,094,714)	-	(196,068)	(5,364)	-	-	(1,015)
Net property and equipment	17,413,896	-	37,414	81,483	-	-	2,790
Investment in unconsolidated affiliate	559,813	-	-	-	-	-	-
Total assets	<b>\$ 66,548,573</b>	<b>\$ 1,077,776</b>	<b>\$ 80,974</b>	<b>\$ 517,566</b>	<b>\$ 279,936</b>	<b>\$ 478,840</b>	<b>\$ (217,009)</b>
<b>Liabilities and Net Assets (Deficit)</b>							
<b>Liabilities</b>							
Current liabilities:							
Accounts payable and accrued expenses	\$ 2,662,814	\$ 27,987	\$ (118)	\$ 2,107	\$ 5,154	\$ 14,882	\$ 3,010
Employee compensation and benefits	5,523,726	21,571	80,827	46,630	46,785	47,870	15,739
Deferred adoption fees	2,836,792	25,664	44,433	54,550	42,340	97,528	37,457
Current maturities of long-term note payable	599,103	-	-	-	-	-	-
Total current liabilities	11,622,435	75,222	125,142	103,287	94,279	160,280	56,206
Annuities payable	309,467	-	-	-	-	-	-
Other long-term liabilities -							
Long-term note payable, Net of current maturities	7,993,702	-	-	-	-	-	-
Intercompany obligation	-	8,357	22,398	17,311	17,409	4,665	-
Total long-term liabilities	8,303,169	8,357	22,398	17,311	17,409	4,665	-
Total liabilities	19,925,604	83,579	147,540	120,598	111,688	164,945	56,206
<b>Net Assets (Deficit) - Beginning of year</b>	42,636,635	994,197	(109,077)	487,770	217,645	250,875	(186,588)
<b>Change in Net Assets</b>	3,986,334	-	42,511	(90,802)	(49,397)	63,020	(86,627)
<b>Net Assets (Deficit) - End of year</b>	46,622,969	994,197	(66,566)	396,968	168,248	313,895	(273,215)
Total liabilities and net assets (deficit)	<b>\$ 66,548,573</b>	<b>\$ 1,077,776</b>	<b>\$ 80,974</b>	<b>\$ 517,566</b>	<b>\$ 279,936</b>	<b>\$ 478,840</b>	<b>\$ (217,009)</b>

# Bethany Christian Services

## Consolidating Statement of Financial Position (Continued)

December 31, 2016

	Georgia	Illinois	Central Indiana	Northwest Iowa	South Central Iowa	Maryland	Michigan
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 15,100	\$ (95,482)	\$ 11,600	\$ (100,105)	\$ 3,100	\$ 2,500	\$ 155,599
Investments	465,196	-	148,721	-	471,061	457,882	3,691,153
Receivables - Net	934,651	80,715	568,453	4,550	90,475	116,855	6,680,647
Prepaid expenses and other:							
Prepaid expenses	18,157	3,155	6,903	2,400	3,197	13,406	117,015
Deposits	800	1,650	13,943	650	1,000	8,411	24,132
Total current assets	1,433,904	(9,962)	749,620	(92,505)	568,833	599,054	10,668,546
Property and equipment:							
Land and land improvements	-	-	-	-	-	-	-
Buildings and improvements	111,800	-	-	-	24,901	19,670	615,103
Furniture and fixtures	34,857	38,686	6,060	11,605	-	38,019	1,931,385
Transportation equipment	164,202	-	-	-	-	-	360,544
Construction in progress	-	-	-	-	-	-	-
Total property and equipment	310,859	38,686	6,060	11,605	24,901	57,689	2,907,032
Less accumulated depreciation	(130,295)	(28,383)	(404)	(11,605)	(19,403)	(28,301)	(1,871,755)
Net property and equipment	180,564	10,303	5,656	-	5,498	29,388	1,035,277
Investment in unconsolidated affiliate	559,813	-	-	-	-	-	-
Total assets	<u>\$ 2,174,281</u>	<u>\$ 341</u>	<u>\$ 755,276</u>	<u>\$ (92,505)</u>	<u>\$ 574,331</u>	<u>\$ 628,442</u>	<u>\$ 11,703,823</u>
<b>Liabilities and Net Assets (Deficit)</b>							
<b>Liabilities</b>							
Current liabilities:							
Accounts payable and accrued expenses	\$ 16,607	\$ 9,261	\$ 8,755	\$ 255	\$ 4,303	\$ 1,113	\$ 68,705
Employee compensation and benefits	250,849	60,689	123,484	28,000	30,570	94,856	2,161,545
Deferred adoption fees	69,718	82,898	128,721	29,349	48,750	63,528	202,191
Current maturities of long-term note payable	-	-	-	-	-	-	-
Total current liabilities	337,174	152,848	260,960	57,604	83,623	159,497	2,432,441
Annuities payable	-	-	-	-	-	-	-
Other long-term liabilities -							
Long-term note payable, Net of current maturities	-	-	-	-	-	-	-
Intercompany obligation	58,319	29,091	24,717	13,292	10,903	13,393	400,743
Total long-term liabilities	58,319	29,091	24,717	13,292	10,903	13,393	400,743
Total liabilities	395,493	181,939	285,677	70,896	94,526	172,890	2,833,184
Net Assets (Deficit) - Beginning of year	1,613,553	(299,367)	201,177	(157,553)	392,753	166,351	8,645,958
Change in Net Assets	165,235	117,769	268,422	(5,848)	87,052	289,201	224,681
Net Assets (Deficit) - End of year	1,778,788	(181,598)	469,599	(163,401)	479,805	455,552	8,870,639
Total liabilities and net assets (deficit)	<u>\$ 2,174,281</u>	<u>\$ 341</u>	<u>\$ 755,276</u>	<u>\$ (92,505)</u>	<u>\$ 574,331</u>	<u>\$ 628,442</u>	<u>\$ 11,703,823</u>

# Bethany Christian Services

## Consolidating Statement of Financial Position (Continued) December 31, 2016

	Minnesota	Mississippi	Missouri	Southern New England	Northern New England	New Jersey	North Carolina	Central Pennsylvania
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ (849,690)	\$ 9,837	\$ 3,040	\$ 2,100	\$ 2,200	\$ (85,317)	\$ 6,000	\$ 35,309
Investments	-	902,661	354,295	92,521	14,524	-	573,069	94,371
Receivables - Net	357,692	5,495	35,334	114,232	29,431	89,811	46,598	830,422
Prepaid expenses and other:								
Prepaid expenses	5,873	3,524	11,750	-	100	1,447	7,454	14,673
Deposits	434	-	2,963	-	-	1,199	5,194	6,092
Total current assets	(485,691)	921,517	407,382	208,853	46,255	7,140	638,315	980,867
Property and equipment:								
Land and land improvements	-	-	-	-	-	-	-	-
Buildings and improvements	-	-	-	-	-	-	-	12,334
Furniture and fixtures	14,939	7,949	77,431	6,624	-	10,495	7,808	32,075
Transportation equipment	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Total property and equipment	14,939	7,949	77,431	6,624	-	10,495	7,808	44,409
Less accumulated depreciation	(4,100)	(7,949)	(13,550)	(3,220)	-	(10,495)	(7,808)	(32,599)
Net property and equipment	10,839	-	63,881	3,404	-	-	-	11,810
Investment in unconsolidated affiliate	-	-	-	-	-	-	-	-
Total assets	<u>\$ (474,852)</u>	<u>\$ 921,517</u>	<u>\$ 471,263</u>	<u>\$ 212,257</u>	<u>\$ 46,255</u>	<u>\$ 7,140</u>	<u>\$ 638,315</u>	<u>\$ 992,677</u>
<b>Liabilities and Net Assets (Deficit)</b>								
<b>Liabilities</b>								
Current liabilities:								
Accounts payable and accrued expenses	\$ 972	\$ 5,944	\$ 9,849	\$ 3,271	\$ 165	\$ 1,979	\$ (340)	\$ 16,880
Employee compensation and benefits	51,912	42,232	35,627	50,022	24,842	57,868	51,979	179,881
Deferred adoption fees	50,414	41,038	63,923	41,800	27,742	66,132	67,949	112,614
Current maturities of long-term note payable	-	-	-	-	-	-	-	-
Total current liabilities	103,298	89,214	109,399	95,093	52,749	125,979	119,588	309,375
Annuities payable	-	-	-	-	-	-	-	-
Other long-term liabilities -								
Long-term note payable, Net of current maturities	-	-	-	-	-	-	-	-
Intercompany obligation	8,746	12,510	9,110	6,159	3,257	11,129	11,824	13,795
Total long-term liabilities	8,746	12,510	9,110	6,159	3,257	11,129	11,824	13,795
Total liabilities	112,044	101,724	118,509	101,252	56,006	137,108	131,412	323,170
Net Assets (Deficit) - Beginning of year	(396,681)	579,974	310,530	35,395	(5,316)	(55,515)	444,902	663,096
Change in Net Assets	(190,215)	239,819	42,224	75,610	(4,435)	(74,453)	62,001	6,411
Net Assets (Deficit) - End of year	(586,896)	819,793	352,754	111,005	(9,751)	(129,968)	506,903	669,507
Total liabilities and net assets (deficit)	<u>\$ (474,852)</u>	<u>\$ 921,517</u>	<u>\$ 471,263</u>	<u>\$ 212,257</u>	<u>\$ 46,255</u>	<u>\$ 7,140</u>	<u>\$ 638,315</u>	<u>\$ 992,677</u>

# Bethany Christian Services

## Consolidating Statement of Financial Position (Continued) December 31, 2016

	Greater Delaware Valley	Western Pennsylvania	South Carolina	Eastern South Dakota	Western South Dakota	Greater Chattanooga	East Tennessee	Middle Tennessee
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ (772,334)	\$ (499,106)	\$ 4,000	\$ 3,050	\$ 2,500	\$ (148,756)	\$ 4,000	\$ (553,362)
Investments	-	-	600,612	124,611	344,084	-	560,358	-
Receivables - Net	1,573,185	142,304	(5,304)	41,997	59,925	58,305	20,053	52,746
Prepaid expenses and other:								
Prepaid expenses	9,121	6,145	4,450	5,800	-	2,705	3,935	2,575
Deposits	2,093	1,500	800	-	-	2,550	2,000	2,466
<b>Total current assets</b>	<b>812,065</b>	<b>(349,157)</b>	<b>604,558</b>	<b>175,458</b>	<b>406,509</b>	<b>(85,196)</b>	<b>590,346</b>	<b>(495,575)</b>
Property and equipment:								
Land and land improvements	-	-	-	-	-	-	-	-
Buildings and improvements	20,695	-	-	-	-	34,847	-	-
Furniture and fixtures	97,276	23,014	7,384	-	-	-	5,659	12,009
Transportation equipment	-	-	-	-	-	9,218	-	-
Construction in progress	-	-	-	-	-	-	-	-
<b>Total property and equipment</b>	<b>117,971</b>	<b>23,014</b>	<b>7,384</b>	<b>-</b>	<b>-</b>	<b>44,065</b>	<b>5,659</b>	<b>12,009</b>
Less accumulated depreciation	(63,563)	(16,733)	(7,384)	-	-	(18,489)	(5,659)	(6,034)
<b>Net property and equipment</b>	<b>54,408</b>	<b>6,281</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,576</b>	<b>-</b>	<b>5,975</b>
Investment in unconsolidated affiliate	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 866,473</b>	<b>\$ (342,876)</b>	<b>\$ 604,558</b>	<b>\$ 175,458</b>	<b>\$ 406,509</b>	<b>\$ (59,620)</b>	<b>\$ 590,346</b>	<b>\$ (489,600)</b>
<b>Liabilities and Net Assets (Deficit)</b>								
<b>Liabilities</b>								
Current liabilities:								
Accounts payable and accrued expenses	\$ 13,535	\$ 30	\$ 3,473	\$ 1,691	\$ 208	\$ 1,325	\$ 2,911	\$ 589
Employee compensation and benefits	213,888	59,492	58,549	16,220	25,927	20,464	27,630	23,578
Deferred adoption fees	86,825	63,459	97,944	16,903	32,131	43,271	86,504	71,064
Current maturities of long-term note payable	-	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>314,248</b>	<b>122,981</b>	<b>159,966</b>	<b>34,814</b>	<b>58,266</b>	<b>65,060</b>	<b>117,045</b>	<b>95,231</b>
Annuities payable	-	-	-	-	-	-	-	-
Other long-term liabilities - Long-term note payable, Net of current maturities	-	-	-	-	-	-	-	-
Intercompany obligation	54,216	8,780	19,575	3,440	2,453	7,569	5,978	5,866
<b>Total long-term liabilities</b>	<b>54,216</b>	<b>8,780</b>	<b>19,575</b>	<b>3,440</b>	<b>2,453</b>	<b>7,569</b>	<b>5,978</b>	<b>5,866</b>
<b>Total liabilities</b>	<b>368,464</b>	<b>131,761</b>	<b>179,541</b>	<b>38,254</b>	<b>60,719</b>	<b>72,629</b>	<b>123,023</b>	<b>101,097</b>
<b>Net Assets (Deficit) - Beginning of year</b>	<b>428,230</b>	<b>(290,519)</b>	<b>336,951</b>	<b>221,198</b>	<b>260,791</b>	<b>(225,534)</b>	<b>364,127</b>	<b>(639,975)</b>
<b>Change in Net Assets</b>	<b>69,779</b>	<b>(184,118)</b>	<b>88,066</b>	<b>(83,994)</b>	<b>84,999</b>	<b>93,285</b>	<b>103,196</b>	<b>49,278</b>
<b>Net Assets (Deficit) - End of year</b>	<b>498,009</b>	<b>(474,637)</b>	<b>425,017</b>	<b>137,204</b>	<b>345,790</b>	<b>(132,249)</b>	<b>467,323</b>	<b>(590,697)</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 866,473</b>	<b>\$ (342,876)</b>	<b>\$ 604,558</b>	<b>\$ 175,458</b>	<b>\$ 406,509</b>	<b>\$ (59,620)</b>	<b>\$ 590,346</b>	<b>\$ (489,600)</b>

# Bethany Christian Services

## Consolidating Statement of Financial Position (Continued) December 31, 2016

	West Tennessee	Virginia	Washington	Wisconsin	Bethany Christian Services Global LLC	Bethany's Thrift Store	Corporate	Bethany Christian Foundation LLC
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ (348,016)	\$ (106,483)	\$ (961,889)	\$ 3,625	\$ (137,806)	\$ 5,178	\$ 7,942,516	\$ 88,283
Investments	-	-	-	204,977	-	23,710	412,830	19,342,649
Receivables - Net	25,280	65,489	226,818	81,670	391,132	-	791	-
Prepaid expenses and other:								
Prepaid expenses	4,101	8,508	7,237	5,000	20,905	10,539	738,001	-
Deposits	3,454	7,579	5,621	3,403	-	-	102,230	-
<b>Total current assets</b>	<b>(315,181)</b>	<b>(24,907)</b>	<b>(722,213)</b>	<b>298,675</b>	<b>1,846,296</b>	<b>39,427</b>	<b>8,175,582</b>	<b>18,879,653</b>
Property and equipment:								
Land and land improvements	-	-	-	-	-	-	2,946,814	-
Buildings and improvements	-	6,435	14,670	-	-	30,203	18,286,535	-
Furniture and fixtures	10,087	12,768	42,563	38,041	231,073	42,410	4,327,181	-
Transportation equipment	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	1,459,107	-
<b>Total property and equipment</b>	<b>10,087</b>	<b>19,203</b>	<b>57,233</b>	<b>38,041</b>	<b>231,073</b>	<b>72,613</b>	<b>27,019,637</b>	<b>-</b>
Less accumulated depreciation	(5,350)	(15,508)	(56,011)	(30,868)	(216,303)	(25,048)	(11,255,450)	-
<b>Net property and equipment</b>	<b>4,737</b>	<b>3,695</b>	<b>1,222</b>	<b>7,173</b>	<b>14,770</b>	<b>47,565</b>	<b>15,764,187</b>	<b>-</b>
Investment in unconsolidated affiliate	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ (310,444)</b>	<b>\$ (21,212)</b>	<b>\$ (720,991)</b>	<b>\$ 305,848</b>	<b>\$ 1,861,066</b>	<b>\$ 86,992</b>	<b>\$ 23,939,769</b>	<b>\$ 18,879,653</b>
<b>Liabilities and Net Assets (Deficit)</b>								
<b>Liabilities</b>								
Current liabilities:								
Accounts payable and accrued expenses	\$ 149	\$ 288	\$ 2,613	\$ (152)	\$ 430,569	\$ 2,705	\$ 2,002,139	\$ -
Employee compensation and benefits	23,245	61,421	63,854	71,016	76,454	18,644	1,259,566	-
Deferred adoption fees	23,750	141,286	110,589	111,220	544,407	-	8,700	-
Current maturities of long-term note payable	-	-	-	-	-	-	599,103	-
<b>Total current liabilities</b>	<b>47,144</b>	<b>202,995</b>	<b>177,056</b>	<b>182,084</b>	<b>1,051,430</b>	<b>21,349</b>	<b>3,869,508</b>	<b>-</b>
Annuities payable	-	-	-	-	-	-	309,467	-
Other long-term liabilities - Long-term note payable, Net of current maturities	-	-	-	-	-	-	7,993,702	-
Intercompany obligation	10,864	28,668	26,253	21,788	41,753	-	(934,331)	-
<b>Total long-term liabilities</b>	<b>10,864</b>	<b>28,668</b>	<b>26,253</b>	<b>21,788</b>	<b>41,753</b>	<b>-</b>	<b>7,368,838</b>	<b>-</b>
<b>Total liabilities</b>	<b>58,008</b>	<b>231,663</b>	<b>203,309</b>	<b>203,872</b>	<b>1,093,183</b>	<b>21,349</b>	<b>11,238,346</b>	<b>-</b>
<b>Net Assets (Deficit) - Beginning of year</b>	<b>(489,305)</b>	<b>(202,163)</b>	<b>(992,503)</b>	<b>27,246</b>	<b>771,543</b>	<b>7,429</b>	<b>11,442,130</b>	<b>17,822,910</b>
<b>Change in Net Assets</b>	<b>120,853</b>	<b>(50,712)</b>	<b>68,203</b>	<b>74,730</b>	<b>(3,660)</b>	<b>58,214</b>	<b>1,259,293</b>	<b>1,056,743</b>
<b>Net Assets (Deficit) - End of year</b>	<b>(368,452)</b>	<b>(252,875)</b>	<b>(924,300)</b>	<b>101,976</b>	<b>767,883</b>	<b>65,643</b>	<b>12,701,423</b>	<b>18,879,653</b>
<b>Total liabilities and net assets (deficit)</b>	<b>\$ (310,444)</b>	<b>\$ (21,212)</b>	<b>\$ (720,991)</b>	<b>\$ 305,848</b>	<b>\$ 1,861,066</b>	<b>\$ 86,992</b>	<b>\$ 23,939,769</b>	<b>\$ 18,879,653</b>

# Bethany Christian Services

## Consolidating Statement of Activities Year Ended December 31, 2016

	Total	Arkansas	Northern California	Southern California	Colorado	Florida	Gulf Coast
<b>Operating Revenue and Other Support</b>							
Contributions	\$ 15,946,556	\$ 232,177	\$ 828,059	\$ 132,846	\$ 184,959	\$ 182,452	\$ 58,134
Child support	68,591,691	-	-	-	1,019,548	351,045	-
Service fees	22,586,358	236,477	396,107	465,776	214,333	626,332	232,545
Investments and other	4,221,731	-	1,809	16,010	18,994	10,152	12,497
Total operating revenue and other support	111,346,336	468,654	1,225,975	614,632	1,437,834	1,169,981	303,176
<b>Operating Expenses</b>							
Salaries	46,373,377	194,748	505,855	280,953	448,829	468,932	153,091
Fringes	10,425,496	32,711	92,259	46,822	75,678	75,780	39,957
Taxes	3,409,310	14,644	37,487	21,051	33,419	35,187	10,899
Professional fees	4,501,053	3,304	15,201	9,539	37,007	50,399	18,336
Supplies	801,643	3,147	7,191	4,008	3,895	5,419	757
Telephone	1,010,093	8,106	21,439	10,453	11,990	13,007	5,271
Postage	504,165	4,465	7,535	7,124	2,663	4,840	1,122
Occupancy	5,044,221	15,342	91,562	79,999	38,672	30,511	25,196
Printing	705,055	2,825	5,795	3,457	2,977	8,234	1,913
Information technology	1,411,926	11,030	12,010	5,872	17,168	16,857	4,466
Equipment and furnishings	276,577	2,501	4,768	155	618	-	-
Travel	3,625,740	17,855	33,560	30,659	33,201	68,931	16,150
Conferences and meetings	922,489	3,036	4,082	6,151	4,584	12,465	2,361
Advertising	2,199,842	11,298	9,130	37,796	17,258	37,901	13,674
Special assistance	20,152,251	39,684	62,773	24,576	597,630	78,274	30,656
Overseas contributions	1,577,402	-	-	-	-	-	-
Program development	3,895	-	-	-	-	(10)	-
Payment processing fees	395,005	6,487	8,148	9,439	4,954	16,581	4,205
Educational and promotional materials	211,568	1,389	176	37	-	203	61
Fundraising event costs	923,504	26,636	65,746	7,969	8,823	13,968	6,540
Bad debt	218,462	-	(1,000)	2,445	5,500	-	750
Miscellaneous	1,516,244	2,421	7,718	10,930	6,708	15,539	1,862
Depreciation	1,150,684	-	23,385	2,036	143	-	761
Support services	-	67,025	168,644	103,963	135,514	153,943	51,775
Total operating expenses	107,360,002	468,654	1,183,464	705,434	1,487,231	1,106,961	389,803
<b>Change in Net Assets from Operating Activities</b>	<b>\$ 3,986,334</b>	<b>\$ -</b>	<b>\$ 42,511</b>	<b>\$ (90,802)</b>	<b>\$ (49,397)</b>	<b>\$ 63,020</b>	<b>\$ (86,627)</b>

# Bethany Christian Services

## Consolidating Statement of Activities (Continued) Year Ended December 31, 2016

	Georgia	Illinois	Central Indiana	Northwest Iowa	South Central Iowa	Maryland	Michigan
<b>Operating Revenue and Other Support</b>							
Contributions	\$ 582,714	\$ 355,690	\$ 233,271	\$ 301,238	\$ 377,523	\$ 237,274	\$ 3,086,507
Child support	6,081,182	26,847	1,897,837	12,286	-	1,071,721	48,574,484
Service fees	1,407,849	585,382	675,926	184,906	394,050	570,698	3,525,260
Investments and other	136,967	8,153	4,878	19,363	36,318	950	778,837
Total operating revenue and other support	8,208,712	976,072	2,811,912	517,793	807,891	1,880,643	55,965,088
<b>Operating Expenses</b>							
Salaries	2,537,265	350,828	921,437	223,882	282,013	677,629	21,499,952
Fringes	532,644	96,661	189,856	48,324	91,935	94,149	5,441,587
Taxes	186,348	25,316	67,720	17,062	19,872	50,470	1,585,601
Professional fees	703,003	8,372	23,238	24,613	46,899	20,535	701,306
Supplies	29,780	8,650	3,124	1,708	3,620	9,648	499,412
Telephone	80,684	5,346	31,932	12,168	12,995	16,848	439,447
Postage	23,345	3,416	4,967	2,454	1,843	5,381	67,015
Occupancy	335,672	27,876	74,060	32,448	46,624	194,866	2,601,998
Printing	21,834	4,264	7,295	3,473	2,160	5,605	86,328
Information technology	80,780	9,522	21,730	7,244	8,126	30,130	717,046
Equipment and furnishings	23,453	2,239	3,285	1,097	4,325	1,799	132,266
Travel	178,169	33,076	96,261	19,350	14,434	40,772	1,560,378
Conferences and meetings	69,436	5,596	10,128	4,072	6,756	8,457	317,600
Advertising	110,624	33,621	108,006	13,380	14,723	107,488	428,470
Special assistance	1,977,205	94,767	662,674	11,586	31,951	30,099	12,424,561
Overseas contributions	-	-	-	-	-	-	-
Program development	-	-	-	(250)	-	-	118
Payment processing fees	11,904	9,887	13,263	5,387	8,784	14,677	42,008
Educational and promotional materials	1,658	175	3,810	185	27	120	14,834
Fundraising event costs	37,402	10,498	6,066	14,098	17,502	25,485	179,679
Bad debt	123,766	-	4,379	625	-	5,600	36,852
Miscellaneous	28,111	7,753	6,391	1,648	1,998	6,979	118,871
Depreciation	30,885	2,965	487	-	46	10,783	273,561
Support services	919,509	117,475	283,381	79,087	104,206	233,922	6,571,517
Total operating expenses	8,043,477	858,303	2,543,490	523,641	720,839	1,591,442	55,740,407
<b>Change in Net Assets from Operating Activities</b>	<b>\$ 165,235</b>	<b>\$ 117,769</b>	<b>\$ 268,422</b>	<b>\$ (5,848)</b>	<b>\$ 87,052</b>	<b>\$ 289,201</b>	<b>\$ 224,681</b>

# Bethany Christian Services

## Consolidating Statement of Activities (Continued) Year Ended December 31, 2016

	Minnesota	Mississippi	Missouri	Southern New England	Northern New England	New Jersey	North Carolina	Central Pennsylvania
<b>Operating Revenue and Other Support</b>								
Contributions	\$ 172,454	\$ 676,907	\$ 151,095	\$ 348,727	\$ 262,281	\$ 199,790	\$ 140,865	\$ 412,693
Child support	694,988	29,400	170,946	300,573	53,000	319,718	174,665	2,325,257
Service fees	268,003	217,073	566,374	282,197	178,396	680,773	678,278	1,320,053
Investments and other	3,615	123,786	2,732	23,085	-	7,158	23,193	50,787
Total operating revenue and other support	1,139,060	1,047,166	891,147	954,582	493,677	1,207,439	1,017,001	4,108,790
<b>Operating Expenses</b>								
Salaries	533,134	321,252	303,375	420,460	248,840	644,561	339,500	1,646,696
Fringes	48,803	108,188	66,255	80,105	53,705	88,429	86,779	317,729
Taxes	40,400	23,012	22,493	30,937	18,323	48,344	24,832	122,787
Professional fees	5,896	7,231	5,367	35,615	11,294	45,246	43,053	31,852
Supplies	7,441	2,426	4,897	3,210	1,330	4,162	4,396	32,093
Telephone	13,081	8,067	9,209	8,020	6,631	15,417	13,679	46,395
Postage	5,478	4,347	4,267	2,633	1,503	7,356	3,363	10,816
Occupancy	81,603	54,875	46,199	18,533	3,993	50,007	71,314	162,933
Printing	9,322	5,321	4,782	3,146	1,561	4,012	4,331	20,902
Information technology	24,264	7,535	9,404	12,910	6,521	18,366	17,347	68,871
Equipment and furnishings	1,950	1,761	-	1,433	145	976	10,905	6,738
Travel	35,592	12,652	33,239	48,723	24,129	51,040	28,744	109,512
Conferences and meetings	10,957	3,835	8,223	5,503	2,569	1,882	2,592	52,559
Advertising	12,681	38,098	51,197	11,099	12,870	37,244	44,253	94,276
Special assistance	279,418	23,496	132,180	25,007	10,998	34,727	96,728	843,879
Overseas contributions	-	-	-	-	-	-	-	-
Program development	-	-	-	-	-	-	-	-
Payment processing fees	9,257	3,241	9,318	5,388	3,412	10,285	9,594	8,864
Educational and promotional materials	348	28	1,471	277	152	19	123	8,101
Fundraising event costs	32,708	61,212	12,539	29,119	10,813	23,811	19,809	27,968
Bad debt	10,775	(400)	-	-	-	1,039	-	253
Miscellaneous	4,311	2,675	8,693	7,476	5,352	3,344	1,825	26,319
Depreciation	2,299	2,046	7,743	1,104	-	-	-	300
Support services	159,557	116,449	108,072	128,274	73,971	191,625	131,833	462,536
Total operating expenses	1,329,275	807,347	848,923	878,972	498,112	1,281,892	955,000	4,102,379
<b>Change in Net Assets from Operating Activities</b>	<b>\$ (190,215)</b>	<b>\$ 239,819</b>	<b>\$ 42,224</b>	<b>\$ 75,610</b>	<b>\$ (4,435)</b>	<b>\$ (74,453)</b>	<b>\$ 62,001</b>	<b>\$ 6,411</b>

# Bethany Christian Services

## Consolidating Statement of Activities (Continued) Year Ended December 31, 2016

	Greater Delaware Valley	Western Pennsylvania	South Carolina	Eastern South Dakota	Western South Dakota	Greater Chattanooga	East Tennessee	Middle Tennessee
<b>Operating Revenue and Other Support</b>								
Contributions	\$ 587,102	\$ 98,043	\$ 314,893	\$ 178,545	\$ 229,654	\$ 253,395	\$ 313,061	\$ 137,176
Child support	3,978,934	272,663	-	28,525	5,950	8,918	4,242	15,042
Service fees	1,180,481	926,375	710,272	69,882	223,079	317,681	463,579	370,453
Investments and other	6,220	5,683	-	705	2,978	12,030	1,207	75
Total operating revenue and other support	5,752,737	1,302,764	1,025,165	277,657	461,661	592,024	782,089	522,746
<b>Operating Expenses</b>								
Salaries	1,790,074	631,642	405,276	148,140	174,443	185,382	283,171	188,068
Fringes	303,193	101,842	102,894	33,541	21,235	48,455	43,244	19,695
Taxes	132,219	46,981	29,413	10,247	13,302	13,598	21,290	14,219
Professional fees	506,447	17,639	14,523	12,328	10,628	9,450	13,663	21,963
Supplies	18,191	11,636	2,045	2,129	3,211	2,435	5,327	5,031
Telephone	41,446	16,812	13,028	5,352	7,084	3,901	5,798	6,746
Postage	13,288	6,941	6,750	2,017	2,206	2,210	3,824	2,080
Occupancy	173,631	88,150	66,824	24,829	16,158	39,341	47,871	42,759
Printing	11,408	16,297	5,322	3,426	1,697	4,077	4,537	3,023
Information technology	107,523	20,996	9,260	2,962	7,687	6,042	9,182	6,767
Equipment and furnishings	15,923	5,322	960	151	1,514	-	5,961	1,356
Travel	97,754	59,921	26,681	16,571	9,545	16,094	23,985	20,085
Conferences and meetings	16,008	8,730	3,326	2,474	3,488	9,951	7,235	8,949
Advertising	86,574	46,620	23,637	22,160	15,026	24,798	25,897	10,342
Special assistance	1,708,921	174,140	59,955	2,238	10,032	33,265	51,645	9,534
Overseas contributions	-	-	-	-	-	-	-	-
Program development	-	-	-	-	-	-	-	-
Payment processing fees	8,046	11,326	12,144	2,638	5,028	6,974	9,044	6,627
Educational and promotional materials	1,241	645	234	144	125	1,940	446	2,414
Fundraising event costs	74,620	18,306	15,554	11,105	18,291	10,589	17,555	21,620
Bad debt	1,619	(4,000)	5,613	2,500	-	-	-	4,000
Miscellaneous	18,062	3,795	2,280	2,460	1,899	4,120	4,152	6,590
Depreciation	5,260	1,313	-	-	-	2,695	377	2,635
Support services	551,510	201,828	131,380	54,239	54,063	73,422	94,689	68,965
Total operating expenses	5,682,958	1,486,882	937,099	361,651	376,662	498,739	678,893	473,468
<b>Change in Net Assets from Operating Activities</b>								
	\$ 69,779	\$ (184,118)	\$ 88,066	\$ (83,994)	\$ 84,999	\$ 93,285	\$ 103,196	\$ 49,278

# Bethany Christian Services

## Consolidating Statement of Activities (Continued) Year Ended December 31, 2016

	West				Bethany Christian	Bethany's	Bethany Christian	
	Tennessee	Virginia	Washington	Wisconsin	Services Global LLC	Thrift Store	Corporate	Foundation LLC
<b>Operating Revenue and Other Support</b>								
Contributions	\$ 312,851	\$ 173,893	\$ 414,403	\$ 304,237	\$ 1,450,494	\$ -	\$ 1,904,515	\$ 116,638
Child support	(212)	183,191	599,491	391,450	-	-	-	-
Service fees	225,594	1,077,978	934,498	565,389	1,833,474	-	(19,165)	-
Investments and other	-	1,995	12,850	36,357	56,929	437,111	1,378,397	989,910
Total operating revenue and other support	538,233	1,437,057	1,961,242	1,297,433	3,340,897	437,111	3,263,747	1,106,548
<b>Operating Expenses</b>								
Salaries	152,194	638,362	611,050	559,431	720,883	157,001	6,725,028	-
Fringes	35,088	118,058	129,551	190,150	193,186	20,393	1,356,615	-
Taxes	11,048	47,269	44,222	40,680	52,488	12,007	484,123	-
Professional fees	24,875	19,352	127,169	14,965	105,953	867	1,704,120	49,805
Supplies	2,535	7,797	9,459	8,503	10,837	8,700	63,493	-
Telephone	3,855	19,364	18,472	7,653	8,404	1,429	60,564	-
Postage	2,385	9,206	9,315	6,179	51,303	353	210,175	-
Occupancy	54,312	124,092	98,178	67,691	58,120	59,981	(1,999)	-
Printing	3,095	7,974	5,841	8,164	2,622	1,137	416,898	-
Information technology	6,127	17,953	26,635	14,450	20,967	3,125	45,051	-
Equipment and furnishings	960	2,578	1,500	1,345	953	-	37,640	-
Travel	8,300	64,810	73,565	58,696	98,251	20,695	544,360	-
Conferences and meetings	2,492	9,690	7,958	4,278	7,287	1,419	286,360	-
Advertising	11,987	108,175	47,034	10,241	81,732	21,261	419,271	-
Special assistance	14,980	25,932	360,602	9,874	38,405	-	139,859	-
Overseas contributions	-	-	-	-	1,327,835	-	249,567	-
Program development	-	-	-	-	4,037	-	-	-
Payment processing fees	3,537	23,463	26,562	10,801	39,262	9,233	5,237	-
Educational and promotional materials	205	632	815	269	1,374	-	167,890	-
Fundraising event costs	5,129	13,038	40,791	14,620	457	-	23,438	-
Bad debt	8,085	(500)	1,000	-	9,561	-	-	-
Miscellaneous	1,764	2,612	21,324	4,699	226,211	7,731	931,621	-
Depreciation	1,723	763	5,151	2,835	6,358	7,858	755,172	-
Support services	62,704	227,149	226,845	187,179	278,071	45,707	(12,620,029)	-
Total operating expenses	417,380	1,487,769	1,893,039	1,222,703	3,344,557	378,897	2,004,454	49,805
<b>Change in Net Assets from</b>								
Operating Activities	\$ 120,853	\$ (50,712)	\$ 68,203	\$ 74,730	\$ (3,660)	\$ 58,214	\$ 1,259,293	\$ 1,056,743

# Bethany Christian Services

## St. Louis and St. Charles Schedule of Project Unit Cost Year Ended December 31, 2016

	Total Expenses	St. Louis County Expenses	St. Charles County Expenses
<b>Project Expenses</b>			
Salaries	\$ 49,334	\$ 36,512	\$ 3,227
Fringes	15,964	11,815	1,044
Outside services - Contracted	1,485	1,099	97
Supplies	3,246	2,402	212
Telephone	1,436	1,063	94
Telephone, Internet access	647	479	42
Printing	734	543	48
Postage	52	38	3
Rent	10,668	7,895	698
Utilities	2,198	1,627	144
Advertising	17,000	12,582	1,112
Computers, hardware	-	-	-
Computers, software	840	622	55
Travel	4,425	3,275	289
Client assistance	271	201	18
Conferences	-	-	-
Staff, board, and group meetings	599	443	39
Special events	257	190	17
Memberships and dues	3,654	2,704	239
Equipment and furnishings	-	-	-
Support services - Nonbillable	7,579	5,609	496
Miscellaneous	647	479	42
	<u>121,036</u>	<u>89,578</u>	<u>7,916</u>
Total program services			
Less: Not applicable to County: Support services - Nonbillable	7,579	5,609	496
Less: Not applicable to County: Branch fundraising	375	278	25
	<u>113,082</u>	<u>83,691</u>	<u>7,395</u>
Total direct project expenses			
Add: Indirect (administrative) expenses: Support services - Billable	12,015	8,892	786
	<u>125,097</u>	<u>92,583</u>	<u>8,181</u>
Total project expenses			
Total units served	<u>2,324</u>	<u>1,720</u>	<u>152</u>
Cost per unit	<u>\$ 54</u>	<u>\$ 54</u>	<u>\$ 54</u>

**BETHANY CHRISTIAN SERVICES OF NORTHERN NEW ENGLAND  
NEW ENGLAND BOARD MEMBERS**

Alisa Barthelemy Job Title: Social Worker	<u>2015</u>	Darlene Kimball Job Title: Homemaker	<u>2011</u>
Wanda Green (NNE <b>Treasurer</b> ) Job Title: Accountant	<u>2015</u>	Jennessa Kimball Job Title: Engineer	<u>2012</u>
Heather Hodsden Job Title: Homemaker	<u>2017</u>	Aimee Schade Job Title: Stay-at-home mom	<u>2015</u>
Keith Hodsden Job Title: Civil Engineer	<u>2017</u>	H. A. Schade (NNE <b>President</b> ) Job Title: Private Investor	<u>2015</u>
Joseph Johnson Job Title: Civil Engineer	<u>2015</u>	Deanna Smith (NNE <b>Secretary</b> ) Job Title: Bookkeeper and Stay at home mom	<u>2014</u>
Nicole Johnson (NNE <b>Vice President</b> ) Job Title: Marketing	<u>2015</u>	Jennessa Kimball Job Title: Engineer	<u>2012</u>

## CYNTHIA A. THOMAS

**OBJECTIVE: Human Resources, Payroll, Benefits Management**

### EXPERIENCE

#### HUMAN RESOURCES MANAGER

8/2014 – 1/2015

McClellan Automation Systems, Merrimack, NH

- Performed full HR function audit of all services, benefits & files. Assisted the company in downsizing from 235 to 35 due to a major contract loss. Full benefits management, open enrollment, implementation of financial wellness program and new 401k vendor.

#### HUMAN RESOURCES & BENEFITS

11/2013 – 7/2014

Robert Half & Kelly Services, Bedford, NH

- Temporary positions involving recruitment, benefits audits, human resources audits, consulting regarding employment and benefits laws, bringing HR department into compliance with ERISA and employment laws, preparation of employee handbook and company policies.

#### HUMAN RESOURCE & PAYROLL MANAGER

10/2008 – 01/2013

SAI Communications- Corporate headquarters (Company operates in 10 states)

- New start up HR department at corporate headquarters
- Hired 100+ employees in one year
- Implemented HRIS system, new ADP payroll Payexpert/HRB, IPAY, employee self-service, added new benefits, setup carrier feeds for enrollment, payroll processing/management for 250 employees in ten (10) states, including tax administration and state reporting.
- Developed and implemented management training program nationwide, worker's compensation and loss prevention, employee handbook and company policies
- Managed COBRA, FmLA benefits, LOA, worker's compensation, STD and all benefit plans.

#### COMMUNITY LIAISON

07/2009 - present

Bethany Christian Services USA LLC (NH)

- Outreach to churches, businesses and organizations statewide on behalf of NH foster children and children awaiting adoptive homes
- Recruitment of foster families, organize events, rally support for items needed for children coming into care, form alliances to raise awareness and provide ongoing support. Recruited 70+ families in 2013
- This work is performed under a grant from the NH Division of Children, Youth & Families

#### HUMAN RESOURCE DIRECTOR

11/2005 – 02/2007

Newick's Hospitality Group, Inc. (ME & NH)

- Opened new restaurant, closed two restaurant locations, hired 125 in three weeks
- Conducted job fairs, job orientation, processing payroll for 300+ multi-state
- 401k plan administrator, implemented management and employee training programs
- Complete benefits review and sourcing of new vendors
- Managed all benefits, COBRA, 401k, FmLA, worker's compensation, attendance.

#### BENEFITS & RETIREMENT MANAGER

08/1998 – 06/2001

Textron Automotive Co., Inc., Farmington, NH 03835, Div. of Textron, Inc.

- Managed the benefit and retirement plans for five locations and a base of 1000 employees, 2000 vested former employees, and 700 retirees

- Performed proactive benefits sourcing, assisting employees and retirees with benefit issues, coordination of benefits administration with TPA's and other vendors
- As retirement plan administrator I performed plan audits, FAS87 and FAS106 reporting, preparation of retirement calculations
- Responsible for Peoplesoft database and consulting with Division to bring 27 plants on line for vendor interface

**CORPORATE BENEFITS, 401k & PENSION MANAGER**

04/1992 – 06/1997

Prime Tanning Co., Inc., Rochester, NH 03866 (Multi-state ME, NH & MO)

- Established a flexible benefits plan, prescription retail & mail plan, Behavioral Health/EAP network resulting in significant cost savings for the company
- Conducted a complete overhaul of personnel and benefit records to assure compliance
- Established new relationships with benefit vendors. Implemented a 401(k) plan Prepared SPD's and Plan Documents for benefit and pension plans, revised vendor contracts to minimize company exposure
- Management and administration of Defined Contribution, Profit Sharing/401k & Defined Benefit Plans, as well as Health & Welfare Benefit Plans

**OWNER, ACCOUNTANT, PROPERTY MANAGER**

Thomas Seacoast Rentals, NH

01/1998 – 03/2014

- Purchased, renovated, and managed property rentals for up to 21 units, 7 properties
- Accounting, AP/AR, contracted for renovations, tax filings, leases, tenant relations

**HUMAN RESOURCE & SAFETY MANAGER**

08/1989 – 11/1991

Teledyne Laars, division of Teledyne, Inc.

I was the first person hired for the start-up company and recruited all management, exempt and non-exempt employees and established the HR department.

- Established company benefit plans, company procedures, policies and a handbook
- Member of strategic development team that developed a 5-year strategic plan
- Established company safety program, safety training, safety policies and procedures, and a First Aid team. Successfully underwent a complete OSHA review and DOL review Lowest worker's compensation costs out of all Teledyne's divisions that was especially remarkable considering we were a start-up with all new employees
- Established a wage and salary program for the facility, implemented a 401(k) plan
- Managed payroll, recruitment of over 100 employees, exempt and non-exempt

**HUMAN RESOURCE MANAGER**

07/1986 – 07/1989

NESLAB Instruments Inc. -now Thermo NESLAB (Fisher Scientific), Newington, NH

The Human Resource Department was newly established. I brought the company from a small privately owned company with 140 employees to 260 employees during this time. This was done during a period of less than 2% unemployment on the Seacoast.

- Managed HR, employee relations, safety, training, 401k and pension administration, profit sharing, wage and salary administration, benefits, and employment
- Established a company handbook, open houses for employees and employment, awards program, management training program, employee newsletter, HRIS
- I developed a complete wage and compensation program including Executive management, sales, engineering, staff, and manufacturing job descriptions, salary surveys, benefits surveys, wage and salary scales, and performance review plan
- Managed payroll function

**COMPUTER BACKGROUND**

Extensive HRIS & Payroll: ADP HR Partner and Payroll, PC Payroll, PayExpert, ADP HR and Benefits, MAS90, ADP IPAY, Control Data Payroll, Peoplesoft HR, ABRA HR 2000. Competent in Excel, Wordperfect, Word, Publisher, Powerpoint, Quicken, Quickbooks, Outlook, Access.

## EDUCATION

MBA	2001	Business Management	Southern NH University
Bachelor's Degree	1986	Business Management & Accounting	Franklin Pierce College
SPHR Certification	2000	Society of Human Resource Management	

# DEBORAH J. MILLER

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## PROFESSIONAL EXPERIENCE

### **Bethany Christian Services**, North Andover, Massachusetts

#### **Office Coordinator**, April 2001 through the present

- Facilitate and provide office support for multiple social workers covering four New England states.
- Create and implement efficient office procedures to improve both internal and customer focused communications
- Copy editor for New Hampshire Community and Faith Based Initiative newsletter
- Establish strong, customer focused relationships with clients through all communications channels; phone, face to face or web inquires.
- Coordinate all travel arrangements and itineraries
- Crisis management. Facilitate communication between social workers, clients in crisis, and State Agencies.
- Responsible for data entry for all client and financial based systems.

### **Park Street Travel**, Andover, Massachusetts

#### **Office Assistant**, August 2000 through April 2001

- Provided administrative and organizational support to eight travel agents by answering multiple telephone lines, separating tickets and invoices for clients, preparing Federal Express and local deliveries, loading various forms into printers, preparing itineraries for foreign travel, computer support and filing.

### **MarchFirst, Inc.**, Salem, New Hampshire

#### **Senior Consultant**, October 1998 through August 2000

- J. D. Edwards technical consultant responsibilities included program modifications, analysis and design of conversion programs, training, technical documentation and implementation documentation.
- Completed the J. D. Edwards One World technical immersions five-week training class.
- Applications included Accounts Receivable, Accounts Payable, General Ledger, Distribution and Manufacturing.
- Clients included: Asahi America, Data Instruments, and Lynn Ladder in Massachusetts, Spirol International in Connecticut and William Grant and Sons in New Jersey.

### **Asahi/America**, Malden, Massachusetts

#### **Senior Programmer/Analyst**, August 1996 through October 1998

- Friedman Associates Software Modules included A/R, A/P, Customer Order Processing, ATO and Inventory.
- Troubleshoot various user problems from Friedman Software to AS400 operational issues.
- Design, Code, Test and Implement a Complaint database.
- Train junior staff member in RPG.
- Write reports for A/R, Purchasing and Sales.
- Download A/R data to a Dun & Bradstreet RAM system
- Completed Technical Foundations training for J. D. Edwards

### **Dana-Farber Cancer Institute**, Boston, Massachusetts

#### **Senior Software Engineer**, November 1992 through 1996

- Training of junior staff members in SDLC, RPG, CLP and application function for patient accounting.
- Project leader for Aldon Change Management system. Managed all phases of project:
- Selection, justification, planning, implementation and training.
- Served as customer liaison handling communications between customers and programming staff.
- Heavy customer interaction for throughout testing and implementation phases.
- Implementation coordinator during system installations.
- Technical Coordinator for Patient Accounting Applications handling trouble calls and serving as on-call programmer
- Continuous Quality Improvement Teams included: Systems Development Life Cycle, On-Call Process, IS CQI Support and Interdepartmental Communication.

## **DEBORAH J. MILLER**

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12 Village Lane, Unit 37, Tyngsboro, MA 01879 (978) 649-6115 [djm0126@gmail.com](mailto:djm0126@gmail.com)

### **EDUCATION & TRAINING**

Received GED Diploma in 1982

Northern Essex Community College – Business Management w/Data Processing Concentration

IBM RPG Programming Classes

Various HIPAA and Cultural Diversity Workshops Classes

### **COMPUTER SKILLS**

Proficient in Microsoft Word, Excel, Lotus Notes, Windows 95/98, XP & 7, Team Viewer

### **VOLUNTEERISM**

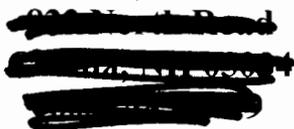
Trauma Intervention Program 96 hour training

Host a home group for Northland: A Church Distributed

### **REFERENCES**

Furnished upon request.

## Janice Lessard Peightell, MSW, LICSW



### EDUCATION

1998 - NH Certified Clinical Social Worker

1986 - Portsmouth Family Institute.

Completed "Advanced Supervision Group in Family and Couples Therapy".

1985 - Portsmouth Family Institute completed "Family and Couples Therapy".

1981 - ACSW Certification

1979 - Master of Social Work, Syracuse University, Dean's List

1978 - Bachelor of Science- Social Work. State University at Brockport, Magna Cum Laude.

1976 - State University at Geneseo – Sociology, Dean's List.

### EXPERIENCE

#### **2015-Present: Bethany Christian Services of Northern New England - Director**

Responsible for direction of the adoption, pregnancy counseling programs in New Hampshire and Vermont. Oversight of the Community and Faith Based Initiative grant; Wendy's Wonderful Kids grant; and Safe Families for Children's program in New Hampshire. Position includes staff supervision and some clinical work in pregnancy counseling and adoption programs.

#### **2012-2014 Bethany Christian Services of New England - Interim Director**

Responsible for the direction of the adoption, pregnancy counseling, and grant programs in New Hampshire, Vermont, Rhode Island, and Massachusetts. Position includes staff supervision, adoptive home studies, pregnancy counseling, budget preparation, and over site of the Wendy's Wonderful Kid and the Community and Faith Based Initiative programs.

#### **1998-2011 Bethany Christian Services of New England - Co-Director.**

Responsibilities include directing the adoption and pregnancy counseling programs in New Hampshire and Vermont. Current position includes completing domestic and international adoptive home assessments, providing counseling to women experiencing unplanned pregnancies and their partner and/or extended family members. Providing staff support and supervision.

#### **1987-1998 Bethany Christian Services of New England - Social Worker,**

Responsibilities included completing all pregnancy counseling for clients in New Hampshire and Vermont who requested counseling regarding their unplanned pregnancy. Completed adoptive family assessments for couples and single applicants in New Hampshire and Vermont.

#### **1989-1990 WHITE PINES COLLEGE - Instructor in Social Work Department**

Taught methods of social work and supervised student field placements.

**1986-1987 CROTCHED MOUNTAIN REHABILITATION CENTER**

**Senior Case Manager/Social Worker**

Supervision of staff, filled in for Director in his absence, led study team, other administrative duties as assigned as well as carrying full caseload.

**1979 –1986 CROTCHED MOUNTAIN REHABILITATION CENTER**

**Case Manager/Social Worker**

Duties included acting as the primary client advocate for thirty-five to forty-five multiply-handicapped students, coordinating the student's programming, acting as the liaison between the Center, the students' families, and other outside parties. Leader of the Parent Support Group for the pre-school program.

**PUBLICATIONS EDITED**

**"You Too?"** A handbook written by parents of special needs children for parents of a special needs child. Crotched Mountain Rehabilitation Center, January 1983.

**REFERENCES**

Furnished upon request.

# KATE HARRINGTON

## EDUCATION

Play Therapy Certificate, Plymouth State University, Plymouth, NH	2015
School Counseling Certification, Rivier University, Nashua, NH	2013
M.A. Educational Ministries, Gordon Conwell Theological Seminary, South Hamilton, MA	2009
B.A. Psychology, North Park University, Chicago, IL	2006

## SCHOOL COUNSELING EXPERIENCE

*PK-4 School Counselor* (August 2014 to present)  
Mastricola Elementary School, Merrimack, NH

### Individual Counseling

Builds relationships and counsels students grades K through 4 using play therapy, CBT, reality therapy, person-centered and solution focused approaches to address emotional regulation, anxiety, anger, self-esteem, attention and impulse control, and social skill deficits.

- Establishes therapeutic relationships with a caseload of students that produces significant improvement in areas of self-regulation, self-awareness, and peer relationships in order to improve overall functioning in the school setting.

Counsel numerous students in short-term crisis situations such as bullying interventions, classroom behavioral issues, and emotional distress.

- Utilizes peer mediations and conflict resolution models to effectively reduce peer conflict, decrease problem behavior(s), and teach positive methods of communication.

### Group Counseling

Leads small groups for K through 4 students weekly. Topics include anxiety, emotional regulation, family relationships, social skills, self-esteem, school success, and behavioral issues.

- Witnessed student enthusiasm for group sessions demonstrated by a commonly shared attitude of excitement to return to groups, and a majority of students utilizing skills taught and implemented during sessions.

### Classroom Guidance

Teaches classroom lessons for grades K through 4 on developmental and current issues such as character building, affect management, diversity, tolerance, bullying, social skills, and self-esteem.

- Students are actively engaged in the learning process as observed through explorative questioning, direct application of materials into their own lives, and positive student and teacher feedback.

## School Teams & Responsibilities

### CORE Building Leadership Team

- Serves as an active member of our Building Leadership Team, consisting of the Principal, Assistant Principal, Language Arts Coordinator, and Special Education Coordinator, which meets weekly to discuss student and staff welfare, upcoming events on the school calendar, and planning and preparation for activities taking place within the school.

### 504 Facilitator:

- Leads all 504 meetings, including initial referral meetings, eligibility determinations, and annual reviews.
- Creates new 504s, as well as edited and maintained existing 504s based on progress and annual reviews.

### Special Education:

- Attend weekly meetings with the PASS (Program for Academic and Social Success) team for our students with emotional disabilities in order to monitor their progress and discuss needed interventions.
- Service students with IEP goals and measure growth through progress reporting quarterly.

### Standardized Assessment Coordinator for Smarter Balanced, NECAP Science, OLSAT, and NAEP Testing

- Prepares all testing materials, assigns testing locations, monitors students' accommodations, and assigns teacher administrators for every student.
- Monitors and runs makeup sessions to ensure each student completes their assessments.

### PBIS (Positive Behavior Interventions and Supports) Committee:

- Serves as the head of the PBIS committee, and facilitates bi-monthly meetings with staff members to address areas of behavior within the school environment that we would need to target for specific interventions.

- Create a new set of “Big 3” Goals of the week, which promote a positive life skill that would be taught proactively to the students.

**KATE HARRINGTON RESUME**  
**SCHOOL COUNSELING EXPERIENCE CONTINUED**

District Mental Health Committee

- Serves as a member of the District Mental Health Committee, which is comprised of members of our school district including school counselors, behavior specialists, school psychologist, assistant principal, and nurse, which focuses on assessing the social and emotional needs of our students, and how to best meet these needs in both our school and with available community supports and resources.

Safety Committee

- Responsible for monitoring zone sections throughout the building during drills and emergency procedures, such as fire drills, lock downs, and reverse evacuations, and then attend debriefing meetings to monitor progress and address areas of concern.

CARAT/BLING Meetings:

- Participates in CARAT/BLING data meetings to address teachers’ academic, emotional and social concerns for their students, and participate in the decisions of appropriate RTI interventions to implement for the students.

*K-2 School Counselor* (August 2013 to June 2014)  
 Union Sanborn School, Northfield, NH

**Counseling Services**

- Counseled a caseload of students grades K through 2 in weekly individual and/or small group counseling.
- Created weekly classroom guidance lessons based on Steven Covey’s book “The 7 Habits of Happy Kids.”

**School Teams & Responsibilities**

504 Coordinator:

- Led all 504 meetings, including initial referral meetings, eligibility determinations, and annual reviews.
- Created new 504s, as well as edited and maintained existing 504s based on progress and annual reviews.

SAT (Student Achievement Team):

- Scheduled and participated in SAT meetings to address teachers’ academic concerns for their students, and was involved in the decisions of appropriate RTI interventions to implement for the students addressed during these meetings.

Target Team:

- Served as a member of the Target Team to address children exhibiting problem behaviors, and collaborated with the behavior specialist, classroom teacher, and school nurse about appropriate interventions.

Universal Team:

- Collaborated with team members about the theme and agenda of all monthly school-wide assemblies consistent with PBIS and “Cool Tools” based on school data.
- Created a superhero representative called “Ms. Peace” who visited students during these assemblies.

Elementary Advisory Council:

- Created a survey alongside the other Elementary School Counselors to gather and analyze data from teachers district-wide to guide the future direction of the comprehensive school-counseling program.

Homeless Liaison:

- Identified homeless students and provided clothing, food, and resources as needed.
- Maintained contact with students and their families to determine additional needs and monitored progress.

*School Counseling Intern* (August 2012 to April 2013)

McKelvie Intermediate School; Memorial Elementary School, Bedford, NH

- Counseled students grade K through 6 in weekly individual and small group counseling.
- Taught and co-taught guidance lessons for grades K through 6.
- Implemented a peer helper program.
- Participated in 504 and special education meetings.

- Aided in the assembly and distribution of NECAP testing materials for grades 5 and 6.

**KATE HARRINGTON RESUME**  
**SCHOOL COUNSELING EXPERIENCE CONTINUED**

3

**RELEVANT WORK EXPERIENCE**

**Post Graduate Degree**

*Community Faith Based Initiative Liaison* (February 2015 to July 2016)

Bethany Christian Services, Candia, NH

- Facilitating a relationship between the Division of Youth, Children and Families and the church communities by promoting awareness about the foster care system and ways communities can provide for the needs of these children and their families.
- This includes distributing foster care and adoption information to churches, organizations, and communities, setting up information/orientation meetings and events about foster care and adoption, and identifying potential foster and adoptive families.

*Supplemental Education Services (SES) Tutor* (November 2012 to May 2013)

Oxford Learning, Manchester, NH

- Provided free tutoring services for eligible elementary school students, which was comprised of state approved curriculum, including reading, writing, and mathematics.

*Curriculum Developer* (Contracted December 2011 to August 2012)

Healthy Futures, Lowell, MA

- Designed and developed curricula that provided middle school students with quality, engaging, and comprehensive teaching on sex education and healthy relationships.

*Junior and Senior High English Teacher, Junior High History Teacher* (July 2010 to June 2012)

Community Christian Academy, Lowell, MA

- Built, implemented, and taught English and history curriculum to 7th-12th grade students.
- Created appropriate learning evaluation tools to monitor and assess student progress and performance.

**Graduate Degree**

*Program Developer for Youth and Family Relationships* (Contracted June 2010 to September 2010)

Emmanuel Covenant Church, Nashua, NH

- Educated the congregation of the importance of youth ministry, and the significance of involvement of parents and congregation members in children and teens' lives.
- Developed a youth ministry model conducive to this specific congregation.

*Student Teacher* (February 2008 to May 2009)

Mount Zion High School, Manchester, NH

- Assisted in preparing lesson plans and creating Bible curriculum.
- Co-taught Bible classes for high school students (grades 9-12).

*Residential Counselor* (May 2007 to January 2008)

Nashua Children's Home, Nashua, NH

- Guided 15 female and 15 male at-risk teenagers who had been removed from their homes due to abuse and/or delinquency in daily living, social skills development, emotion and behavior management, and activity planning.

*Interim Youth Director* (January 2007 to April 2007)

Midway Community Covenant Church, Des Moines, WA

- Provided leadership and direction for the middle and high school youth ministry program.
- Led and organized weekly programming and planned youth events/activities.

**Undergraduate Degree**

*Youth Outreach Specialist Intern* (May 2006 to August 2006)

Tree House (non-profit, faith-based organization), Bloomington, MN

- Built relationships, supported, and counseled at risk youth ages 11-18.
- Lead support groups, taught lessons, planned events and games, and attended a mission trip and retreat.

**CONTRACTOR NAME**

Key Personnel

Name	Job Title	Salary	% Paid from this Contract	Amount Paid from this Contract
Cynthia Thomas	Grant Liaison	\$26.52 hourly	18 to 20 hours a week	\$24,823
Katelyn Harrington	Grant Liaison	Hourly \$25.50	4 to 6 hours a week	\$7,956
Deborah Miller	Office Administrator	Hourly \$22.28	5 hours a week	\$5,793
Janice Lessard Peightell	Grant Administrator	\$34.16 hourly	2 to 5 hours' weekly	Agency match